

**INFORMATION SUMMARY FOR THE PUBLIC**  
**Dragon Capital New Ukraine Fund, L.P.**

Host Country:	Ukraine
Name of Borrower:	Dragon Capital New Ukraine Fund L.P. (the “Fund”)
Sponsor:	Dragon Capital Holdings Limited
Project Description:	The Fund is targeting \$150 million to invest in Ukraine, through the use of privately-negotiated equity instruments, in well established businesses with strong management teams and growth potential. The Fund will seek to invest in six to twelve investments and generally will seek control positions.
Total Fund Capitalization:	\$150 million
Proposed OPIC Loan:	Up to \$25 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 consultant TorreyCove Capital Partners.</p>
<b>Policy Review</b>	
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, a country that has suffered from a lack of foreign or local investment in recent years due to the political and economic crisis. According to the State Statistics Service of Ukraine, the economy is in recession, shrinking almost 10 percent in 2015 as

	<p>a result of politically impacted downturn in the financial sector and declining consumer demand. Foreign direct investment net inflows for Ukraine declined sharply from 2012 to 2014 reaching a low of \$847 million in 2014. In 2015, foreign direct investment into the country began to recover but has yet to reach pre-crisis levels. The Fund intends to combat these declines and add to recent growth by injecting capital to obtain controlling interests in the companies it invests in and to spur growth through expansion and operational efficiencies. The Fund will focus on key industrial sectors for the economy including agriculture, port terminals and infrastructure, logistics, retail and consumer goods, and real estate, all sectors in need of private equity investment. The Fund intends to provide stable, long-term capital inflows that can support the external balance of the country, which is currently unstable, and add to the country's overall low investment levels, despite significant reform efforts to streamline and deregulate the business and investment climate.</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, including 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>OPIC has reviewed the Fund's internal labor management system, which includes an Employee Handbook and Human Resources Policies. 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> <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</p>

	language will be required for each OPIC-supported investment, as appropriate.
Human Rights:	OPIC issued a human rights clearance on April 29, 2016.

