

 Early Warning System

DFC-2024-ALTERFINSCTP

Alterfin SC (TPL IG)



## Quick Facts

Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Alterfin SC
Sectors	Agriculture and Forestry, Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 20.00 million
Project Cost (USD)	\$ 20.00 million



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## Project Description

According to the Bank's website, the project consists of a loan portfolio guaranty to Alterfin SC, a non-bank financial institution (NBFI), for the purposes of de-risking lending to sustainable agriculture and microfinance institution (MFI) borrowers globally.

The Guaranteed Party will specifically focus on the "missing middle" segment, which are enterprises that are too small or risky for commercial banks or social lenders, but too large and mature for MFIs.



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## Early Warning System Project Analysis

According to the Public Information Summary, DFC loans to financial institutions for the expansion of subsequent lending to non-banking microfinance institutions (“MFI’s”) and small business are screened as a Financial Intermediary C (FI-C) for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as low risk and further review and consent is not required for these investments.



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## Investment Description

- US International Development Finance Corporation (DFC)

Proposed DFC Guaranty: \$20 million (\$10 million DFC exposure)

## 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.

- [Alterfin SC](#) (Financial Intermediary)



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## Private Actors Description

According to the Company's website, *Alterfin* finances the development of social enterprises worldwide to provide a sustainable income for the most vulnerable people.



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## Contact Information

*No contacts available at the time of disclosure.*

## 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>



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## Bank Documents

- [Project Disclosure](#)