

INFORMATION SUMMARY FOR THE PUBLIC

BancABC

Host Country(ies):	Botswana, Mozambique, and Zambia.
Name of Borrower(s):	African Banking Corporation of Botswana Limited (“ABC Botswana”), African Banking Corporation of Mozambique Limited (“ABC Mozambique”), and African Banking Corporation of Zambia Limited (“ABC Zambia”, and together with ABC Botswana and ABC Mozambique, the “Borrowers”).
Project Description:	<p>The proceeds of the OPIC Loans (as defined below) will be used as follows:</p> <p>a) for each of ABC Botswana and ABC Mozambique, (i) to expand its small and medium enterprise loan portfolio in the country in which such it is located and (ii) to expand its loans to underserved individuals and consumers with a focus on first-time retail borrowers in the country in which it is located;</p> <p>b) for each of ABC Mozambique and ABC Zambia, to acquire a commercial banking institution in its respective jurisdiction; and</p> <p>c) for each of the Borrowers, to (i) invest in upgrades in information technology and training systems that improve its existing systems to support growth in its loan and deposit portfolio and to meet the management reporting requirements of Atlas Mara Limited and (ii) develop and introduce new retail and corporate banking product technology, such as mobile and internet banking, enabling each Borrower to increase its market share</p> <p>(items (a), (b), and (c) are collectively defined as the “Project”).</p>
Proposed OPIC Loan:	The OPIC Loans will consist of three individual loans of the following amounts: \$45,000,000 for ABC Botswana; \$90,000,000 for ABC Mozambique; \$65,000,000 for ABC Zambia (each such loan an “OPIC Loan”; and collectively, the “OPIC Loans”). Each Borrower will enter into a separate finance agreement with OPIC for its OPIC Loan.
Total Project Costs:	\$300,000,000.
U.S. Sponsor:	Atlas Mara Limited, a British Virgin Islands company that is majority-owned by U.S. persons (the “Sponsor”).
Foreign Sponsor:	ABC Holdings Limited, a bank holding company registered in Botswana.

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. Thus, the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a net negative five-year U.S. balance of payments impact.
Developmental Effects:	The Project will have a positive developmental impact by strengthening one of Sub-Saharan Africa's growing financial institutions. There is high growth potential in the financial services sector throughout Sub-Saharan Africa and a real need for greater financial inclusion, as a large percentage of the population remains unserved by traditional banking institutions. According to the World Bank, only 34% of the adult population in Sub-Saharan Africa maintained a bank account at a formal financial institution in 2014, which is considerably lower than in other regions of the world. The OPIC Loans will help achieve the Sponsor's overall strategy to expand in the region, increase lending to small and medium enterprises and underserved individuals, offer new financial products, and instill best practices throughout its subsidiary banks.
Environment:	Investments in financial institutions for the purposes of acquisition, technology upgrades, and small and medium enterprise lending are screened as Category C projects under OPIC's environmental and social policies, but are subject to conditions related to the use of proceeds. Excluded activities include lending to entities engaged in categorically prohibited activities or activities likely to have a significant adverse impact on the environment. The Borrowers have environmental and social policies that will be used to guide the Project to achieve sound and sustainable environmental and social performance. The Borrowers also have appropriate grievance mechanisms.
Worker Rights:	OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization, and collective bargaining. The Borrowers will also be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. Standard and supplemental contract language will be applied to all workers of the Projects. For ABC Botswana and ABC Mozambique, loans to small and medium enterprise

	<p>borrowers will be restricted with respect to the small and medium enterprise borrowers' operations, including the employment of minors and other applicable labor law requirements.</p> <p>ABC Botswana has 252 employees in managerial and professional/technical roles. There are an additional 40 temporary clerical employees on fixed term contracts and 20 interns. ABC Mozambique has 238 employees in managerial and professional/technical roles and 11 employees in low-skilled positions. ABC Zambia has 217 permanent employees in managerial and professional/technical roles and five employees in low-skilled positions. There are 13 temporary clerical employees on fixed term contracts.</p> <p>In the event of retrenchment, the Borrowers will be required to develop and implement a retrenchment plan consistent with the International Finance Corporation's Performance Standard 2.</p> <p>The Borrowers shall submit to OPIC a grievance mechanism consistent with the International Finance Corporation's Performance Standard 2, which is available to all workers of the Project, and shall revise or amend existing grievance procedures that are inconsistent with the International Finance Corporation's Performance Standard 2. The Borrowers shall submit and implement a finalized Social and Environmental Management System that addresses labor risk commensurate with the risks associated with the Borrower's lending activities and consistent with the International Finance Corporation's Performance Standards.</p>
Human Rights:	OPIC issued a human rights clearance for the Project on July 14, 2015.