

## Public Information Summary- Inputi

<b>Host Country(ies)</b>	Uganda (LIC)
<b>Name(s) of Borrower(s)/Guaranteed Party(ies)</b>	Inputi Ltd.
<b>Project Description</b>	Inputi is a digital marketplace offering agricultural market-based solutions for input supply in Uganda. This is an ASBC transaction.
<b>Proposed DFC Loan/Guaranty</b>	\$500,000 DFC USD-equivalent Revenue Share Loan (RSL) Synthetic Local Currency Loan (SLCL) in UGX, senior/unsecured
<b>All-Source Funding Total</b>	\$500,000 USD (grant/TA resources from USAID, USAID, DFC Ignite TA Facility, and other providers TBD)
<b>Policy Review</b>	
<b>U.S. Economic Impact</b>	This Project exclusively involves the provision of services in the Host Countries. Additionally, there is no U.S. procurement associated with DFC involvement in this transaction. Based on this, DFC-support for this Project does not represent the potential for a significant negative impact on the U.S. economy.
<b>Developmental Objectives</b>	<p>Agriculture accounts for 25% of Uganda’s GDP and 70% of the country’s workforce, including over 3 million smallholder farmers.<sup>1</sup> Commercialization of the Ugandan agricultural sector is impeded by limited use of fertilizer and quality seeds and a lack of irrigation infrastructure, exposing farmers to both climate and infestation risks.<sup>2</sup> Fewer than 5% of smallholder farmers regularly use fertilizers due to difficulty accessing the correct inorganic fertilizers for their crops at a reasonable price.<sup>3</sup></p> <p>The Project is expected to have a positive development impact on the agricultural sector in Uganda through increasing smallholder farmers’ access to quality agricultural inputs and ultimately a broader end-to-end digital marketplace strategy encompassing input supply, logistics, and market access to improve market efficiency across the sector. The Project Company has demonstrated a commitment to reaching women and youth through pilot programs such as a targeted produce trading platform connecting farmers to local markets. Following successful growth in the Ugandan market, the Project Company plans to expand complementary service offerings to address the needs of the agricultural community and</p>

<sup>1</sup> International Trade Administration, Uganda Country Commercial Guide, August 2022.

<sup>2</sup> ITA, 2022.

<sup>3</sup> Todd Benson et al., “The Supply of Inorganic Fertilizers to Smallholder Farmers in Uganda,” International Food Policy Research Institute, December 2012.

	<p>ultimately to enter other east African markets to provide comparable services.</p> <p>The Project Company operates a digital marketplace for agricultural input supply (e.g., fertilizers, seeds, herbicides) for both individual farmers (B2C) and agricultural sector SMEs (B2B) and generates revenues predominately from margins on input product sales and distribution. The Project Company will only work with farm input suppliers and produce off-takers with environmental and social practices certified by the Uganda National Bureau of Standards (UNBS).</p> <p>The Project Company’s produce trading platform, piloted in 2022, will connect local farmers to local markets across Uganda once live, with a particular focus on women and youth. This will supplement the Project Company’s existing phone-based agricultural trading services, which currently represent over 90% of client interactions. The Project Company is also piloting a producer’s marketplace for agricultural output sales, which is expected to connect buyers of produce directly to suppliers. If this expansion is successful, the Project Company is considering additional complementary services (e.g., financing) as future product offerings.</p> <p>The Project Company’s clients all benefit from comprehensive technical assistance, facilitating the adoption of farming best practices to increase productivity, profitability and sustainability for smallholder farmers. The Project Company’s end-to-end digital marketplace strategy encompassing input supply, logistics, and market access will allow for an adaptive approach to address the specific needs of each client group. Diversification into B2B sales involving agro-input shops, cooperatives, and institutions is enabling new levels of growth across the broader agricultural market.</p>
<p><b>Environment and Social Assessment</b></p>	<p>The Project has been reviewed against DFC’s 2020 Environmental and Social Policy and Procedures (ESPP) and has been determined to be categorically eligible. The Project was screened as a Category B under DFC’s ESPP because impacts are site specific and readily mitigated.</p> <p>The primary environmental and social issues associated with the Project include the need to develop and implement an Environmental and Social Management System, in compliance with IFC and DFC labor requirements, to manage potential environmental risks related to Agricultural distribution, and aggregation and social risks related to human resources and security management.</p> <p>DFC’s environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the</p>

following 2012 International Finance Corporation's (IFC) Performance Standards (PS):

PS1: Assessment and Management of Environmental and Social Risks and Impacts.

PS2: Labor and Working Conditions.

PS3: Resource Efficiency and Pollution Prevention; and

PS4: Community Health, Safety, and Security.

The Project does not involve physical or economic displacement and no land will be purchased for the Project. Additionally, operations are in existing commercial areas and there will be no impacts to indigenous peoples, biodiversity, or cultural heritage. Therefore, Performance Standards 5, 6, 7, and 8 are not triggered by this Project at this time.

Inputi is an online marketplace, aggregator, and distributor of farm supplies with little to no physical infrastructure in Kampala, Uganda. Inputi does carry out transportation-delivery of agro-input products from vendor to customer apart from fertilizer and other hazardous agrochemicals which is sent directly from the vendor. The Borrower is looking to lease warehouses using DFC's loan but build a new warehouse on a piece of land they own (greenfield construction) in the future.

Inputi will be required to develop and implement an Environmental and Social Management System aligned with the requirements of PS 1. In addition, Inputi will be required to take certain actions to align its human resources policies and procedures with the requirements of PS 2, including development and implementation of a sexual harassment policy, enhancement of internal grievance procedures, and contractor management. Inputi presented an existing OHS policy it is committed to; the existing OHS policy adequately cover Inputi's existing digital marketplace operations but needs to be expanded to cover the company's growth warehouses.

Inputi uses municipal electricity for its dispatch points. The monitored electricity consumption for these dispatch points is approximately 2200 kWh/yr. (0.002 GWh/yr) resulting in Scope 2 emission of ~0.025 metric tons of CO<sub>2</sub>/yr. The Borrower does not use on-site generators or other stationary sources of fossil fuel combustion and therefore are no Scope 1 emissions.

Inputi currently does not own any vehicles yet leases them, however, once the lease warehouses are procured, they will acquire vehicles for their operations. The Borrower will also be required to provide an SOP for drivers. This will form a Motor Vehicle Safety Policy which outlines

	<p>driver recruitment, qualifications, training, drug &amp; alcohol policy, parking, lock-out procedure, use of safety belt, service and maintenance and accident reporting procedures.</p> <p>Inputi will also be required to develop and implement policies governing security management in alignment with PS 4.</p>
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