

INFORMATION SUMMARY FOR THE PUBLIC
CHF-Vitas Lebanon 3

Host Country	Lebanon
Name of Guaranty Beneficiary	Cooperative Housing Foundation (USA (New Jersey))
Project Description	Expansion of an existing guaranty facility for Vitas SAL (the “Bank”).
Proposed OPIC Guaranty	\$150 million with an eight (8)-year availability period.
Total Risk Share Allocation	\$265 million (OPIC 68%-80%; CHF 20%-32%)
U.S. Owner of the Bank (majority equity holder)	CHF Development Finance International LLC (USA (Maryland))
Foreign Owner of the Bank	Saradar Bank SAL (Lebanon)
Policy Review	
U.S. Economic Impact	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 the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a neutral five-year impact on the U.S. trade balance.
Developmental Effects	This Project is expected to have a highly developmental impact in Lebanon. With the expansion of OPIC’s guaranty, the Bank expects to double its total loan portfolio and client base by increasing lending to micro and small enterprises and financially excluded individuals such as women, youth and borrowers located in rural areas. According to the World Bank’s Enterprise Survey, 42% of Lebanese firms with less than 20 employees cited access to finance as a major constraint to growth. Micro and small businesses are important drivers of growth in the Lebanese economy, as they account for more than 90% of enterprises, and employ 50% of the workforce. The Bank provides technical assistance to aspiring entrepreneurs and small businesses on topics such as marketing strategies and financial management. The Project will support the Bank’s plans to expand its branch network in underserved regions, digitize its loan application process and streamline its operations to continue grow market share, better serve clients, and tailor product development.
Environment	Projects involving guaranties to financial institutions for the purposes of microenterprise or small- and medium-sized enterprise on-lending are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, and safety impacts are minimal. However, in order to insure that the lender’s loans are consistent with OPIC’s statutory and policy requirements,

	<p>use of the OPIC Guaranty will be subject to conditions regarding the use of proceeds.</p>
Social Assessment	<p>The Project will be required to operate in a manner consistent with the IFC's Performance Standards, OPIC's Environmental and Social Policy Statement, and applicable local laws.</p> <p>OPIC's statutorily required language will be supplemented with provisions concerning non-discrimination and the use of loan proceeds, which will be restricted with respect to the borrower's operations, including the employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers engaged by the Project.</p> <p>The Project has developed an Environmental and Social Management System. The Project will be required to enhance the environmental and social assessment procedures and checklists to address the heightened risks of child labor and forced labor of borrowers.</p> <p>This review covers the commensurate human rights risks associated micro-, small- and medium-size enterprise on-lending in Lebanon.</p>