

1. **Scope of Environmental and Social Review.** The environmental and social review of the proposed transaction was carried out through desk research, and an extensive review and audit of the client's existing environmental and social management system. Promerica group, of which St. Georges Bank & Company Inc. is a member, is an existing IDB Invest client with strong environmental and social management capacity and policies.
2. **Environmental and Social Categorization and Rationale.** The proposed operation is classified as an FI-2 per IDB Invest's Sustainability Policy. Underlying loans to be supported under the credit line will focus on SMEs. The sub-loans average US\$81,000. Category A sub-projects, per IDB Invest's definition, will be excluded.
3. **Environmental and Social (E&S) Risks and Impacts.** The main E&S risks of this projects are associated with the Financial Institution (FI) capacity to identify and manage the E&S risks associated with its lending activities. St. Georges Bank's capacity in this respect is considered high based on previous work with other DFIs (see Mitigation Measures). The Environmental Social Health and Safety (ESHS) impacts and risks associated with loans to SMEs are likely to be moderate in nature. St. Georges Bank's portfolio is concentrated concentrated in Construction (29%), Retail (25%), Services (23%), and Industry (9%).
4. **Mitigation Measures.** St. Georges Bank & Company Inc. will be required to ensure that all loans supported under the loan comply with IDB Invest's Exclusion List, applicable E&S local laws, and the bank's existing Environmental and Social Management System (ESMS). St. Georges Bank & Company Inc. existing management system consists of group wide environmental policy and set of procedures. IDB Invest's analysis indicated opportunity to strengthen St. Georges Bank's local capacity to manage E&S risks, and a TC has been developed with Advisory Services to enhance overall environmental and social management. High level themes related to this TC are detailed in the action plan below.
5. **Environmental and Social Action Plan**

<b>Task</b>	<b>Description</b>	<b>Deadline</b>
Policy Development	Design a comprehensive sustainability policy that sets our St. Georges Bank's commitment to environmental and social risk management and sustainability objectives, consistent with the policies and best practices of Grupo Promerica.	6 months post disbursement
ESMS Procedures Update	Undertake a portfolio analysis to develop enhanced E&S procedures, tools, and templates to address environmental, social, and climate risks relevant to overall risks identified within the portfolio.	12 months post disbursement
Capacity Building	Training of senior management, loan officers and credit analysts on enhanced ESMS functions, and green market opportunities.	12 months post disbursement

**6. Contact Information** For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see **Investment Summary** tab), or IDB Invest using the email [requestinformation@idbinvest.org](mailto:requestinformation@idbinvest.org). As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to [mecanismo@iadb.org](mailto:mecanismo@iadb.org) or [MICI@iadb.org](mailto:MICI@iadb.org), or calling +1(202) 623-3952.