



Public Project Profile

Host Country:	Mexico
Name of Borrower:	Mercader Financial, S.A. de C.V., SOFOM, E.R.
Project Description:	Expansion of Mercader's loan and leasing activities to Mexican SMEs.
Proposed OPIC Loan:	\$14,625,000
Total Project Cost:	\$15,450,000
U.S. Sponsor:	Amembal & Associates
Foreign Sponsor:	Dina Camiones S.A. de C.V., Grupo Minsa S.A.B. de C.V.
U.S. Economic Impact:	This Project is not expected to have a negative impact on the U.S. economy or employment, as it involves SME lending and leasing in the host country. Initial U.S. procurement associated with this Project is expected to have a de minimus impact on U.S. employment. The Project is expected to have a net negative five year U.S. balance of payments impact.
Developmental Effects:	This Project will have positive developmental impacts on Mexico. The Project is expected to provide Mexican SMEs with access to capital for various types of equipment that will support and grow their businesses and foster economic development. McKinsey & Company estimates that Mexico suffers from a credit gap of approximately \$60 billion, three quarters of which is born by businesses with fewer than 250 employees. The Project is expected to provide longer tenor loans than the Project Company currently offers. A percentage of the loans and leases are expected to benefit women-managed businesses and SMEs located in rural areas.
Environment	PUBLIC SUMMARY: The Project has been reviewed against OPIC's categorical prohibitions and has been determined to be categorically eligible. Loans for the purpose of SME on-lending are screened as Category C for the purposes of environmental and social assessment. Negative environmental, health, safety and social impact concerns are expected to be minimal. The key environmental and social issues of concern include the need for the Borrower to develop and implement a social and environmental management system (SEMS) and to continue to develop and implement its grievance mechanism in accordance with IFC's Performance Standards.



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Worker Rights	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions, OPIC's Environmental and Social Policy Statement and applicable local labor laws. OPIC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining. Standard and supplemental contract language will be applied to all workers of the Project. Loans to SMEs will be restricted with respect to the borrowers' operations, including the employment of minors and other applicable labor laws.</p> <p>The Project will be required to develop and implement a labor management system that addresses labor risk commensurate with its employment-related risks and consistent with the IFC Performance Standards, OPIC's Environmental and Social Policy Statement and applicable local labor law, including Human Resource Policies and Procedures, an employee grievance mechanism, and a non-discrimination policy. The Project will be required to develop and implement a Social and Environmental Management System (SEMS) that addresses labor risk commensurate with the risks</p>
Human Rights	<p>OPIC issued a human rights clearance for this project on December 14, 2015.</p>