

Public Information Summary

Host Country	Mexico
Names of Borrowers	Mexarrend S.A.P.I. de C.V. and its wholly owned subsidiary, Inversiones y Colocaciones Inmobiliarias, S.A.P.I. de C.V., both variable capital investment promotion stock corporations incorporated in Mexico, (together, “Mexarrend”)
Project Description	Expansion of leases and financial products for small and medium enterprises (“SMEs”) in Mexico, primarily in consumer, manufacturing, and health-care sectors (the “Project”)
Proposed DFC Loan	10-year, \$45 million direct loan
All-Source Funding Total	\$109,226,358
Policy Review	
Developmental Objectives	The Project is expected to have a positive developmental impact in Mexico by funding new leases for small- and medium-sized enterprises (SMEs) to acquire productivity-enhancing technology. Mexican SMEs have limited access to finance despite driving much of the country’s economic growth and contributing significantly more than half of employment. These firms account for less than approximately 15 percent of credit issued to the private non-financial sector. The lack of credit contributes to SMEs having significantly lower productivity than larger firms in Mexico, with this productivity gap greater than in comparable countries according to the Organization for Economic Co-operation and Development
Environment and Social Assessment	The Project involves leases for the purchase of equipment to SMEs in Mexico. The Project has been reviewed against DFC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving financial services, including leases for the purchase of equipment, are screened as Category C projects under DFC’s environmental and social guidelines but are subject to conditions related to the use of proceeds. Excluded activities include leases to entities engaged in categorically prohibited activities or activities likely to have a significant adverse impact on the environment. Environmental, health, and safety impacts associated with the Project are minimal and will be properly managed by the Borrower in a manner consistent with the International Finance Corporation’s Performance Standards (2012). The Borrower has developed policies and procedures that address environmental risks associated with its equipment financing activities.