

INFORMATION SUMMARY FOR THE PUBLIC
AFRICELL

Host Countries	The Gambia; Sierra Leone; Democratic Republic of the Congo (“DRC”) and Uganda
Name of Borrower	Africell Holding Limited (the “Borrower”)
Project Description	The provision of high quality mobile telecommunications networks at affordable rates has become a crucial component of economic and human development. The World Bank predicts that a 10% increase in mobile phone technology coverage in developing countries will lead to an additional 1.2% increase in annual economic growth. Likewise, the expansion of mobile broadband contributes to economic development by making the internet available to more people who lack computers. Africell promotes better access and higher usage of both mobile voice and broadband technologies in the four low-income markets where it currently operates by offering high-quality service at affordable rates. The Borrower will use the proceeds of the \$100,000,000 OPIC loan (the “OPIC Loan”) to finance upgrades to and expansion of its 2G, 3G and 4G networks; to fund working capital needs; to acquire a 4G license in DRC; and may use up to \$40,000,000 to refinance existing debt (the “Project”).
Proposed OPIC Guaranty	\$100,000,000 loan with a tenor of 8 years, including a 2-year grace period.
Total Project Costs	\$135,000,000
U.S. Sponsor	Ziad Mohsen Dalloul
Foreign Sponsor	N/A
Policy Review	
U.S. Economic Impact	This Project is expected to have a neutral impact on U.S. employment and on the U.S. trade balance.
Developmental Effects	This Project is expected to have a highly developmental impact in Uganda, the DRC, Sierra Leone, and The Gambia by expanding the availability and quality of affordable mobile telephone and internet services in those countries. Africell’s business strategy is focused on providing affordable mobile network access to low income sub-Saharan African countries. For example, in the DRC it supports low-income subscribers by offering the lowest on-network call tariffs and the lowest data pricing in the market. Africell anticipates growing its client base by over 10 million clients over the next five years. Most of the anticipated growth is expected in Democratic Republic of Congo and Uganda, each of which have estimated mobile penetration rates of less than 60 percent. The World Bank notes that improving access to mobile technologies helps businesses become more productive, people find jobs, and governments better deliver public services by

	<p>reducing information costs, improving efficiency, and promoting innovation. The Project is also expected to hire over 450 new workers in the Project countries. There is a pressing need for formal job creation in these countries. In Sierra Leone the UNDP estimates that 70 percent of youth are unemployed or underemployed, and more than half of workers in urban areas are self-employed. In the DRC, unemployment for workers with tertiary educations is 13.7 percent, and 45 percent of workers are underemployed. In Uganda, the government estimates that 20 percent of the working age population is underemployed.</p>
<p>Environment</p>	<p>Screening: The Project has been reviewed against OPIC’s categorical prohibitions and determined to be eligible. Projects involving the installation of communication towers on small parcels of land and operation of communication towers are screened as Category B projects under OPIC’s environmental and social guidelines because impacts are site specific and readily mitigated. The primary environmental and social concerns related to this Project are associated with the safety of employees and contractors involved in the installation of communication equipment.</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 International Finance Corporation’s (IFC) 2012 Performance Standards (P.S.):</p> <ul style="list-style-type: none"> -P.S. 1: Assessment and Management of Environmental and Social Risks and Impacts; -P.S. 2: Labor and Working Conditions; -P.S. 3: Resource Efficiency and Pollution Prevention; and -P.S. 4: Community Health, Safety, and Security. <p>The Project will install communication towers which will be located in permitted areas and not near any national park or a sensitive ecosystem. The Borrower has represented that none of the Project activities will be located in a national park or in a designated sensitive ecosystem. In addition, the Project sites are not expected to adversely impact any critical habitat. Therefore, PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources is not expected to be triggered.</p> <p>In accordance with PS 3, IFC’s Environmental, Health, and Safety (EHS) General Guidelines (2007) and EHS Guidelines for Telecommunications will be applicable to this Project. The greenhouse gas (carbon dioxide equivalent [CO₂eq]) emissions are estimated to be less than 20,000 tons CO₂eq per year.</p> <p>Environmental and Social Risks and Mitigation: The Borrower will manage both the construction of new</p>

	<p>communication towers and their operation in accordance with its policies and procedures which will ensure compliance with the local regulations. The Borrower has adopted detailed procedures relating to worker and contractor safety. In addition, employees and contractors also receive extensive training specific to their jobs. All solid wastes are transported off site and disposed at permitted facilities by licensed contractors. The Project does not generate significant quantities of wastewaters. Dust and other air emissions will be controlled to acceptable levels.</p> <p>The Borrower is expected to implement its environmental and social policy and procedures for ensuring the Project's compliance with the IFC's 2012 Performance Standards and EHS Guidelines for Telecommunications and General EHS Guidelines (2007).</p>
<p>Social Assessment</p>	<p>The Project will have impacts that must be managed in a manner consistent with the International Finance Corporation's Performance Standards, OPIC's Environmental and Social Policy Statement and applicable local laws. OPIC's statutorily required language will be supplemented with provisions concerning non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>The Project has in place an overall Environmental and Social Management System, including a social risk assessment process and a labor management system commensurate to the size and scope of the Project. However, the Project will be required to develop a Security Management Plan to ensure security services are aligned with the requirements of the UN Voluntary Principles on Security and Human Rights.</p>