

Host Country:	Global
Name of Borrower:	A to be formed entity, as described below, satisfactory to OPIC.
Project Description:	According to the World Bank, an estimated 2.5 billion adults do not have accounts at formal financial institutions and are considered to be “financially excluded.” In developing countries, only 41% of adults have access to formal financial services. <sup>1</sup> In order to provide more unbanked populations with financial services, MicroVest Capital Management and GMG Investment Advisors formed a joint-venture (the “Sponsor”) to manage an investment fund (the “Master Fund”) that lends to financial intermediaries and other entities that service the working poor. The project involves a loan to a new borrower vehicle (the “Fund”) that will use the OPIC loan and equity capital invested by the Master Fund to expand the lending capacity of the joint venture with the same investment objective as the Master Fund. The Fund will make loans primarily to microfinance institutions (“MFIs”), and to a lesser extent to SME financial intermediaries and select SMEs in other sectors.
Proposed OPIC Loan:	\$48,000,000
Total Project Costs:	\$68,125,000
U.S. Sponsors:	MicroVest GMG Capital Management, LLC
<b>Policy Review</b>	
U.S. Economic Impact:	This 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 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 strong impact on the host country economies through its support of private credit finance institutions that target the low-income segment of the population and its contribution to building capital markets in emerging economies. The Fund will lend to institutions that will have a positive social impact while achieving returns for investors.
Environment:	Projects involving loans to microfinance institutions and SME lending are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, safety and social impact concerns are minimal. However, in order to insure that the Fund’s loans are consistent with OPIC’s statutory and policy requirements, those loans will be subject to conditions regarding use of proceeds.
Workers Rights:	OPIC’s statutorily required standard worker rights language will

<sup>1</sup> World Bank Global Financial Inclusion Database

	<p>be supplemented with provisions concerning the rights of association, organization and collective bargaining. Loans to micro and SME borrowers will be restricted with respect to the borrower's operations, including employment of minors and other applicable labor law requirements. 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 International Finance Corporation's Performance Standard 2 on Labor and Working Conditions.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this Project on May 2, 2014.</p>