

<b>Host Country:</b>	COSTA RICA
<b>Name of Borrower:</b>	Banco BAC San Jose, S.A.
<b>U.S. Sponsor:</b>	Wells Fargo Bank, N.A.
<b>Approved/Committed Date</b>	June 2, 2016
<b>Foreign Sponsor:</b>	Banco BAC San Jose, S.A.
<b>Project Description:</b>	The proceeds of the loan will be used to expand the Bank's small and medium-sized enterprises (“SMEs”) loan and leasing portfolios in Costa Rica
<b>Total Project Cost:</b>	\$20,000,000
<b>Proposed OPIC Support:</b>	\$20,000,000
<b>Developmental Effects:</b>	This project is expected to have a positive developmental impact in Costa Rica as it will stimulate the local economy by providing access to finance and leasing for SMEs operating in a variety of sectors. Access to finance remains a key restraint for many Costa Rican SMEs. According to the International Finance Corporation, roughly 51% of Costa Rican MSMEs are unserved or underserved by the financial sector.
<b>Environment:</b>	The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving on-lending to SMEs are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, safety and social impact concerns are minimal. The key environmental and social issues of concern include the need for the Borrower to have a social and environmental management system (SEMS) in place and a grievance mechanism developed in accordance with IFC’s Performance Standards. To ensure that loans are consistent with OPIC’s statutory and policy requirements, the loan will be subject to conditions regarding use of proceeds. The Project’s activities, which involve providing loans to SMEs, are not vulnerable to climate change and therefore a climate change resilience assessment is not needed.
<b>Worker Rights:</b>	<p>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.</p> <p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions requiring the Project to operate in a manner consistent with the requirements of the International Finance</p>

	<p>Corporation's Performance Standard 2 on Labor and Working Conditions. Loans to SME borrowers will be restricted with respect to the SME 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.</p> <p>The Project has written human resource policies, provides employment contracts for workers, and an Environmental and Social Management System for its lending and leasing activities. However, to fully comply with the IFC Performance Standards, the Project will be required to modify its employee grievance mechanism to allow for anonymous submission of complaints.</p>
<b>Human Rights:</b>	OPIC issued a human rights clearance for this project on February 8, 2016.