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## IFCH-819993122 Request for Information on IFC project with DLL

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Tue, Apr 2, 2024 at 5:07 AM

To: " " <@accountabilityproject.org> <@accountabilityproject.org>

Dear " " ,

Thank you for reaching out about IFC's Project with DLL via our info portal. The proposed investment will support leasing and credit financing of Pollution Reduction Equipment or Climate Smart Agriculture equipment in the agriculture and food processing sectors.

The Project consists of four loans, each to be allocated in the form of an A Loan in local currency, to DLL subsidiaries in Brazil, Chile, Mexico, and Poland. Corporate entities will only be supported in Mexico, though the project aims to mostly support SMEs there as well.

IFC is applying PS1 and PS2 to assess DLL's Environmental and Social Management System and labor standards. These transactions are limited in scope and do not have significant environmental and social risks. Nevertheless, recognizing that some sub-borrowers may be exposed to environmental and social risks outside these transactions, DLL will assess those sub-borrowers against IFC's requirements and limit the geographic scope of sub-borrowers to certain regions where environmental and social risks are lower.

As for the periodic reports, DLL owns the information. It is important to note that the IFC does not have the discretion to disclose the documents on behalf of the client, and the client is not required to disclose them under the IFC Performance Standards or the Access to Information Policy. Also, this investment does not meet IFC's criteria for sub-project disclosure.

The non-climate-smart equipment is 'Pollution Reduction Equipment' that does not meet the IFC-defined 'Climate Smart' requirements but still reduces pollution. IFC's Climate Smart Agriculture Guidelines are internal documents that follow the multilateral development banks' common principles to address food security and promote sustainable development while addressing climate change issues. In practice, it represents a set of agricultural practices and technologies which boost productivity, enhance resilience, and reduce GHG emissions.

CAFI will be used as a reporting tool during the implementation of the Project.

Let us know if you need additional information.

Saludos,

Carolina

Maria Carolina Hoyos

CSO engagement officer

IFC