

Information Summary for the Public

Host Countries:	Global
Name of Borrower:	MicroCredit Enterprises (“MCE”)
Project Description:	The project involves expansion of MCE’s lending to microfinance institutions (“MFIs”) globally. MCE, founded in 2005, uses an innovative guarantee-based model to raise private capital for on-lending to MFIs. The proceeds of the OPIC loan will be used by MCE to make loans to MFIs in various countries, which will use the proceeds to make loans to microfinance borrowers.
Proposed OPIC Loan:	OPIC will provide a \$15 million loan with a tenor of 7 years.
Total Project Costs:	\$40 million.
U.S. Sponsor:	MicroCredit Enterprises
Policy Review	
Developmental Effects:	This project will utilize guarantees to extend loans to microfinance institutions in various developing countries. This increased lending will provide much needed capital to MFIs in countries with low levels of private credit, especially in the microfinance sector. In addition, many of the downstream borrowers are expected to be residents of rural areas.
U.S. Economic Impact:	This project is not expected to have a negative impact on the U.S. economy or employment as it involves the provision of financing to MFIs with the aim of disbursing microfinance loans in various countries. With no U.S. procurement, this project is expected to have a neutral impact on U.S. employment. The project is expected to have a net positive impact on the U.S. balance of payments over the first five years.
Environment:	Projects involving loans to microfinance institutions are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, safety, and social impacts are minimal. However, in order to insure that the Borrower’s loans are consistent with OPIC’s statutory and policy requirements, proceeds of the OPIC loan will be subject to conditions regarding the use of proceeds.
Workers Rights:	OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective. Loans to micro-finance borrowers will be restricted with respect to the micro-finance borrowers' operations, including the employment of minors. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standard 2 on Labor and Working Conditions.
Human Rights:	The project received a human rights clearance on February 28, 2012.