

INFORMATION SUMMARY FOR THE PUBLIC
Emerging Europe Growth Fund III, L.P.

Host Country:	Ukraine and Moldova
Name of Borrower:	Emerging Europe Growth Fund III, L.P. (the “Fund”)
Sponsor:	Horizon Capital Advisors, LLC
Project Description:	The Fund will invest in export-oriented, fast-growing, mid-size companies in Ukraine and Moldova with the potential to grow from local to regional market leaders. The Fund will primarily target minority stakes in high growth Ukrainian companies. It may also invest in early-stage, buyout and privatization opportunities as they arise.
Total Fund Capitalization:	\$150 million
Proposed OPIC Loan:	Up to \$37.5 million
Term of OPIC Loan:	Ten years
Selection Process:	<p>In the spring of 2015, OPIC announced a Global Engagement Call for Proposals (the “GEC”). The purpose of the GEC was to finance one or more selected investment funds to facilitate the investment of risk capital to companies or projects within OPIC-eligible countries to support new business development, existing company expansion, restructuring, and/or privatization. The evaluation criteria used to select funds was posted on the Agency’s website, and OPIC has been guided in its selection process by its present policy priorities and asset allocation and portfolio strategy</p> <p>The OPIC Evaluation Committee selected the Fund from among 150 respondents to the GEC with the assistance of independent investment consultants TorreyCove Capital Partners.</p>
Policy Review	
U.S. Economic Impact:	Each of the Fund’s OPIC-supported investments will be analyzed individually for its potential impacts on the U.S. economy.
Developmental Effects:	This Fund is expected to have a positive developmental impact by supporting the growth of companies in a variety of sectors in Ukraine and Moldova, countries that have both suffered from a lack of foreign or local investment in recent years due to political and economic crisis. According to the State Statistics Service of

	<p>Ukraine, the economy of the country is in recession, shrinking almost 10 percent in 2015 as a result of politically impacted downturn in the financial sector and declining consumer demand. Foreign direct investment in Ukraine has also declined by roughly 20 percent from 2014 to 2015. Similarly, Moldova’s economy began its decline into recession in the second half of 2015 and appears to be continuing that trend in early 2016. The Fund intends to combat these declines by injecting capital to obtain interests in key sector companies to spur growth through expansion and operational efficiencies. The Fund intends to provide each company it invests in assistance with improving corporate governance, operations, marketing, business development, and more attractive capital structures. The Fund will focus primarily on export-oriented companies, including information technology, food and light manufacturing as well as fast-growing domestic leaders including e-commerce, pharmaceutical and healthcare, consumer goods, and financial services; all sectors in need of private equity investment.</p> <p>Each of the Fund’s OPIC-supported investments will be analyzed separately for its potential developmental impacts.</p>
<p>Environment:</p>	<p>The capitalization of an investment fund is screened as a Category D activity for the purposes of environmental and social assessment. Although no further assessment is warranted at this stage in the transaction, each of the Fund’s OPIC-supported investments will be screened and subjected to the full scope of OPIC’s environmental and social assessment process, including public disclosure of Environmental and Social Impact Assessments for Category A projects, conditionality, monitoring, and climate resiliency as is warranted by the nature and scope of each OPIC-supported investment.</p> <p>The Fund has an Environmental and Social Management System that is consistent with the requirements of Performance Standard 1. The Fund will be required to establish a community grievance mechanism that describes how the Fund will facilitate resolution of concerns and grievances about the Fund’s environmental and social performance.</p>
<p>Worker Rights:</p>	<p>The Fund has developed and implemented a Social and Environmental Management System (SEMS) that addresses labor risk commensurate with the risks associated with the Fund and consistent with the IFC Performance Standards.</p>

	Each of the Fund's OPIC-supported investments will be evaluated separately with respect to specifics of operation and compliance with OPIC Worker Rights and Human Rights Approval criteria. Standard and supplemental Worker Rights language will be required for each OPIC-supported investment, as appropriate.
Human Rights:	OPIC issued a Human Rights Clearance for this Project on 4/29/2016.