

INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Kenya
Name of Borrower:	Victoria Commercial Bank Limited, a commercial bank in Kenya regulated by the Central Bank of Kenya.
Project Description:	Expansion of the Borrower's lending to small and medium enterprises ("SMEs") in Kenya with at least 25% of the loans made to women-owned or women-managed businesses.
OPIC Guaranty Amount:	\$9,750,000
Total Project Cost:	\$10,000,000
U.S. Sponsor:	Financial Services Volunteer Corps ("FSVC"), a U.S.-based firm that specializes in training and consulting for the global banking industry.
Foreign Sponsor:	NA
Policy Review	
U.S. Economic Impact:	This Project is not expected to have a negative impact on the U.S. economy or employment as it involves financing for SMEs in Kenya. U.S. procurement associated with this Project is expected to have a de minimis effect on U.S. employment. The Project is expected to have a positive five-year U.S. balance of trade impact.
Developmental Effects:	The Project is expected to have a highly developmental impact by expanding the availability of financing for small and medium enterprises in Kenya. The International Finance Corporation ("IFC") estimates that SMEs in Kenya face a \$6.2 billion financing gap, and that 48 percent of Kenyan SMEs are unserved by financial institutions. 25 percent of Project funds will support women-owned and women-led SMEs. Women-owned and women-led SMEs are underrepresented in Kenya's formal economy and cite access to finance as the greatest impediment to their growth. The Project Company will receive technical assistance to improve its business

	<p>functions as a part of this Project. The Project also aligns with the Government of Kenya’s goal to grow the SME sector by improving their access to finance. The Project aligns with UN Sustainable Development Goal 5 (Gender Equality) by improving women’s rights to economic resources and Goal 8 (Decent Work and Economic Growth) by improving access to financial services for SMEs.</p>
<p>Environment:</p>	<p>The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving loans to financial institutions for the purposes of SME on-lending are screened as Category C projects under OPIC’s environmental and social guidelines. The environmental, health, safety and social impacts from the Project are considered minimal. However, in order to ensure that the Project is consistent with OPIC’s statutory and policy requirements, the OPIC-guaranteed loans made by the Borrower will be subject to conditions regarding the use of proceeds, and the Borrower will be required to provide a healthy and safe work environment for its employees.</p>
<p>Social Assessment:</p>	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws.</p> <p>OPIC’s statutorily required language will be supplemented with provisions concerning nondiscrimination and the use of loan proceeds, which will be restricted with respect to the borrower’s operations, including the employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers engaged by the Project.</p>

	<p>This Project involves SME on-lending in Kenya. The Borrower will be required to develop environmental and social policies to guide its lending practices and address social risk, including labor, commensurate with the risks associated with the Borrower's anticipated Portfolio. The Borrower has a labor management system in place commensurate to the risk of its workforce.</p> <p>This review covers the commensurate human rights risks associated with SME on-lending in Kenya.</p>
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