

## Public Information Summary

<b>Host Country</b>	Colombia
<b>Name of Guaranteed Party</b>	Mibanco – Banco de la Microempresa de Colombia S.A.
<b>Project Description</b>	In collaboration with USAID/Colombia, a ten- year \$17.5 million (DFC exposure) loan portfolio guaranty to catalyze lending to migrants, including Venezuelan and/or Colombian nationals in targeted urban and rural municipalities.
<b>Proposed DFC Guaranty</b>	A ten-year, \$17,500,000 loan portfolio guaranty
<b>All-Source Funding Total</b>	\$35,000,000
<b>Policy Review</b>	
<b>Developmental Objectives</b>	This project is expected to have a highly developmental impact with guaranty coverage on loans focused on supporting migrants and post-conflict rural areas of Colombia. The MSME financing gap in Colombia is estimated at \$38 billion, of which the micro gap is an estimated \$4 billion. In addition to support for Venezuelan migrants, roughly 55% of borrowers under the Project are expected to be women. The MSME financing gap specific to women in Colombia is estimated at \$5.4 billion. In addition, borrowers under the guaranty will be supported by two technical assistance facilities managed by USAID.
<b>Environment and Social Assessment</b>	<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 micro, small, and medium enterprises (“MSMEs”) 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 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</p>

	<p>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 MSMEs in Colombia, 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 an 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 child and forced labor policies and organizational capacity to meet the DFC’s 2020 Environmental Policy and Procedures.</p>
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