

Public Information Summary

Host Country	Kenya
Names of Borrowers	LEAP Trust & LEAP Programme
Project Description	Capitalization of the LEAP Trust to expand its portfolio of affordable student loans to low- and middle-income students in Kenya.
Proposed DFC Loan	\$4,000,000
All-Source Funding Total	\$11,680,000
Policy Review	
Developmental Objectives	<p>This Project is expected to have a highly developmental impact by expanding the financing options available to students in Kenya, many from low-income families. LEAP's target beneficiaries are high-achieving students who do not possess the means to finance their own education, lack the collateral necessary to receive a commercial loan, and are unable to secure scholarships or government loans. The Project's Kenyan operations are women- owned and women-led, and LEAP aims to increase the availability of higher education financing for female students. LEAP seeks to demonstrate that investors can profit by offering affordable loans to students in Kenya and East Africa – including low-income students – and still generate a profit from utilizing scale.</p>
Environment and Social Assessment	<p>The Project has been reviewed against the DFC's 2020 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. DFC loans to financial institutions for the purposes of on-lending to students for educational purposes are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts.</p> <p>To ensure that the Project's investments are consistent with the DFC's statutory and policy requirements, the Project will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for revisions to the employee grievance policy that meets the 2012 IFC Performance Standards.</p> <p>Under the DFC's ESPP, the Project is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2. A desk-review based due diligence assessment indicates that</p>

	<p>because the Project will use DFC support for the expansion of lending to students for educational purposes, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Project has an environmental and social policy (“ESP”), internal processes and procedures comprised of grievance mechanisms, financial risk identification and mitigation procedures, and human resources policies. Prior to receipt of DFC support, the Project will be required to strengthen its Human Resources Policies to align with the DFC’s 2020 ESPP and applicable IFC Performance Standards.</p>
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