

Information Summary for the Public

Host Country(ies):	Ukraine
Name of Borrower:	Atlantic Group Limited
U.S. Sponsor:	Andrew K. Bain
Foreign Sponsor:	W. David Stewart Serhiy Staritsky
Project Description:	Expansion of billboard advertising and magazine publishing businesses
Total Project Cost:	\$4,000,000
Loan Provided Under OPIC-WorldBusiness Capital Framework Agreement:	\$3,900,000
U.S. Economic Impact:	This project involves the expansion of magazine publishing and outdoor advertising in the host country, and therefore does not have the potential for a negative impact on the U.S. economy or employment. Initial U.S. procurement of Legal Services is expected to have a positive impact on U.S. employment.
Developmental Effects:	This project will have a positive development impact on the host country with the expansion of modern advertising through billboards and magazine publishing. The company will use this investment to acquire two new magazines focused on woman's issues and also acquire new billboards to expand their outdoor advertising portfolio. This project will provide more opportunities for advertising for upstream industries and involve the knowledge transfer of digital distribution in publishing. In addition, the project will provide procurement opportunities for local goods and services. The company will hire new staff, who will receive training in management and advertising.

Environment:	<p>Screening: This Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. Loans for Projects involving billboard construction and business expansion within an existing facility are generally screened as Category B under OPIC's environmental and social guidelines because impacts are site specific and readily mitigated. The major environmental and social risks associated with this Project are occupational health and safety for construction workers, hazardous waste management (neon bulbs, lead-acid batteries) and solid waste management.</p> <p>Applicable Standards: Under OPIC's Environmental and Social Policies, the Project is required to comply with applicable national laws and regulations related to environmental and social performance. OPIC's environmental and social due diligence indicates that the Project will have impacts which must be managed in a manner consistent with the International Finance Corporation's (IFC) 2012 Performance Standards (PS) 1 through 3.</p> <p>Based on a desk-review of the submitted information and correspondence with AGL, the Project will involve construction of billboards in buffer zones surrounding public works (i.e. public roadways) in which land use is subject to approval through the government license application process. In addition, the Project represents that persons will not be physically or economically displaced nor will there be any impacts on Indigenous Peoples or cultural heritage sites as a result of the Project. The Project represents that all construction will be carried out in compliance with the Labor Code of Ukraine by licensed contractors; therefore,</p>
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	<p>Performance Standard’s 4 through 8 are not triggered at this time.</p> <p>In addition to the Performance Standards listed above, the IFC’s 2007 Environmental, Health, and Safety General Guidelines are applicable to this Project.</p> <p>Environmental and Social Risks and Mitigation: The Project involves business expansion at its current location in Kiev, Ukraine and the construction of billboard locations throughout the country. Environmental and social risks are minimal and readily mitigated through existing local regulatory guidance.</p> <p>However, the Project will be required to submit to OPIC for review, the following documents: (i) an Environmental and Social Policy Statement, describing the environmental and social objectives and principles that will be used to guide the Project and achieve sound and sustainable environmental and social performance; (ii) a formal grievance mechanism, and (iii) an Occupational Health & Safety Plan.</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, minimum age, hours of work, the timely payment of wages and hazardous work situations. Standard and supplemental contract language will be applied to all workers engaged by the Project. The Project will 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.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this Project on August 29, 2012.</p>