

Public Information Summary

Host Country	Moldova
Name of Borrower	O.C.N. Microinvest S.R.L. (“Microinvest”)
Project Description	The proceeds of the 10-year DFC loan will be used to expand Microinvest’s lending portfolio to micro, small- and medium enterprises (“MSMEs”) in Moldova.
Proposed DFC Loan	\$30,000,000 direct loan
All-Source Funding Total	\$36,000,000
Policy Review	
Developmental Objectives	<p>The Project is expected to have a positive development impact in Moldova by helping to address the country’s MSME financing gap, which is estimated to be approximately \$894 MM, or 13.65% of GDP. The Project will provide much-needed financing to underserved MSMEs, the majority of which will be in the rural regions of the country. The Project qualifies as 2X Eligible Enterprise based on its majority women-led Investment Committee and female employment and an anticipated 30% of loans made to 2X Eligible Enterprises. Given the Project’s characteristics, it is characterized as Highly Impactful per DFC’s Impact Quotient (IQ).</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 Microinvest for the lending to MSMEs 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 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 loans 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-review based due diligence assessment indicates that as the Project will use DFC support for the expansion of the Borrower’s MSME lending in Moldova, 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 utilizes private security and therefore, relevant aspects of IFC PS 4, Community Health, Safety and Security are triggered at this time.</p> <p>The Borrower has a basic environmental and social policy, grievance mechanisms and human resources policies generally align with the expectations listed in the DFC’s 2020 Environmental Policy and Procedures and IFC PS 1 and 2. The Borrower will be required to provide updates to its human resources policies and its Environmental and Social Policy to align with DFC’s expectations as a condition of receipt of DFC support.</p>
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