

Public Information Summary

| | |
|--|--|
| Host Countries | Mexico, Colombia, and Peru |
| Name of Guaranteed Party | Conservation International Ventures LLC (Delaware, USA) (Guaranteed Party) and Conservation International Foundation (As Fund Manager) |
| Project Description | Loan portfolio guaranty to strengthen CI Ventures' ability to provide loans to micro, small-and medium-sized enterprises that operate in sustainable agriculture, forestry, ecotourism and wild fisheries in Mexico, Colombia, and Peru. |
| Proposed DFC Loan/Guaranty | \$5,000,000 guaranty, tenor 10 years. |
| All-Source Funding Total | \$10,000,000 |
| Policy Review | |
| Developmental Objectives | The project is anticipated to have highly developmental impact in Colombia, Mexico, and Peru by providing an innovative financing mechanism for early-stage conservation focused MSMEs in targeted ecosystems and sectors. CI Ventures provides catalytic early-stage financing where most investors are unwilling to invest, along with support to help borrowers mature their business functions, scale their impact, and become fully investment ready. At least 50% of the Project's proceeds will benefit underserved regions in Mexico, Peru, and Colombia identified in collaboration with the USAID missions in each country based on their need for investment and vulnerability to environmental degradation. |
| 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 loan portfolio guaranties for the expansion of lending to small, and medium enterprises 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. Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Guaranteed Party's investments are consistent with the DFC's statutory and policy requirements, the DFC loan portfolio guaranty 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 an Environmental and Social Policy ("ESP") that meets the 2012 IFC Performance Standards.</p> |

| | |
|--|--|
| | <p>Under the DFC’s ESPP, the Guaranteed Party 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 because the Project will use DFC support for the expansion of lending to SMEs in the forestry, agriculture, and fisheries sectors, 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 Guaranteed Party has a formal basic environmental and social management system (“ESMS”) that is comprised of grievance mechanisms, environmental and social risk identification and mitigation procedures, and human resources policies commensurate with its investment strategy, but will require some strengthening regarding its environmental and social risk management policies in order to meet the DFC’s 2020 Environmental Policy and Procedures.</p> |
|--|--|