

Information Summary for the Public

Host Country:	Costa Rica
Name of Borrower:	Financiera Desyfin S.A. (“Desyfin”)
U.S. Sponsors:	Richard F Baldwin
Foreign Sponsors:	Silvio Lacayo Lacayo Hortensia Beeche Michaud Silvio Lacayo Beeche Mauricio Lacayo Beeche Manfred Lacayo Beeche
Project Description:	Expansion of Borrower’s loans and leasing activities to Costa Rican SMEs.
Total Project Cost:	\$10,300,000
OPIC Loan Provided Under OPIC-WorldBusiness Capital Framework Agreement:	\$9,750,000
Developmental Effects:	<p>This Project is expected to have a positive developmental impact in Costa Rica through an increase in available credit for small- and medium-sized enterprises (“SMEs”) in Costa Rica. Despite relative wealth and development, over 40% of companies in Costa Rica identify access to finance as a major constraint on business according to the World Bank Enterprise Survey. This is significantly higher than that for the Latin American region as a whole at 30%. Reflecting this lack of access to finance, the same survey shows that almost three-fourths of Costa Rican companies’ investment projects are internally financed, which is a full 10% higher than the regional average. In a country where an estimated 98% of all companies are defined as SMEs, the provision of financing to support SME on-lending is an important driver of the country’s growth.</p>

<p>Environment:</p>	<p>Loans to commercial banks for the purposes of SME lending are screened as Category C projects under OPIC’s environmental and social policies, but are subject to conditions related to the use of proceeds. Excluded activities include lending to entities engaged in categorically prohibited activities or activities likely to have a significant adverse impact on the environment. The Borrower has an environmental policy that will be used to guide the project to achieve sound and sustainable environmental and social performance. The Borrower will be required to establish a community grievance mechanism and provide a safe and healthy work environment for 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 the Project is expected to have a <i>de minimus</i> impact on U.S. employment. The Project is expected to have a net negative five-year U.S. balance of payments impact.</p>
<p>Workers Rights:</p>	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization, and collective bargaining. Leases and loans will be restricted with respect to the lessees’ and borrowers’ operations, including the employment of minors and other applicable labor law requirements. 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.</p> <p>Financiera Desyfin S.A.’s employees are governed by formalized human resources policies, including a human resources manual, an ethics policy, and employment</p>

	<p>contracts. The company has an employee grievance mechanism in place that establishes a hierarchical structure for employees to communicate grievances, with an opportunity for anonymous submissions. The company has adopted an Environmental and Social Management Handbook in its screening process that contains an exclusion list, explicitly prohibiting activities involving forced or child labor, in addition to a formalized due diligence and monitoring process.</p>
Human Rights:	<p>OPIC issued a Human Rights Clearance for the Project on October 12, 2016.</p>