

Information Summary for the Public

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| Host Country: | Global |
| Name of Borrower: | Root Capital |
| U.S. Sponsor: | Root Capital |
| Foreign Sponsor: | NA |
| Project Description: | The loan will fund small and medium enterprises in Central America, South America and Africa |
| Total Project Cost: | \$118, 400,000 |
| Proposed OPIC Loan: | \$10,000,000 |
| Developmental Effects: | <p>This project will have a strong developmental impact in the host countries by providing affordable credit to rural small and growing businesses that are too large for micro-loans, but remain under-served by commercial banks. The project provides an innovative financial product, “value chain” finance, in which credit is secured against warehouse receipts or assignment of payment for future product deliverables. The project also provides financial education and training workshops for its borrowers, including financial statement preparation, credit collateral management, financial planning, internal credit systems development, and financial policies implementation. The project will have strong corporate social responsibility (CSR) impacts by requiring its borrowers to be socially responsible and environmentally conscious as a prerequisite for obtaining a loan.</p> |
| Environment: | <p>Microfinance and small business lending facilities are screened as Category C projects, but subject to conditions related to the use of proceeds. Excluded activities include lending to entities engaged in categorically prohibited activities or activities likely to have a significant adverse impact on the environment.</p> |
| Workers Rights | <p>Proceeds of the OPIC loan will be restricted to support only “Fairtrade Certified” cooperatives. Retention of the “Fairtrade” certification will also be a condition for each of Root Capital’s OPIC-supported loans. “Fairtrade” certification requires compliance with the Fairtrade Labeling Organizations International (FLO)’s “Generic Fairtrade Standards for Small Producers’ Organizations”, which</p> |

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| | covers, in the minimum, the right of association, organization, and collective bargaining, minimum age requirements for the employment of minors, a prohibition on the use of forced labor, and acceptable conditions of work with respect to wages, hours of work, and occupational health and safety. Fairtrade requirements will apply to all workers of the project. |
| Human Rights | In consultation with the Department of State, the project received a Human Rights Clearance on September 21, 2009 |