

 Early Warning System

DFC-2024-PRODIGYFINANCE

Prodigy Finance Limited



Quick Facts

Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Prodigy Finance Ltd
Sectors	Education and Health, Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 250.00 million
Project Cost (USD)	\$ 294.00 million



Project Description

According to the Bank's website, the project consists of a securitization of graduate school student loans to international students from DFC-eligible countries.

Prodigy Finance uses a proprietary algorithm based on expected future earnings to lend in developing and emerging countries at affordable interest rates without cosigners or collateral. This will allow the Project to result in loans to over 8,000 students, the majority of whom will come from lower or lower-middle income countries but will be able to access high-quality graduate education abroad.



Early Warning System Project Analysis

DFC direct loans to financial intermediaries for the expansion of student loans 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.

A desk-review based due diligence assessment indicates that because the Project will use DFC support for the expansion of educational loans worldwide, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated.



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.

- [Prodigy Finance Limited](#) (Financial Intermediary)



Private Actors Description

Prodigy Finance is a fintech platform that enables financing for international postgraduate students who attend a participating business school or postgraduate institution.

Roughly 75% of Prodigy's loan volume supports students at U.S. universities.



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>



Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)