

## INFORMATION SUMMARY FOR THE PUBLIC

<b>Host Country:</b>	Palestinian territories
<b>Name of Borrower:</b>	Jordan Ahli Bank
<b>Project Description:</b>	Historically, lending in the Palestinian territories has been characterized by aversion to risk, overcollateralization, and, most significantly, a low capacity to assess or manage small- and medium-sized enterprise (“SME”) credit risk. The project (the “Project”) involves the provision of loan guaranty support for SMEs operating in the Palestinian territories. The loans under the Project will be made by downstream financial institutions (each, a “Borrower”) and guaranteed pursuant to guaranty facility agreements (a “GFA”) among OPIC, MEII, and each Borrower. MEII will also provide technical assistance and training (“TA”) to loan officers and mid-level management of the Borrower, enabling those institutions to better assess the creditworthiness of prospective SME borrowers and to structure loans that effectively meet the working capital or longer-term financing needs of those businesses. To address “demand”-side weaknesses, TA efforts will help SMEs on the threshold of bankability demonstrate their creditworthiness to commercial lenders. The goals of the Project, which will replace a highly successful but expiring OPIC loan guaranty facility, are to increase the number and enhance the quality of loans from private financial institutions operating in the Palestinian territories to local SMEs (the “Downstream Borrowers”), and to improve economic conditions in the Palestinian territories.
<b>OPIC Revolving Loan Guaranty Amount for Borrower and Total Funding (and Total OPIC Revolving Loan Guaranty Amount for Project and Total Project Cost):</b>	\$5 million, \$8.5 million (\$100 million, \$151.2 million)
<b>Total Loan Guaranty Tenor and Guaranty Consent Period of Project:</b>	12 year total loan guaranty tenor, 8 year guaranty consent period from execution of the first GFA under the Project.
<b>U.S. Sponsor:</b>	Middle East Investment Initiative (“MEII”)

<b>Policy Review</b>	
<b>U.S. Economic Impact:</b>	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 negative five-year U.S. balance of payments impact.
<b>Developmental Effects:</b>	This Project will have a positive developmental impact in the West Bank as it will stimulate the local economy by providing access to finance coupled with technical assistance for both the Borrower and Downstream Borrowers in a variety of sectors. Uncertain political and economic conditions in the West Bank have led to a risky and fragmented investment climate where bank financing is constrained and small businesses lack access to capital. While SMEs represent the vast majority of firms in the West Bank, only 6% have an outstanding loan or line of credit and less than 10% use banks to finance investments. Loans originated by the Borrower will be used for start-up, working, and expansion capital purposes while MEII will provide technical assistance to the Borrower in the form of financial analysis and credit risk management training. The Project dovetails with the West Bank's most recent World Bank Country Partnership Strategy to support the local financial sector through increased credit to SMEs.
<b>Environment:</b>	The Project has been reviewed against OPIC's categorical prohibitions and has been determined to be eligible. Projects involving loans to banks for the purposes of SME, microfinance institution, and non-bank financial institution on-lending are typically screened as Category C projects under OPIC's environmental and social guidelines. Environmental, health, safety and social concerns are minimal. However, in order to insure that the Borrower's loans are consistent with OPIC's statutory and policy requirements those loans under OPIC's guaranty will be subject to conditions regarding use of proceeds.
<b>Labor and Human Rights:</b>	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, OPIC's Environmental and Social Policy Statement, and applicable local labor laws. OPIC's statutorily required standard worker rights 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, and non-discrimination. Loans to Downstream Borrowers will be restricted with respect to the Downstream Borrowers' operations, including the employment of minors and

	<p>other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers of the Project.</p>
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A human rights clearance was issued on February 12, 2016.