

## Public Information Summary

<b>Host Country</b>	Nepal
<b>Name of Borrower</b>	Sanima Bank Limited
<b>Project Description</b>	A \$5 million Loan Portfolio Guaranty to catalyze loans to small- and medium-sized enterprises operating in the EV sector for commercial and public transport.
<b>Proposed DFC Funding</b>	\$2.5 million, seven year tenor.
<b>All-Source Funding Total</b>	\$5 million
<b>Project Description</b>	This Project involves a seven-year \$10 million DFC Loan Portfolio Guaranty (LPG) to Sanima Bank (“the Guaranteed Party”) that will cover up to 50% of the Guaranteed Party’s issuance of loans to small- and medium-sized enterprises (SMEs) in the EV sector in Nepal (the “Project”). The LPG will cover borrowers in the commercial and public transport focus areas and is supported by USAID’s Urja Nepal program.
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a positive development impact in Nepal by helping to address the negative public health and climate consequences that result from the country’s fossil fuel-dependent transport sector. Nepal has some of the worst air quality in the world and according to the World Health Organization, the country’s air quality has become a serious environmental and public health risk. With the transport sector accounting for 36% of annual total greenhouse gas emissions in Nepal, the Government of Nepal seeks to have approximately 20% of its public transport vehicles be electric by 2025. Consistent with this public policy objective, the Project seeks to provide much needed financing to enterprises that own/operate minibus fleets for public transportation routes in Nepal for the purpose of procuring electric vehicles (“EVs”), charging stations, and associated technology components. Additionally, since public transport minibus fleets are small and medium enterprises (SMEs), the Project will support greater access to finance – including climate finance – to Nepal’s underbanked SME segment.