

Environmental and Social Review Summary (“ESRS”)

TTMF - Residential Warehousing Facility / 14232-01 – Trinidad and Tobago

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- 1. Scope of Environmental and Social Review.** The Environmental and Social (“E&S”) review of the proposed transaction was carried out remotely through desk research, conference calls with the risk management and finance teams and a portfolio review. Trinidad and Tobago Mortgage Finance Company Limited (“TTMF”) is an existing client of IDB Invest.
- 2. Environmental and Social Categorization and Rationale.** The proposed transaction is classified as FI-3 per IIC’s Environmental and Social Sustainability Policy. The sub-loans granted by TTMF with IDB Invest’s financing will be focused on individual mortgages (up to approximately US\$200,000) for low to middle income households, as well as open market mortgages (up to approximately US\$265,000). The E&S risks related to this transaction are considered low. TTMF will not finance either Category A (high risk) subprojects as defined by IDB Invest or those involving activities included in IDB Invest’s Exclusion List.
- 3. Environmental and Social Risks and Impacts.** The E&S risks of this transaction are related to TTMF ability to assess and manage any risks associated to its lending activities. The potential risks associated with its lending activities may include, inappropriate development location, poor building design (including ability to withstand natural disasters), inadequate construction, failure to comply with building regulations, among others. However, the E&S impacts and risks associated with the mortgage finance sector are low in nature.
- 4. Mitigation Measures.** TTMF’s mortgage process includes ensuring that all local regulatory approvals prior to disbursement of a loan. TTMF has an Enterprise Risk Management (“ERM”) Policy and an ERM Committee who, among others, oversees the portfolio compliance with the local E&S regulations. TTMF also has Human Resources (“HR”) policies which include an internal grievance mechanism and guidelines for non-discrimination and anti-harassment. The development of a comprehensive Environmental, Social and Governance Policy has been included in the TTMF’s Strategic Plan 2022 to 2024. TTMF will be required to ensure that all mortgages supported by IDB Invest financing comply with IDB Invest’s Exclusion List and applicable E&S local laws.
- 5. Environmental and Social Action Plan (“ESAP”).** N/A
- 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 divulgacionpublica@iadb.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MIICI@iadb.org, or calling +1(202) 623-3952.