Early Warning System

DFC-2023-POMONAIMPACTF

Pomona Impact Fund II LP

Quick Facts

Countries	Guatemala
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Approved
Bank Risk Rating	C
Borrower	Pomona Impact Management LLC
Sectors	Agriculture and Forestry, Education and Health, Energy, Finance, Industry and Trade, Water and Sanitation
Investment Type(s)	Equity
Investment Amount (USD)	$ 7.50 million
Project Cost (USD)	$ 30.00 million

Project Description

As stated by the DFC, the Fund is expected to have a positive development impact in Latin America, particularly in Central America, by providing much needed capital to innovative early-stage companies.
More specifically, the Fund seeks to invest in small and medium enterprises (SMEs) that leverage innovation to offer social and environmental solutions. Entrepreneurs and early growth-stage enterprises are critical to providing new and/or improved products/services that are inaccessible to underserved customers in the region due to price and structural constraints. To that end, the Fund seeks to provide capital to SMEs that have highly scalable, measurable social and environmental impacts.

The Fund will invest across a range of sectors including: agriculture, ecommerce, fintech, energy, and basic services, such as education, health, and water, sanitation, and hygiene (WASH). The Fund Manager will implement a gender inclusion approach, intentionally pursuing investment opportunities in women-owned/led companies and supporting portfolio companies to define clear goals for gender inclusion.

Early Warning System Project Analysis

As stated by the DFC, equity investments into funds are screened as a **Category D** activity for the purposes of environmental and social assessment. Based on DFC's due diligence, the Fund's downstream investments are anticipated to pose limited environmental and social risks that are site specific and can be readily mitigated though the application of sound environmental and social management practices.

People Affected By This Project

Investment Description

- US International Development Finance Corporation (DFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Pomona Impact Management (Financial Intermediary)

Private Actor Relationship

Private Actors Description

As stated on the company's website, Mark Jacobson and Rich Ambrose launched Pomona Impact in 2011 to provide financing to small and medium enterprises (SMEs) in Central America.

Contact Information

No project contacts provided at the time of disclosure.

Financial Intermediary - Pomona Impact Management LLC:

Email: info@pomonaimpact.com
Website: https://pomonaimpact.com/

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: https://www.dfc.gov/foia

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: https://www.dfc.gov/who-we-are/office-accountability

Bank Documents

- Project Disclosure

Other Related Projects

- IADB-RG-Q0046 Pomona Impact Fund II: A Regional Impact Fund