

Public Information Summary

Host Country	Liberia
Name of Borrower	International Bank (Liberia) Limited
Project Description	On-lending facility for small and medium enterprises.
Proposed DFC Loan/Guaranty	\$20,000,000
All-Source Funding Total	\$26,800,000
Policy Review	
Developmental Objectives	<p>This Project is expected to have a highly developmental impact in Liberia, by expanding International Bank (Liberia) Limited’s lending to SMEs. Coming out of years of internal conflict, the country continues to face significant challenges. In 2014 – 2015 the country was hit by the Ebola outbreak, then commodity prices, upon which the country is dependent, saw a decline, and now COVID-19 is predicted to inflict another hit on economic growth prospects. Support for SMEs is critical in Liberia, as practically the entire economy is comprised of SMEs, with 80% percent of companies employing less than 20 people, and a further 13% employ less than 100 people. Continuing support for these SMEs further important for not only Liberia’s economic prospects and but also providing employment opportunities for the nearly 60% percent of the population that is under the age of 25.</p>
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. Loans to Banks for the SME lending 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 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 Bank’s investments are consistent with the DFC’s statutory and policy requirements, the DFC-guaranteed loans made to the Bank will be subject to conditions regarding the use of proceeds. 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.</p> <p>Under the DFC’s ESPP, the Bank 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</p>

	<p>Project will use DFC support for the expansion of lending to SME on lending in Liberia in the sectors of manufacturing, construction, and agriculture, 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 Bank does utilize private un-armed security guards at its various branches and therefore, PS 4 requirements will apply.</p> <p>The Bank has a basic environmental and social management system (“ESMS”) that is comprised of grievance mechanisms, environmental and social risk identification and mitigation procedures, and human resources policies commensurate with its investment strategy, but will require some strengthening regarding its environmental and social risk management policies in order to meet the DFC’s 2020 Environmental Policy and Procedures.</p>
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