

INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	South Africa
Name of Borrower(s):	SA Taxi Impact Fund RF (Pty) Ltd., a South African limited liability company.
Project Description:	SA Taxi Impact Fund RF Proprietary Limited (the “Borrower”; along with its affiliate companies, “SA Taxi”) will borrow funds to on-lend to South African small and medium enterprises (“Entrepreneurs”) to purchase approximately 9,000 eligible minibus and midibus motor vehicles (the “Minibuses”), which come with a package of services such as insurance and repair (such loans, “Minibus Loans”; such project, the “Project”).
Proposed OPIC Loan:	Up to \$150 million. Tenor of 7 years from first disbursement, with no grace period. OPIC loan will be amortized in no more than 28 quarterly principal and interest installments.
Total Project Costs:	Approximately \$227 million.
U.S. Sponsor:	NI Africa Fund LP
Foreign Sponsor:	SA Taxi Finance Holdings Proprietary Limited
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a positive five-year U.S. balance of payments impact.
Developmental Effects:	The Project is expected to have a highly developmental impact on South Africa by expanding the availability of financial services for small- and medium enterprises (“SME”) Minibus operators for the purchase of new, high-quality minivan taxis. According to the World Bank, only 10% of South African SMEs have access to finance. The Minibus industry, which emerged in 1987, provides important transportation services to urban and peri-urban communities located far from work and bus routes. All of SA Taxi’s borrowers are black South Africans, a group that historically has lacked access to finance due to the legacy of apartheid, and an estimated 52% of borrowers reside in rural areas that are particularly underserved by traditional banks. SA Taxi uses alternative credit rating methodologies to serve previously unbanked borrowers and innovative business practices, such as telematics that estimate the profitability of routes, which improves the quality of loan underwriting. In addition, SA Taxi supports the local community through a variety of ancillary community activities including mobile libraries and medical screenings for Minibus operators. The Project supports the Government of South Africa’s National Development Plan 2030, which calls for improving the country’s

	<p>transportation infrastructure, including long-distance passenger transport provided by the Minibus sector. The Project complements target 10 of Sustainable Development Goal 8, which aims to “strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.”</p>
<p>Environment:</p>	<p>Screening: The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving on-lending to SMEs and servicing and maintenance of vehicles are screened as Category B projects under OPIC’s environmental and social guidelines. Environmental, health, safety and social impact concerns involve proper disposal of hazardous waste, hazardous material storage and occupational health and safety. To ensure that Minibus Loans are consistent with OPIC’s statutory and policy requirements, the OPIC Loan will be subject to conditions regarding use of proceeds. The Project’s activities are not vulnerable to climate change and therefore a climate change resilience assessment is not needed.</p> <p>Applicable Standards: OPIC’s environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following Performance Standards:</p> <p>PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention; and PS4: Community Health, Safety and Security</p> <p>In addition to the Performance Standards listed above, the International Finance Corporation (IFC) April 30, 2007 Environmental, Health, and Safety General Guidelines are applicable to this project.</p> <p>A desk-review of available project information indicates the project does not involve any land acquisition, impact biodiversity, indigenous peoples or cultural heritage therefore, PS 5 through 8 are not applicable to this project.</p> <p>The Project will have minimal greenhouse gas emissions as the Borrower only provides financing for the purchase of vehicles but does not operate them.</p>

	<p>Environmental and Social Issues and Mitigation: The Borrower’s social and environmental policy and grievance mechanism are adequately commensurate with the environmental and social risks of the project; therefore, the requirements under P.S. 1 are satisfied.</p> <p>SA Taxi Development Finance Proprietary Limited has an Occupational Health and Safety (OHS) Policy which details procedures and guidelines on safety measures and good practice in the workplace; the responsibility of staff towards their own health and safety; the roles and responsibilities of senior management towards OHS; and the duties, rights and responsibilities of the health and safety committee. The OHS Policy includes instructions on first aid kits’ content, availability and use and also outlines procedures for incident reporting. Workers in the repair and refurbishment department are provided with appropriate training and personal protective equipment. Used oil is collected and treated by a licensed third-party company. Other wastes, such as tires, plastics and other spare parts, are separated out for recycling. On-site storage of diesel is kept in two separate tanks which were installed according to regulations and inspected by the City of Johannesburg Emergency Management Services (fire safety division) to ensure compliance with local fire safety regulations.</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. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the requirements of the International Finance Corporation’s (IFC) Performance Standard 2 on Labor and Working Conditions. Minibus Loans to small and medium enterprise (“SME”) borrowers will be restricted with respect to the borrower’s operations, including the employment of minors and the violation of other applicable labor law requirements.</p> <p>The Borrower will be required to establish an employee grievance mechanism that fully aligns with IFC Performance Standard 2, and the Project will be required to encapsulate compliance with local law, including local labor laws, in its agreements with borrowers.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this Project on August 4, 2016.</p>