

Public Information Summary

Host Country:	Peru
Name of Borrower:	Cooperativa de Ahorro y Credito Pacifico (“Coopac”)
U.S. Sponsor:	WorldBusiness Capital, Inc.
Foreign Sponsor:	Coopac
Project Description:	The expansion of Coopac’s lending to small and medium-sized enterprises (“SMEs”) in Peru.
Total Project Cost:	\$10,000,000
Loan Provided Under DFC-WorldBusiness Capital Framework Agreement:	\$9,750,000
Developmental Effects:	The Project is expected to have a developmental impact on the economy of Peru through the provision of financial services to SMEs, with a portion of funding dedicated to women-owned and women-led enterprises. SMEs contribute substantially to the Peruvian economy, but only 35% of SMEs operating in the country have borrowed from a formal financial institution. The Peruvian government is actively seeking ways to bring SMEs into the formal economy, with a goal of raising the proportion of SMEs with formal loans to 60% in order to spur economic growth. ¹ Coopac’s model for SME lending is well-aligned with Peru’s national strategy for economic development.
Environmental and Social:	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. Loans for the purposes of SME lending are screened as Category C projects for the purpose of environmental and social assessment in accordance with DFC’s ESPP. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream

¹ <https://oxfordbusinessgroup.com/analysis/line-growth-increasing-financing-options-small-and-medium-sized-enterprises-remains-priority>

investments have been pre-screened as Category C and further review and consent is not required for these investments.

To ensure that the Borrower's investments 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.

Under the DFC's ESPP, the Borrower 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 for SME lending in Peru, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.

The Borrower has an Environmental and Social Risk Policy, grievance mechanisms, and human resources policies commensurate with its investment strategy, but will require some strengthening regarding its Environmental and Social risk and Human Resources policies in order to meet the DFC's 2020 Environmental Policy and Procedures.