

Public Information Summary

Host Country(ies)	Vietnam
Name(s) of Borrower(s)/Guaranteed Party(ies)	Tien Phong Commercial Joint Stock Bank
Project Description	The Borrower will use the loan proceeds to expand its on-lending program to micro-, small- and medium-sized enterprises (“MSMEs”) and low-income customers, including at least 30% to women MSMEs or female low-income customers, and retail customers.
Proposed DFC Loan/Guaranty	\$100,000,000
All-Source Funding Total	\$225,000,000
Policy Review	
Developmental Objectives	The Project is expected to have a positive development impact in Vietnam by supporting financial inclusion for both individuals and micro, small, and medium enterprises (MSMEs). Over half of all adults in Vietnam lack a bank account. Lack of collateral as well as physical distance to financial service providers represent major barriers to access to finance. The Project will result in a \$225,000,000 loan portfolio for unsecured digital lending as well as traditional MSME lending which addresses several of these main constraints to financial inclusion, with a particular focus on women.
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 direct loans 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 Borrower’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 transaction relate to the need for an</p>

	<p>Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p> <p>Under the DFC’s ESPP, 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. A desk-review based due diligence assessment indicates that because the Project will use DFC support for the expansion of MSME lending in Vietnam, 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 Borrower does utilize private security and therefore, relevant aspects to IFC PS 4, Community Health, Safety, and Security are triggered.</p> <p>The Borrower has a formal Environmental and Social Management System and human resources policies generally commensurate with its investment strategy but will require some strengthening of its policies to include a formal child and forced labor risk methodology, GHG tracking and reporting, non-discrimination, and worker grievance mechanisms to meet the DFC’s expectations found within the ESPP.</p>
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