

Public Information Summary

Host Geography	West Bank
Name(s) of Borrower(s)/Guaranteed Party(ies)	Ritz Leasing
Project Description	Expansion of electric vehicle leasing and related charging infrastructure for SMEs in the West Bank
Proposed DFC Loan/Guaranty	\$10 million; 7 years
All-Source Funding Total	\$18,800,000
Policy Review	
Developmental Objectives	<p>The Project is expected to have a positive development impact in the West Bank by providing financing for electric vehicles (EVs) for small and medium enterprises (SMEs) as well as expanding public EV charging infrastructure. 99% of enterprises in the West Bank are SMEs, yet these enterprises face financing requirements for credit from traditional banks that are often out of reach. The Project will help fill this gap by providing affordable financing for 500 EVs for SMEs, with a particular focus on women-owned and -led SMEs, as well as adding public charging stations across the West Bank.</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. DFC loans to financial intermediaries for providing vehicle financing which service small-and-medium-enterprises ("MSME") and individual borrowers 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 lending practices 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 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</p>

	<p>environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-based due diligence assessment indicates that because the Project will use DFC support for on-lending to private individual borrowers and SME’s for EV vehicle leasing, and will also use proceeds for the installation of EV charging infrastructure in the West Bank, 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 Borrower does employ the use of contracted security personnel off-site and therefore PS 4 is triggered at this time, and the Borrower will need to provide evidence of a security management policy and plan in accordance with IFC PS4.</p> <p>The Borrower does not have an environmental and social policy as described in IFC PS 1, but does have an appropriate external grievance mechanism. The Borrower has human resources policies and internal grievance mechanisms which are partially aligned to IFC PS2 and therefore will require updates to be adequacy commensurate with its investment strategy. In accordance with the DFC’s 2020 Environmental Policy and Procedures the Borrower will be required to adopt and implement an environmental and social management policy that adequately provides procedures for assessing and managing the risks associated with electric vehicles and charging infrastructure construction and installation, contractor management, and security services.</p>
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