

**INFORMATION SUMMARY FOR THE PUBLIC**  
**Banco Regional S.A.E.C.A.**

Host Country	Paraguay
Name of Borrower(s)	Banco Regional S.A.E.C.A.
Project Description	Up to \$184 million of medium and long-term onlending to SMEs in Paraguay.
Proposed OPIC Guaranty	\$138.00 million
Total Project Costs	\$184.00 million
U.S. Sponsor	Citibank, N.A.
Foreign Sponsor	Banco Regional S.A.E.C.A.
<b>Policy Review</b>	
U.S. Economic Impact	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a neutral impact on the U.S. trade balance.
Developmental Effects	This Project is expected to have a developmental impact in Paraguay by expanding the availability of growth capital for SMEs, especially for women-led and women-owned SMEs. According to the World Bank's Enterprise Survey rankings of the top 10 obstacles to operating a business, access to finance was rated fourth in Paraguay. This same survey also highlights that while over 80% of large businesses in the country have a bank loan or line of credit, just under half of small business have such financing. These limitations are further compounded for women-owned businesses in the country, as well as rural-based farmers, both of which will be the focus of downstream lending through this Project.
Environment and Social Assessment	The Facility has been reviewed against OPIC's 2017 Environmental and Social Policy Statement ("ESPS") and has been determined to be categorically eligible. Under OPIC's ESPS, Banco Regional 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. Loans for the purposes of SME on-lending are screened as a Category C for the purposes of 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 Banco Regional's investments in SME's are consistent with OPIC's statutory and policy requirements, the OPIC-guaranteed loans made to Banco Regional will be subject to conditions regarding the use of proceeds. The primary environmental and social issues associated with the Facility include the need for a robust Environmental and Social Management System (ESMS) and specific policies to address child/forced labor to ensure that downstream investments are developed in accordance with the applicable 2012 IFC Performance Standards.

A desk review due diligence of Banco Regional's downstream SME investments in Paraguay did not reveal significant adverse impacts with respect to community health and safety, land acquisition and resettlement, indigenous peoples, or cultural heritage. Further, the Banco Regional represents that the SME investments will primarily be financially related and no significant impacts to biodiversity or environmental health are anticipated. Therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered with respect to the SME investments.

Banco Regional has developed a Credit Risk Analysis Policy, which established its internal System of Analysis of Environmental and Social Risks ("SARAS"). The objective of the policy is to improve the quality of the bank's portfolio, promote the bank's commitment to international best practices, and seek to improve the quality of environmental performance for its clients. The policy includes language that commits Banco Regional to follow local laws and the IFC Performance Standards.