

**ANNEX A – INFORMATION SUMMARY FOR THE PUBLIC**

Host Country:	Nigeria (at least 75%) and West Africa (no more than 25%)
Name of Borrower:	A Mauritius entity to be formed (the “Fund”)
Sponsor:	CBO Investment Management, Ltd., a Nigerian-based company (the “CBOIM”)
Project Description:	The Fund will invest in Nigerian and West African small and middle market companies. It has an experienced, stable and cohesive senior executive team that has a 6-year track record of investing in companies in the financial services, media, and energy services sectors in Nigeria.
Total Capitalization	<ul style="list-style-type: none"> <li>• \$75 million Fund for international investors, to which OPIC would lend; and</li> <li>• \$75 million (local currency equivalent) onshore fund for local pension funds that will invest in parallel with the Fund</li> </ul>
Proposed OPIC Loan:	A principal loan amount equal to the lower of \$18.75 million or 25% of Fund capitalization; provided US investors invest equity equal to at least 25% of the OPIC loan amount
Term of Fund:	Ten years from final closing, subject to two, one-year extensions
Selection Process:	On November 19, 2013, OPIC opened its Innovative Financial Intermediaries Program (“IFIP”) to accept proposals on a rolling basis. IFIP is a two-year pilot created to support financial intermediaries investing in OPIC-eligible countries through pooled investment vehicles containing elements typical of both of OPIC’s direct Finance and Investment Funds programs, but that did not fit squarely within either Investment Funds or Finance processes. Proposals are batched quarterly and reviewed by the IFIP Screening Committee, with the assistance of Imprint Capital as an investment consultant. CBOIM applied to IFIP and was reviewed by the IFIP Screening Committee on December 3, 2014 and by the Evaluation Committee on October 14, 2015.
<b>Policy Review</b>	
U.S. Economic Impact:	The Fund is not expected to have a negative impact on the U.S. economy, as the Fund will invest in SMEs in West Africa. There is no U.S. procurement associated with this Fund, and thus, the Fund’s operations are expected to have a neutral impact on U.S. employment. The Fund is expected to have a negative five-year U.S. balance of payments impact.

Developmental Effects:	<p>This project involves an investment guaranty to a new Fund focused on investments in SMEs in a variety of sectors in West Africa, primarily Nigeria, where access to finance for SMEs remains a challenge, but has strong development outcomes. An empirical study on the effect of equity financing on the value added profile of Nigerian SMEs found that equity backed SMEs contributed more to society in terms of taxes to government, provision of corporate social responsibility and staff welfare.<sup>1</sup> The Fund will have a proactive approach, introducing international expertise and best practices to each portfolio company, which is expected to increase their efficiency and accelerate growth.</p>
Environment:	<p>Projects involving capitalization of a fund focusing on SME investments 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 CBIOM's loans are consistent with OPIC's statutory and policy requirements the loan will be subject to conditions regarding use of proceeds.</p> <p>CBIOM has developed a formalized Environmental and Social Management System (ESMS) to screen and assess potential environmental and social risks of projects it supports. As part of the ESMS, CBIOM has established a grievance mechanism to allow for the expression of and response to complaints related to the implementation of its projects.</p>
Worker Rights:	<p>The Fund has developed and implemented a labor management system that addresses labor risk commensurate with its employment-related risks and consistent with the IFC Performance Standards, OPIC's Environmental and Social Policy Statement and applicable local labor law. The Fund will be required to develop and implement a grievance mechanism for its employees. OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment, prohibition against the use of forced labor, and non-discrimination.</p> <p>The Fund has developed and implemented a Social and Environmental Management System (SEMS) which addresses</p>

<sup>1</sup> The Effect of Venture Capital Financing on the Economic Value Added Profile of Nigerian SMEs, African Journal of Accounting, Economics, Finance and Banking Research, Vol. 5, No. 5, December 2009

	labor risk. However, in order to ensure that the Fund's investments are consistent with OPIC's statutory and policy requirements, OPIC will require that labor-related procedures and policies are enhanced. OPIC will require the Fund's investments in SMEs to comply with standard restrictions regarding the employment of minors and other applicable labor law requirements.
Human Rights:	OPIC issued a Human Rights Clearance for this project on October 22, 2015.