Public Information Summary

Host Country(ies)

Ukraine

Name of Counterparty / Issuer

PrJSC VF Ukraine

Project Description

DFC to extend a direct loan of up to $350 million to the Borrower to support the financing of the Borrower's deployment of trusted vendor equipment on its network. Support would be provided by refinancing existing indebtedness, enabling the Borrower to redeploy cash otherwise reserved for debt repayment toward the procurement of at least $350 million of trusted vendor equipment during the first five years of the Loan term (the "**Project**").

DFC Product Type

Debt Financing

DFC Investment / Insured / Equity Amount

Up to $350,000,000

Total Project Costs

Up to $700,000,000

U.S. Involvement

N/A

Policy Review

Developmental Objectives

The Project supports the continuity and resilience of Ukraine's critical telecommunications infrastructure by enabling Vodafone Ukraine, one of the country's three nationwide mobile operators, to maintain operations, meet external debt obligations, and continue priority capital investments during wartime conditions. Through expenditures in sustained network coverage and service expansion, the Project is expected to preserve essential connectivity for approximately 15 million Ukrainians and strengthen economic activity at a time when private capital is largely unable to enter the market. Based on these characteristics, the Project is categorized as Impactful per DFC's Impact Quotient.

Environment and Social Assessment

a. Screening

The Project has been reviewed against the DFC's 2024 Environmental and Social Policies and Procedures ("ESPP") and has been determined to be categorically eligible. DFC corporate loans involving the refinancing of existing debt, enabling the Borrower to redeploy cash towards its telecommunications network using DFC-approved Trusted Vendors are screened as Category B for environmental and social assessment. Associated E&S risks and impacts are expected to be limited and generally manageable through standard mitigation measures and the Borrower's ESMS, as required under the ESAP, in accordance with the Applicable Standards.

b. Applicable Standards

To ensure consistency with the DFC's statutory and policy requirements, the transaction will be subject to conditions addressing the use of proceeds and cash redeployed as a result of the refinancing. The primary environmental and social issues identified in this transaction relate to the Borrower's capacity to identify and manage E&S risks and impacts through an appropriate Environmental and Social Management System (ESMS), consistent with the Applicable Standards. These include the 2012 IFC Performance Standards, 2007 World Bank Environmental, Health, and Safety General Guidelines, and 2007 IFC Environmental, Health, and Safety Guidelines for Telecommunications (2007).

c. Environmental and Social Risks and Mitigation

Under the DFC's ESPP, the Borrower is required to comply with applicable local and national E&S laws and regulations and the Applicable Standards. Key E&S risks relate to the Borrower's E&S management capacity, labor and working conditions, occupational health and safety, stakeholder engagement and grievance management, and security, particularly in the context of the ongoing conflict.

The Borrower has existing policies and procedures addressing several of these risks and is developing an ESMS using IFC guidance. The ESAP requires completion and implementation of the ESMS and targeted actions to address identified gaps.