

Administration Committee
Information Request RFI_IDBINV0004882
Minutes of the Decision
(Adopted by electronic means on February 28, 2022)

Review of an Information Denial

Background

1. On October 30, 2018, IDB Invest publicly disclosed on its website the proposed hydroelectric project PH Jilamito (<https://idbinvest.org/en/projects/ph-jilamito>). The Investment Summary includes the following sentence: *“The Borrower’s share capital is owned by Hermacasa, S.A, a company ultimately controlled by Emin J. Abufele and Simonds International Corporation.”*
2. On June 11, 2021, the transaction was placed “on hold”. The status of the transaction is indicated on the website. As of the time that the transaction was placed on hold, the information included in the Investment Summary was accurate to IDB Invest’s knowledge. After placing the operation on hold IDB Invest has not gathered additional information about the project’s beneficial ownership.
3. On December 21, 2021, Brigitte Gynther, on behalf of SOAW School of Americas Watch, a civil society organization, (the “Requester”) submitted a request of information (the “Request”), enquiring *“...if the statement on the IDB Invest website is up to date, and, if not, if you could provide us with current information. Does Simonds International Corporation (continue) to be a partial owner of HERMACASA? If not, what is the name of the company that is now a partial owner of HERMACASA?”* (See transcript in Annex A).
4. On January 19, 2021, the Transparency Hub informed the Requester of an extension of the period to respond. On January 26, 2021, IDB Invest communicated to the Requester that the public information regarding this project was available in the Investment Summary disclosed on October 30, 2018, and that *“detail regarding the capital structure of the Borrower beyond what was disclosed at that time is protected by the [Commercially Sensitive Information and Financial Information] exceptions of the Access to Information Policy (...) and is therefore Confidential and cannot be disclosed to the public.”* (See transcript in Annex B)
5. On February 2, 2022, the Requester submitted a request for review of the information denial (the “Request for Review”). The Requester clarified that they were not requesting detail beyond what was published in the Investment Summary, and only wanted to know if the information was updated with current information, and otherwise requesting the information to be updated to ensure its accuracy. (See transcript in Annex C)

Review of the Information Denial by the Administration Committee

6. In accordance with the Access to Information Policy Implementation Guidelines, the Administration Committee conducts first-stage reviews of information denials that do not relate to Board Records, having the authority to uphold or reverse Management’s Information Denials. In reaching its decision, the Administration Committee determines whether the Information Denial properly applied the provisions of the Policy. The decision must specify the reasoning of the Committee and in cases where

the Administration Committee reverses an Information Denial, its response will include the requested information. The decision of the Administration Committee will be posted on IDB Invest external website.

7. In case the Administration Committee upholds Management's decision and denies the request for information, the requester may request a second-stage review of the Information Denial by the External Panel.

Policy Considerations

8. Paragraph 29 of the Access to Information Policy (the "Policy") establishes IDB Invest's obligation to make project information publicly available for each proposed investment, when the investment is in the analysis stage, before its approval by the Board or Management, as the case may be. In accordance with Paragraph 30 (ii), this includes "information about the project shareholders, sponsors, or investee company, as applicable."
9. Given that information about the project shareholders, sponsors, or investee company, as applicable, is disclosed in the Investment Summary in accordance with the policy, updates of such information to ensure the accuracy of the Investment Summary are not excluded from disclosure under the Commercially Sensitive Information or the Financial Information exceptions of the Policy.
10. In accordance with paragraph 43 of the Policy, the client reviews the content of any investment or environmental and social information related to the client and the project to verify its factual accuracy prior to IDB Invest's public disclosure, at which point the client has an opportunity to highlight any Commercially Sensitive Information included in any update to the Investment Summary.
11. IDB Invest must also consider the availability of the information requested when responding to a request for information. In accordance with paragraph 71 of the Policy: "*In responding to requests, IDB Invest determines whether information requested may be made available in accordance with this Policy and based on the scope of the requests, the number of requests, the availability of the information requested, and whether the requester should be referred to IDB Invest's client.*" Accordingly, in cases where the information requested is not available to IDB Invest, this situation may be considered as an element of the response to a request of information.

