

**INFORMATION SUMMARY FOR THE PUBLIC
LETSHEGO**

Host Country(ies):	Botswana, Kenya, Lesotho, Mozambique, Namibia, Nigeria, Swaziland, Tanzania, Uganda and Rwanda.
Name of Borrower(s):	Letshego Holdings Limited, a Botswana limited liability company.
Project Description:	The Borrower will use the OPIC loan to expand its lending activities in Sub-Saharan Africa. Through its operating subsidiaries in host countries, the Borrower will lend the OPIC loan proceeds to local borrowers to be used primarily for education, housing and home improvement, and micro and small enterprise development.
Proposed OPIC Loan:	\$42,000,000 (7 year term loan)
Total Project Costs:	\$70,000,000
U.S. Sponsor:	MicroVest Short Duration Fund, L.P. and MicroVest GMG Local Credit Fund, Ltd. (together, as U.S. Co-Lender)
Foreign Sponsor:	Letshego Holdings Limited.
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy or employment. 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 negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project is expected to have a highly developmental impact on the Sub-Saharan Africa region by increasing access to finance for both consumers and small businesses. MSMEs are an underserved segment of the region's economy, accounting for 90% of all businesses in Sub-Saharan Africa, but suffer from a financing gap of up to \$170 billion. With a banked adult population of only 24%, many countries in Sub-Saharan Africa have identified increased access to finance and financial services as development objectives in their USAID Country Development Cooperation Strategies. The Borrower is committed to supporting financial inclusion as evidenced by its active participation in the Alliance for Financial Inclusion. Finally, the Project is expected to create dozens of new professional jobs in a region with a very low level of formal employment.
Environment:	Projects involving loans to financial institutions for the purpose of on-lending to micro-, small-, and medium-sized businesses are screened as Category C projects under OPIC's

	<p>environmental and social guidelines. Environmental, social, and health & safety impacts are minimal. However, in order to ensure that the Project is consistent with OPIC’s statutory and policy requirements, the loans made by the Borrower using OPIC funds will be subject to conditions regarding the use of proceeds, and the Borrower will be required to provide a healthy and safe work environment for its employees. The Project’s activities, which involve providing loans to MSMEs, are not vulnerable to climate change and therefore a climate change resilience assessment is not needed.</p> <p>The Borrower is developing an Environmental and Social Management System in cooperation with a reputable environmental and sustainability consulting service provider to screen and assess potential risks of the Project. This system will be subject to OPIC’s review and approval. The Borrower has already implemented external communications and complaints policies to meet the standards of a stakeholder grievance mechanism.</p>
Workers Rights:	<p>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, OPIC’s Environmental and Social Policy Statement and applicable local labor laws. OPIC’s statutorily required language will be supplemented with provisions concerning the rights of association.</p> <p>Loans to micro-borrowers and SME borrowers will be restricted with respect to the borrower’s operations, including the employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers engaged by the Project.</p> <p>The Project will be required to develop and implement a Social and Environmental Management System (SEMS) that addresses labor risk commensurate with the risks associated with subsidiary portfolios and consistent with the requirements of the IFC Performance Standards.</p>
Human Rights:	<i>Clearance currently pending at the Department of State.</i>