

## Public Information Summary

<b>Host Country(ies)</b>	Burkina Faso, Guinea, Mali, Sierra Leone
<b>Name(s) of Borrower(s)/Guaranteed Party(ies)</b>	Stichting Cordaid (Guaranteed Party); Cordaid Investment Management B.V. (Facility Manager)
<b>Project Description</b>	Loan portfolio guaranty to catalyze lending to small and medium enterprises (SMEs) and microfinance institutions (MFIs) in West Africa.
<b>Proposed DFC Loan/Guaranty</b>	\$14,750,000
<b>All-Source Funding Total</b>	\$32,500,000
<b>Policy Review</b>	
<b>Developmental Objectives</b>	<p>This transaction is expected to have a highly developmental impact on Sierra Leone, Mali, Burkina Faso and Guinea, which are all low-income countries, through support for MSMEs in the region where financing availability is limited. According to the SME Finance Forum, the MSME credit gap in these countries is over \$3 billion, with the gap in Burkina Faso the largest at \$1.6 billion. In addition to the MSME credit gap, there is limited domestic credit, with lending to the private sector only 16% of GDP on average for the four countries. For both Guinea and Burkina Faso, this figure is less than 10% of GDP.</p>
<b>Environment and Social Assessment</b>	<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 Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-review based due diligence assessment indicates that</p>

	<p>because the Project will use DFC support for supporting the expansion of its on-lending to Micro, Small, and Medium Enterprises (“MSMEs”) and Micro-Finance Institutions (MFI’s) in Sierra Leone, Mali, Burkina Faso, and Guinea, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Guaranteed Party has a basic environmental and social management system (“ESMS”) that is comprised of 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.</p>
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