

Public Information Summary

Host Country(ies)	Benin
Name(s) of Borrower(s)/Guaranteed Party(ies)	Orabank Benin S.A.
Project Description	Loan portfolio guaranty to support lending to small and medium enterprises (SMEs) in Benin, particularly those operating in the health sector. At least 30 percent of the value of lending will be disbursed to businesses led by women or persons with disabilities.
Proposed DFC Loan/Guaranty	\$7,500,000
All-Source Funding Total	\$15,000,000
Policy Review	
Developmental Objectives	The Project is expected to have a positive development impact in Benin by helping to address the country's small and medium enterprise (SME) financing gap and the lack of quality healthcare. More specifically, the Project will seek to improve the quality and availability of healthcare services in Benin by allocating 67% of proceeds to SMEs in the healthcare sector. The Project will also address women's access to finance by allocating 20% of proceeds to women-owned/led SMEs. Additionally, the Project will allocate 10% of proceeds to SMEs owned by people with disabilities.
Environment and Social Assessment	<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 to financial institutions for the expansion of lending to micro, small, and medium enterprises are screened as a Financial Intermediary C (FI-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 low risk 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 will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this</p>

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 Guaranteed Party is required to comply with applicable local and national laws and 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 the expansion of MSME lending in Benin, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. The Guaranteed Party does utilize private security and therefore, relevant aspects to IFC PS 4, Community Health, Safety, and Security are triggered.

The Guaranteed Party has a formal Environmental and Social Management System and human resources policies generally commensurate with its investment strategy but will be required to provide the DFC evidence that private security are trained in accordance to IFC PS 4 requirements to meet the DFC’s expectations found within the ESPP.