

INFORMATION SUMMARY FOR THE PUBLIC

Host Countries:	Ghana, Nigeria, Kenya, Uganda, Tanzania, Zambia, and other OPIC-eligible countries in Sub-Saharan Africa.
Name of Borrower:	SFC Finance Limited
Project Description:	Many small and medium enterprises in Sub-Saharan Africa lack access to sufficient credit. SFC will help address such credit constraints by providing loans to small and medium enterprises in need of growth financing.
Proposed OPIC Loan:	\$50 million with a term up to 10 years, including a grace period of up three years.
Total Project Costs:	\$95 million.
U.S. Sponsors:	Microvest Fund
Foreign Sponsors:	Maghreb Consultancy Ltd., a member of the AfricInvest Group, as well as FMO, the Dutch development finance institution, and Finn Fund.
Policy Review	
U.S. Economic Impact:	This Project does not appear to have the potential for a negative effect on the U.S. economy, as it provides financial services exclusively in Sub-Saharan Africa. The Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project will have a positive developmental impact. The Project will provide access to long-term debt financing to small and medium enterprises operating in Sub-Saharan Africa that are not being adequately served by commercial banks, microfinance institutions, or development finance institutions. The project company will offer loans with longer tenors and grace periods than are available locally, enabling SMEs to properly finance their growth in alignment with their cash flows. The Project will accept a diverse range of collateral types, which will increase access to financing for SMEs that are unable to meet the typical collateral requirements of commercial banks. Furthermore, the company will provide business support for its borrowers in the areas of governance, strategy, finance, operations, and human resources. The Project will initially target African countries where the lack of long-term debt financing is most acute (Nigeria, Ghana, Kenya, Uganda, Tanzania, and Zambia).

Environment:	Loans from OPIC to non-bank financial intermediaries that on-lend to Small and Medium Enterprises are screened as Category C projects under OPIC's environmental and social guidelines, but subject to conditions related to the use of proceeds. Excluded activities include lending to entities engaged in categorically prohibited activities or activities likely to have a significant adverse impact on the environment.
Workers Rights:	OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining. Loans to SME borrowers will be restricted with respect to the borrowers' operations, including the employment of minors. Standard and supplemental contract language will be applied to all workers of the Project. The Project will also be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions.
Human Rights:	OPIC issued a human rights clearance for the Project on June 15, 2012.