

Public Information Summary

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| Host Country | Colombia |
| Name(s) of Borrower(s)/Guaranteed Party(ies) | Rentandes S.A.S. |
| Project Description | Expansion of a longer-term lease portfolio targeting SMEs throughout Colombia. |
| Proposed DFC Loan/Guaranty | \$10 million, 9.75 yrs. |
| All-Source Funding Total | \$13.4 million |
| Policy Review | |
| Developmental Objectives | The Project is expected to have a developmental impact on Colombia’s economy through the provision of long-term machinery and vehicle leases to SMEs In Colombia, SMEs generate about 67% of employment and 28% of GDP, yet they have limited access to financing for vehicles, particularly as prices rise due to inflation. An estimated 45% of Colombian SMEs require vehicles or machinery to operate their businesses, yet only 11% of credit is used for leasing such machinery. Renting rather the purchasing equipment can help SMEs maintain capital levels, preserve credit lines, and access technology at lower costs. DFC financing is expected to support the Project Company in extending operating leases to SMEs in various industries, including agribusiness, port operations, and river transportation, with an emphasis on lending to rural and women-owned or -led SMEs. |
| Environment and Social Assessment | 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 financial intermediaries for the expansion of heavy equipment leasing and renting to small and medium enterprises (“SMEs”) 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. To ensure that the Borrower’s investments are consistent with the DFC’s statutory and policy requirements, the DFC loan portfolio guaranty will be subject to conditions. 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. Under the DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and |

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| | <p>regulations related to 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 supporting the expansion of its construction equipment leasing in Colombia, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. The Borrower does utilize private security and therefore, relevant aspects of IFC PS 4, Community Health, Safety, and Security are triggered at this time. The Borrower has a basic Safety, Health, and Environmental Policy ("ESP") that is comprised of grievance mechanisms, environmental and safety guidelines, and human resources policies commensurate with its investment strategy and that generally aligns with the DFC's 2020 Environmental Policy and Procedures. However, the Borrower will be required to provide updates to its ESP to align with IFC PS 1, related to its GHG accounting and reporting, and evidence that its privately contracted security is trained in accordance with principles described in IFC PS 4 for DFC's review and acceptance.</p> |
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