

## Public Information Summary

<b>Host Country</b>	Ecuador (UMIC)
<b>Name of Borrower</b>	Banco de la Producción S.A. ("Produbanco")
<b>Project Description</b>	Produbanco will use the DFC loan proceeds to expand its women borrowers and small-and-medium enterprise ("SME") loan portfolio. Of the loan proceeds (i) at least 30% will be for 2X loans, (ii) at least 20% for green lending, and (iii) the remaining 50% for other SME loans. The Loan will also provide much-needed liquidity to support these portfolios in the wake of the COVID-19 pandemic.
<b>Proposed DFC Loan</b>	An up to \$150 million, 8-year door-to-door loan with a two-year principal grace period before level payment amortization.
<b>All-Source Funding Total</b>	Up to \$187.5 million
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a highly developmental impact in Ecuador by supporting Produbanco's on-lending to SMEs and women borrowers. This lending is expected to mitigate the impact of the COVID-19 pandemic on the Ecuadorian economy. The pandemic's impact resulted in 2020 GDP growth projections plummeting to minus eleven percent as of October, and the country is not expected to return to pre-pandemic economic activity levels until 2025. Prior to the pandemic, the credit gap for Ecuadorian SMEs was 16 percent of GDP, while Ecuadorian women reported notably lower rates of both borrowing and availability of emergency funds compared to Ecuadorian men. The Project will also support on-lending under Produbanco's "green" program, targeting borrower implementation of energy efficiency machinery, sustainable certification, and other interventions with potential environmental benefits.
<b>Environment and Social Assessment</b>	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 banks for support for expansion and liquidity for SME lending for COVID-19 recovery 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.

To ensure that the Bank's investments are consistent with the DFC's statutory and policy requirements, the DFC loans made to the Bank 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.

Under the DFC's ESPP, the Bank 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 to support SME lending in Ecuador to alleviate adverse impacts of COVID-19, 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.

The Bank has an environmental and social management policy and policies that include grievance mechanism and human resources policies commensurate with its investment strategy. Overall, the Bank's environmental and social risk framework will require some strengthening to meet the DFC's 2020 Environmental Policy and Procedures.