

Public Information Summary

Host Country	India
Name of Borrower	WayCool Foods and Products Private Limited
Project Description	WayCool is a tech-driven food distribution enterprise working to transform the Indian food value chain and reduce food waste. DFC will provide a five-year guaranty of a loan denominated in Indian Rupees and issued by an Indian commercial bank to the Borrower (the “Loan”). The Borrower will use the proceeds of the Loan to meet working capital needs as the company grows its food distribution network ahead of demand and expands into new regions and food products.
Proposed DFC Guaranty	\$5.5 million loan guaranty, 5 year tenor
All-Source Funding Total	\$25 million
Policy Review	
Developmental Objectives	DFC’s support for WayCool is expected to have a positive development impact in India by helping to address food security, generating income for smallholder farmers, and supporting job creation. Post-harvest loss in India is a major challenge in the country, leading to both decreased income for farmers as well as reduced food availability for consumers. Income for agricultural households is half of the median household income in the country as a whole, and the traditional agricultural value chain involves between 5 and 11 transfers, increasing costs and reducing farmers’ ability to respond quickly to changes in demand. WayCool’s vertically integrated procurement and distribution approach reduces the number of transfers in the agricultural value chain to two to three. Combined with WayCool’s extensive suite of products and services to help increase productivity and efficiency and reduce costs, this allows WayCool to increase revenue for smallholder farmers in its network while generating jobs across its operations.
Environment and Social Assessment	<p>Screening: 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 for a robust Environmental Management System to manage potential environmental and social risks related to food processing, solid waste disposal, food safety, occupational health and safety, and enhance human resources management and ensure labor practices comply with IFC and DFC labor requirements.</p>

Applicable Standards: DFC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the 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.

Environmental and Social Risks and Mitigation: WayCool has developed policies and procedures in line with PS 1 for overarching environmental, health and safety management. The Project has Environmental, Health and Safety and Food Quality and Safety Management Systems that adequately identify and manage the environmental risks related to food processing and distribution facilities. The Project's Occupational Health and Safety Policy ensures workers are provided a safe and health workplace. The Project's Water Management, Energy Management and Waste Management Policies incorporate the sustainable principles of reduce, reuse and recycle. The Project has an adequate Fire and Safety Policy for its facilities including mandatory drills and trainings.

The Company will also be required to take certain actions to align its human resources policies and procedures with the requirements of PS 2, including expansion of GBVH protection and associated grievance procedures, enhanced language prohibiting the use of forced or child labor, and enhanced transparency of future retrenchment plans.