Decision of the Administration Committee

12. The Administration Committee considers that Management incorrectly interpreted the extent of the Request. The Requestor clarified in the Request for Review that they are not looking for information beyond that disclosed in the Investment Summary. Instead, the Requestor would like to confirm whether the shareholding information disclosed in the Investment Summary is still accurate.
13. It is the view of the Administration Committee that an update to the statements included in the Investment Summary about a project's shareholders, sponsors, or investee company, as applicable, to preserve their factual accuracy, whose contents have been reviewed by the client, is not subject to the exceptions and cannot be considered confidential under the Policy.
14. In this case, however, given that the operation was placed on hold on June 11, 2021, IDB Invest has not received any updates from the client on the shareholding information disclosed in the Investment

Summary after that date. For this reason, the Administration Committee instructs Management to indicate to the Requester that:

- a. Although the project was approved by IDB Invest Board of Directors in November 2020, the transaction was subsequently placed on hold on June 11, 2021, before any legal documentation was signed. No funds have been disbursed under this project.
- b. As of that time that the operation was placed on hold, the information included in the statement in the Investment Summary was accurate to IDB Invest's knowledge.
- c. After placing the operation on hold IDB Invest has not gathered additional information about the project shareholders, sponsors, or investee company, as applicable, and, therefore, the information requested is not available.

Annex A – Transcript of the Request of Information

I have a question about the following statement on this IDB Invest webpage about the Jilamito Hydroelectric Project (<https://idbinvest.org/en/projects/ph-jilamito>):

'The Borrower's share capital is owned by Hermacasa, S.A, a company ultimately controlled by Emin J. Abufele and Simonds International Corporation.'

According to publicly available information on the website of Simonds International Corporation, it is part of Wood Fiber Group and in October 2021, Wood Fiber Group merged with USNR. So I am wondering if the statement on the IDB Invest website is up to date, and, if not, if you could provide us with current information. Does Simonds International Corporation continues to be a partial owner of HERMACASA? If not, what is the name of the company that is now a partial owner of HERMACASA?

Thank you for your timely response.

Requester:

Brigitte Gynther

Brigitte@soaw.org – SOAW School of Americas Watch

Civil Society

United States of America

Annex B – Transcript of Management's Denial of Information

Dear Brigitte Gynther,

We have analyzed your case and would like to provide you with the following information:

Public information regarding this Project is available at: <https://idbinvest.org/en/projects/ph-jilamito>. Please note that the information was disclosed on October 30, 2018, and detail regarding the capital structure of the Borrower beyond what was disclosed at that time is protected by the following exceptions of the [Access to Information Policy](#): Commercially Sensitive Information and Financial Information, and is therefore Confidential and cannot be disclosed to the public.

If denied access to information by IDB Invest, a requester has the right to seek review of the decision under the Access to Information Policy. Requests for first-stage reviews must be submitted in writing, within 30 calendar days of Management's initial decision to deny access to the requested Information. Requests for review should be presented to IDB Invest Transparency Hub by replying to the e-mail informing the requester of the denial and include the following information:

- Date of the initial request for Information
- Date of the communication of the decision denying access to Information, as applicable.
- Description of the Information requested and/or denied.
- Statement explaining the requester's basis for submitting the request for review.

Annex C – Transcript of Request of Review of Information Denial

To whom it may concern:

I hereby request a review of the decision below to deny the information that I requested with regards to PH Jilamito.

• Date of the initial request for Information

I initially requested the information on December 23, 2021.

• Date of the communication of the decision denying access to Information, as applicable.

On January 26, 2022, I received an e-mail denying access to information

• Description of the Information requested and/or denied.

On IDB Invest's website about the PH Jilamito (<https://www.idbinvest.org/en/projects/ph-jilamito>), in the 'Investment summary' section, it states "*The Borrower's share capital is owned by Hermacasa, S.A, a company ultimately controlled by Emin J. Abufele and Simonds International Corporation.*" My request for information is to know if this is accurate, and if not, the name of the company that replaced Simonds International Corporation. My reason for asking this question is that Simonds International Corporation's website (<https://simondsint.com>) has a press release announcing a merger in October 2021. I would like to know if Simonds International Corporation is still an owner of HERMACASA, and if not, the name of the company that has replaced it as shareholder of HERMACASA.

• Statement explaining the requester's basis for submitting the request for review

I request a review of the decision to deny me this information because I am not requesting detail beyond what was published on the IDB Invest website. I am simply asking if this information is still accurate, and if not, that it be updated with the current information. The IDB Invest Access to Information Policy clearly states on page 5 that the Pre-Approval Disclosure will include an Investment Summary, which should specifically include ii) information about the project shareholders, sponsors, or investee company, as applicable. Then on page 8 of the IDB Invest Access to Information Policy, section B.2. Post-Approval Disclosure, a) Investment Summary Update, it clear states "*45. IDB Invest will update the Investment Summary as necessary to ensure the accuracy of the previously disclosed information.*" My request for information falls under this requirement for updating information as necessary to ensure its accuracy. I would simply like to know if this information is still accurate or not, and if not, that it be updated with the current name of the company that is a major shareholder of Hermacasa.

Thank you,
Brigitte Gynther.