

INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Mexico
Name of Borrower:	Alternativa 19 del Sur, S.A. de C.V., SOFOM, E.N.R.
Project Description:	To fund the expansion of the Borrower's micro-lending business (individual and group), and home improvement loans to support low-income, mainly women located in rural and semi-urban communities in Mexico.
OPIC Guaranty Amount:	\$14,625,000
Total Project Cost:	\$15,450,000
U.S. Sponsor:	WorldBusiness Capital, Inc., a U.S. company providing risk share capital and contractual loan servicing to the Borrower.
Foreign Sponsor:	N/A
Policy Review	
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 U.S. trade balance impact.
Developmental Effects:	<p>This Project is expected to have a highly developmental impacts by expanding the availability of financing across the Project Company's portfolio of microfinance and home improvement loans in rural and semi-urban areas of Mexico. Despite Mexico's high-income status, access to credit for people in rural and semi-urban areas is still underdeveloped, especially for women. Loans to microenterprises and home improvement projects promote local productive activity, generate employment, and contribute to the economic development of these underserved areas.</p> <p>The Project Company estimates that overall 94% of their portfolio of home improvement and microfinance loans are issued to borrowers in rural areas, while</p>

	<p>the vast majority of home improvement clients are low-income. 74% of home improvement and microfinance loans are issued to women. The Project aligns with U.N. Sustainable Development Goal 5 (Gender Equality), Goal 8 (Decent Work & Economic Growth), and Goal 11 (Sustainable Cities and Communities). The Project aligns with the Government of Mexico's National Financial Inclusion Strategy, which is expected to accelerate access to financial services for more than half of the population currently underserved by the formal and regulated financial system.</p>
<p>Environment:</p>	<p>Loans to financial intermediaries for the purpose of consumer, microenterprise, and SME portfolio expansion are screened as Category C projects under OPIC's environmental and social guidelines, but are subject to conditions related to the use of proceeds. Proceeds from OPIC-supported loans will not be used for categorically prohibited activities or activities likely to have a significant adverse impact on the environment, health, safety, or local communities.</p>
<p>Social Assessment:</p>	<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.</p> <p>OPIC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment, prohibition against the use of forced labor, non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p>

	<p>This project involves a loan to the Borrower to expand its microloan portfolio to micro-enterprises and home improvement loans in rural and semi-urban areas of Mexico.</p> <p>The Borrower has developed policies and management systems that address social risk, including labor, commensurate with the risks associated with the Borrower's anticipated Portfolio.</p> <p>This review covers the commensurate human rights risks associated with on-lending in Mexico.</p>
--	---