



Public Project Profile

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| Host Country: | Costa Rica |
| Name of Borrower: | Scotiabank de Costa Rica, S.A. |
| Project Description: | The proceeds of the loan will be used to expand the Bank's small and medium-sized enterprises (“SMEs”) loan portfolio in Costa Rica |
| Proposed OPIC Loan: | \$15,000,000 |
| Total Project Cost: | \$15,000,000 |
| U.S. Sponsor: | Wells Fargo Bank N.A. |
| Foreign Sponsor: | NA |
| 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 in the Costa Rica. The Project is expected to have a neutral impact on U.S. employment as there is no U.S. procurement associated with the Project. The project is expected to have a positive five-year U.S. balance of payments impact. |
| Developmental Effects: | This Project is expected to have a positive developmental impact in Costa Rica as it will stimulate the local economy by providing access to finance and leasing for small and medium sized enterprises (“SMEs”) operating in a variety of sectors. Access to finance remains a key restraint for many Costa Rican SMEs. According to the International Finance Corporation, roughly 51% of Costa Rican SMEs are unserved or underserved by the financial sector. |
| Environment | Loans to commercial banks for the purposes of SME lending are screened as Category C projects under OPIC’s environmental and social policies, but are subject to conditions related to the use of proceeds. Excluded activities include lending to entities engaged in categorically prohibited activities or activities likely to have a significant adverse impact on the environment. The Borrower has an environmental policy that will be used to guide the project to achieve sound and sustainable environmental and social performance and will be required to provide a safe and healthy work environment for its employees as per Performance Standard 2 and applicable national laws and regulations related to healthy and safe work environment. |
| Labor/Human Rights | <p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws. OPIC’s statutorily required language will be supplemented with provisions concerning non-discrimination and the timely payment of wages. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>The Project will be required to implement a process through which prospective loans are screened, assessed for risks, and monitored against its social standards, including prohibitions on forced and child labor. Investments in SMEs will be restricted with respect to the borrowers' operations, including the employment of minors and other applicable labor laws.</p> <p>This review covers the commensurate human rights risks associated with SME onlending in Costa Rica.</p> |