

Information Summary for the Public

Host Country:	El Salvador
Name of Borrower:	Federación de Cajas de Crédito y de Bancos de los Trabajadores, S.C. de R.L. de C.V (“Fedecredito”)
U.S. Sponsor:	Financial Services Volunteer Corps (FSVC)
Foreign Sponsor:	Macario Armando Rosales Rosa, President. Rogelio Erasmo Orellana Alvarado, Financial Manager. Federación de Cajas de Crédito y de Bancos de los Trabajadores, S.C. de R.L. de C.V
Project Description:	WBC Loan proceeds and the Borrower’s investment will be disbursed to finance Fedecredito’s loans to its member entities, which are credit unions and worker’s banks, which will then on-lend to their clients who are MSMEs in EL Salvador
Total Project Cost:	\$15,450,000
Loan Provided Under OPIC-WorldBusiness Capital Framework Agreement:	\$15,000,000
Developmental Effects:	This Project is expected to have a highly developmental impact in El Salvador. This Project is expected to expand Fedecredito’s lending to Member Entities, which support MSMEs in El Salvador. MSMEs are an important driver for growth in El Salvador’s economy, accounting for at least 43% of total output and 70% of employment. Fedecredito has a unique business model as a community bank, which allows the Project Company to reach more MSMEs and better interact, understand and assess their needs. As a part of its mission, Fedecredito provides technical assistance to its Member Entities on topics such as corporate governance, risk management, information technology and branding and market services. Fedecredito

	<p>expects to create several new jobs as a result of this Project, and will continue to provide robust training and benefits programs for its employees.</p>
<p>Environment:</p>	<p>Loans made to financial intermediaries for loans to micro, small and medium enterprises (MSMEs) are screened as Category C projects under OPIC’s environmental and social guidelines. The environmental, health, safety and social impacts from the Project are considered minimal. However, in order to insure that the Project is consistent with OPIC’s statutory and policy requirements, the OPIC-guaranteed loans made by the Borrower will be subject to conditions regarding the use of proceeds, and the Borrower will be required to provide a healthy and safe work environment for its employees.</p>
<p>U.S. Economic Impact:</p>	<p>The Project is not expected to have a negative impact on the U.S. economy. U.S. procurement associated with this Project is expected to have a de minimus impact on U.S. employment. The Project is expected to have a negative five year U.S. balance of payments impact.</p>
<p>Workers Rights and Human Rights:</p>	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining. 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 requirements of the International Finance Corporation’s Performance Standard 2 on Labor and Working Conditions. Loans to SMEs and micro-borrowers will be restricted with respect to the borrowers' operations, including the employment of minors and other applicable labor laws.</p> <p>OPIC’s review of the Project’s labor management system included the Project’s Social and Environmental Management System Policies; Personnel Procedures document; sample employment contracts; Internal Work Regulations document, and the</p>

	<p>Project's own representations of its management systems (including labor). Based on this review, it is anticipated the Project will operate in a manner that is consistent with IFC Performance Standards and OPIC's ESPS.</p>
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