

INFORMATION SUMMARY FOR THE PUBLIC
Banco del Pais S.A.

Host Country	Honduras
Name of Borrower	Banco del Pais S.A
Project Description	Up to \$92.3 million of medium- and long-term onlending to SMEs in Honduras and refinancing a portion of current indebtedness. No less than 28% of the OPIC Loan will be allocated exclusively for women-owned or women-led SME borrowers.
Proposed OPIC Loan/Guaranty	\$92.3 million for 12 years
Total Project Costs	\$123.1 million
U.S. Sponsor	Citibank, N.A.
Foreign Sponsor	Banco del Pais S.A.
Policy Review	
U.S. Economic Impact	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is not expected to have an impact on the U.S. balance of trade.
Developmental Effects	This Project is expected to have a positive developmental impact through the provision of vital debt capital to small, medium, and growing businesses in Honduras. Access to finance is a significant barrier for businesses in Honduras, especially for SMEs, which face a credit gap of \$2 billion. In the World Bank’s Enterprise Survey, access to finance was chosen by business owners and top managers in 332 Honduran firms as the single biggest obstacle to the growth their business. Despite improvements during the last decade, only 44.6 percent of firms in Honduras have a line of credit, below the Latin American and Caribbean regional average of 47.3 percent. Similarly, according the World Economic Forum’s Global Competitiveness Report, access to financing ranks as one of the top ten “most problematic factors of doing business” in Honduras. The Project expects to inject over \$100 million in capital to businesses throughout Honduras. The Project also expects to have a positive impact on women as an estimated \$35 million of Project proceeds will be on-lent to women-owned and women-led businesses. The gap in economic opportunity equality for women is proven to be wider in Latin America compared to the rest of the world, and especially in Honduras, which ranks 123 rd in labor force participation and 99 th in parity for earnings by the World Economic Forum’s Global Gender Gap Report.

<p>Environment and Social Assessment</p>	<p>The Project has been reviewed against OPIC’s 2017 Environmental and Social Policy Statement (“ESPS”) and has been determined to be categorically eligible. Under OPIC’s ESPS, the Borrower 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. Loans for the purposes of SME on-lending are screened as Category C for the purposes of environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Borrower’s investments are consistent with OPIC’s statutory and policy requirements, the OPIC guaranteed loans made to the Borrower will be subject to conditions regarding the use of proceeds. The primary environmental and social issues associated with the Project include the need for an adequate Environmental and Social Management System (“ESMS”) to ensure that downstream investments are developed in accordance with the applicable 2012 IFC Performance Standards.</p> <p>A desk review due diligence assessment indicated that because the Project involves SME on-lending, significant impacts with respect to community health and safety, land acquisition and resettlement, indigenous peoples, cultural heritage, biodiversity, or environmental health are not anticipated. Therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Bank is ISO 9001:2015 accredited and has an Environmental and Social Management System called (“SARAS”) by its abbreviation in Spanish (Sistema de Administración de Riesgos Ambientales y Sociales). The main purpose/objective of SARAS is to identify, evaluate and manage the social and environmental impacts caused by companies and projects being financed by the Bank.</p> <p>The SARAS demonstrates the Bank’s commitment to environmental and social management, explains procedures for identifying, assessing and managing environmental and social risk factors, describes roles, responsibilities and capacity needed by staff, provides a methodology and system to screen and categorize projects/risk, and establishes monitoring protocols. The SARAS commits the Bank to abide by local laws, regulations, and adhere to the 2012 International Finance Committee (IFC) Performance Standards (PS) as well as the International Labor Organization (ILO) standards.</p>
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	<p>The level of complexity and detail of the Bank's management programs are commensurate with the Project's risks and impacts. The Bank has a risk screening process in place, a Code of Ethics, detailed HR policies and procedures, and an overarching guiding SARAS to assist it to make sound social and sustainable environmental investment decisions.</p>
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