

Public Information Summary

Host Country	Tanzania.
Name of Borrower	First Housing Finance (Tanzania) Ltd. (“FHF”).
Project Description	Financing the expansion of FHF’s loan portfolio of mortgage loans to female, low- and middle-income borrowers in key Tanzanian cities.
Proposed DFC Loan	A \$10,000,000, twelve-year direct loan.
All-Source Funding Total	\$11,000,000.
Policy Review	
Developmental Objectives	The Project is expected to have a highly developmental impact by expanding Tanzania’s nascent mortgage market for low and middle-income households. Tanzania’s growing population suffers from scarce access to affordable housing and finance. The Project’s borrowers are expected to be inclusive, accommodating approximately 20% low income households and over 25% women borrowers, a significant expansion of FHF’s and the industry’s lending in these segments of the market.
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 direct investments to non-banking financial institutions to support the expansion of mortgage and home renovation portfolios 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 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 Borrower’s investments are consistent with the DFC’s statutory and policy requirements, the DFC loan 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 Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the</p>

	<p>2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-based due diligence assessment indicates that because the Project involves DFC support to a non-banking financial institution to support its mortgage lending and home renovation portfolio in Tanzania, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated. Therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>While the Borrower has formal human resource policies and grievance mechanisms, it lacks a formal Environmental and Social Risk Policy, and will require further development of its grievance mechanisms system to meet DFC’s requirements.</p>
--	--