

Information Summary for the Public

Host Country:	Azerbaijan
Name of Borrower:	MuganBank Open Joint Stock Company
U.S. Sponsor:	Bankworld, Inc.
Foreign Sponsors:	N/A
Project Description:	Expansion of the Borrower's SME lending portfolio.
Total Project Cost:	\$13,670,000
OPIC-Guaranteed Loan:	\$10,000,000
Developmental Effects:	<p>This project will have a positive developmental impact in Azerbaijan. The project will enable MuganBank to expand its operations to target SME borrowers. The increased access to funds will mobilize capital in this underserved sector. MuganBank employs a significant number of corporate governance measures, and will integrate international standards for loan underwriting and risk management as a result of Bankworld Inc.'s involvement.</p>
Environment:	<p>Loans to commercial banks for the purposes of SME lending are screened as Category C projects under OPIC's environmental and social guidelines. Environmental, health, safety and social impact concerns are minimal. However, in order to insure that MuganBank's loans are consistent with OPIC's statutory and policy requirements the loan will be subject to conditions regarding use of proceeds.</p> <p>MuganBank will be required to develop an environmental and social policy that will be used to guide the project and achieve sound and sustainable environmental and social performance. MuganBank will also be required to develop and implement an appropriate grievance mechanism.</p>
Workers Rights	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning right of association, organization and collective bargaining, hours of work, minimum wage, and the timely payment of wages. 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. The project will be required to</p>

	implement and adhere to the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions.
Human Rights	In consultation with the Department of State, the project received a Human Rights Clearance on November 29, 2010.