Early Warning System

MIGA-3607

Afghanistan Rikweda Raisins

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Quick Facts

Countries	Afghanistan
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	B
Voting Date	2017-12-15
Borrower	Rikweda Trading DMCC
Sectors	Agriculture and Forestry
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 7.80 million

Project Description

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This summary covers an investment by Rikweda Trading DMCC in Afghanistan. The investors have applied for MIGA guarantees of up to US$7.8 million for a period of up to 10 years against the risk of war and civil disturbance.

The project involves the establishment and operation of a raisin producing and processing plant, Rikweda Fruit Process Company, located in Kabul, Afghanistan. The company will be funded through sponsors and an IFC revolving working capital facility.

Environmental Categorization

The project is a category B under MIGA's Policy on Social and Environmental Sustainability as it has potentially limited adverse social or environmental impacts that are largely reversible and readily addressed through mitigation measures. Key social and environmental risks and impacts are related to the development and implementation of management systems covering environment, health, safety, and food safety; workers' and community health and safety; and resource efficiency and pollution prevention (for example waste management, emissions controls, etc.). The client will prepare an Environmental Management Plan to manage the potential risks and impacts consistent with MIGA's Performance Standards.

Development Impact

Since 2014 the Afghan agri-business company specializes in the agricultural/horticultural development of Afghanistan's raisin production and processing sector. The company was developed to be the solution to gaining greater market coverage for Afghan raisins by improving the processing of Afghan raisins to the highest hygienic quality required. Their head of sales has been involved in the raisin sector 1986. The project is expected to create more than 300 new jobs, out of which 50% are for female.

MIGA's support for this investment is aligned with the World Bank Group's Interim Strategy Note for Afghanistan, particularly with regard to providing domestic sources of growth and jobs. This project is also aligned with MIGA's objective of facilitating investments in conflict-affected environments as well as countries eligible for assistance from the International Development Association.

The project would be underwritten through MIGA's Small Investment Program.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Contact Information

ACCOUNTABILITY MECHANISM OF MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/