

Annex B – Public Information Summary

Host Country	Brazil
Name of Fund	GEF LatAm Climate Solutions Fund III-A, L.P.
Name of Fund Manager	GEF LatAm Partners III, L.P.
Project Description	The Fund will invest growth capital in established small and medium sized companies providing climate change and resource efficiency solutions.
Proposed DFC Equity Investment	Up to \$25 million
Target Fund Size	\$200 million
Policy Review	
Developmental Objectives	The Fund is expected to have a highly developmental impact through targeted investments in sectors improving human capital development, such as renewable energy, agriculture, and WASH (Water, Sanitation, and Hygiene). Brazil suffers from elevated levels of food insecurity. Millions go without access to safely managed water and experience preventable life-years lost. The Fund will deploy millions of dollars in renewable energy, agriculture, and waste water management.
Environment and Social Assessment	<p>SCREENING: The capitalization of a fund is screened as a Category D activity for the purposes of environmental and social assessment. Based on DFC’s due diligence, the Fund’s downstream investments are anticipated to pose medium or limited environmental and social risks that are site specific and that can be readily mitigated through the application of sound environmental and social management practices. Consistent with DFCs policy on the assessment of financial intermediary transactions (dated April 2020) the Fund is eligible for delegated responsibility for the application of DFC’s policies related to environmental and social impact assessment, risk management and monitoring. In order to ensure that the Fund’s investments are consistent with DFC’s statutory and policy requirements, the Project will be subject to conditions regarding the use of the DFC proceeds.</p> <p>APPLICABLE STANDARDS: Under DFC’s ESPP (2021), the Fund 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 (IFC) Performance Standards (“PS”) 1 and 2.</p>

	<p>A desk-based assessment indicates that because the Project involves an investment in a financial intermediary, significant adverse impacts with respect to pollution, community health and safety, land acquisition and resettlement, biodiversity, indigenous peoples, and cultural heritage are not anticipated. Therefore, PSs 3, 4, 5, 6, 7, and 8 are not triggered by the Project at this time.</p> <p>KEY ENVIRONMENTAL AND SOCIAL ISSUES AND MITIGATION: The primary environmental and social issue associated with the Project is the need for a strong Environmental and Social Management System to ensure that downstream investments are developed in accordance with DFCs Environmental and Social Policies and Procedures (ESPP). The Fund has a sound Environmental and Social Management System in place suited to the risks of the anticipated portfolio and trained managers with proven implementation capability.</p>
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