

**Environmental Classification and Issues:**

This is a Category III project according to the IIC's environmental and labor review procedure because it could produce certain effects that may be avoided or mitigated by following generally recognized performance standards, guidelines, or design criteria. Each subloan will be required to comply with national environmental and labor laws, regulations and standards as well as IIC environmental guidelines. To enable Banco Daycoval to better understand and enforce the IIC's environmental and labor requirements, the bank must retain at least one representative who attended the IIC's financial intermediary environmental training seminar.