

Information Summary for the Public

Host Country:	Ukraine
Name of Borrower:	Degress Holdings Limited
U.S. Sponsor:	Abris CEE Mid-Market Fund, L.P.
Foreign Sponsors:	N/A
Project Description:	Expansion of the Borrower's grocery store chain ("Barvinok") in Western Ukraine.
Total Project Cost:	\$30,200,000
OPIC-Guaranteed Loan:	\$10,000,000
Developmental Effects:	<p>This project will have a positive developmental impact on the host country, with the expansion of a retail grocery chain in western Ukraine. This poorer region of Ukraine has a limited supply of food stores utilizing modern refrigeration and hygienic techniques, even in its urban areas. The grocery chain supported by this investment uses high standards of food preservation, and is able to sell products at a lower price through an improved distribution system. This project will create new jobs with benefits and training, and has an EEO policy that is compliant with international standards.</p>
Environment:	<p>Food retailing projects are screened as Category B under OPIC's environmental guidelines because impacts are limited and readily mitigated. The major impacts are associated with food contamination, disposal of solid waste, and odor. Siting of the project can also be of concern.</p> <p>Applicable Standards. The project and its contractors will be required to construct and operate the facilities in accordance with (i) Applicable provisions of the International Finance Corporation's April 30, 2007 Environmental, Health, and Safety General Guidelines; and (ii) All applicable environmental, health, and safety requirements of the Ukraine. Because the project involves the refurbishment of already existing stores, the project will not result in adverse impacts on internationally designated endangered or threatened species or protected areas. The project will also not involve physical or economic displacement nor will it be a major source of greenhouse gas emissions. Therefore IFC Performance Standards 5, 7 and 8 are not applicable.</p>

	<p>Impacts and Mitigation Measures. Potable water will be supplied to the project by local Municipal suppliers and sanitary wastes will be disposed of via municipal sewage. Solid wastes will be taken to certified landfills. There will be no hazardous materials stored on supermarket sites. The Project will have two small diesel generators that will supply backup power. However, their direct greenhouse gas emissions are estimated to be less than 1,000 tons.</p> <p>Retail store grocery products are stored in accordance with the technical standards and requirements for product storage that are specified on the packaging by the manufacturer. Hazard Analysis and Critical Control Point (HACCP) plans are not currently required by Ukrainian legislation and one is not in place at the grocery stores. R-22, an ozone depleting substance targeted for phase-out under the Montreal Protocol is used in the grocery cooling systems.</p> <p>All workers will be trained and provided with appropriate Personal Protection Equipment. Fire safety measures are included in the design of the buildings.</p> <p>The project will be required to develop and implement an HACCP plan and to phase out its use of R-22 in accordance with the provisions of the Montreal Protocol.</p>
Workers Rights	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining, minimum age, the timely payment of wages, minimum wages, hours of work, and hazardous work situations. Standard and supplemental contract language will be applied to all workers of the Project.</p>
Human Rights	<p>In consultation with the Department of State, the project received a Human Rights Clearance on May 10, 2010.</p>