

Public Information Summary

Host Country	Colombia
Name Guaranteed Party	Banco de las Microfinanzas – Bancamia S.A.
Project Description	A loan portfolio guaranty of qualifying loans to micro, small, and medium private enterprises. The guaranty facility will be used to mitigate risk associated with lending to Venezuelan migrants and Colombian receptor communities.
Proposed DFC Guaranty	\$5,000,000 guaranty, tenor 7 years
All-Source Funding Total	\$8,000,000
Policy Review	
Developmental Objectives	This Project is expected to have a highly developmental impact with loans to support MSMEs in Colombia, which are directly impacted by the economic crisis in Venezuela that has sent more than a million migrants across the border into Colombia. Loans supported by this Project will include support for both businesses operated by Venezuelan migrants in Colombia, as well as businesses operating in areas hosting these migrants. The MSME financing gap in Colombia is estimated at \$38 billion, of which the micro gap is an estimated \$4 billion.
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 for the expansion of lending to micro, small, and medium enterprises 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 Guaranteed Party’s investments are consistent with the DFC’s statutory and policy requirements, the DFC loan portfolio guaranty 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 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</p>

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 lending to targeted immigrant and migrant populations for micro, small, and medium enterprises in the manufacturing, agriculture, and trade/retail sectors in Colombia, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.

The Guaranteed Party has various document, policies, and procedures that when taken as a whole, comprise of a basic environmental and social management system ("ESMS"). The policies and procedures include 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.