

PUBLIC INFORMATION SUMMARY

Host Countries:	Malawi, with possible expansion to Rwanda, Kenya, Uganda, Tanzania, Ethiopia, Georgia, and/or Philippines depending on availability of additional equity funds and OPIC consent.
Name of Borrower:	Land O'Lakes Innovation Fund, LLC
Project Description:	The Malawi Strengthening Inclusive Markets for Agriculture (MSIKA) is a five-year, \$17 million value chain development project designed to support the productivity, value addition and processing of various value chains under fruits and vegetables. These include mangoes, citrus, guava, potatoes, tomatoes, onions and chilies. MSIKA promotes increased value addition and income for several value chain actors by facilitating improved processing, increased crop productivity, improved post-harvest handling and storage of the aforementioned value chains. In addition, the project helps expand markets, create more efficient domestic trade, and increase potential exports of processed products in the long term. The loans may be used for various categories including primary growing, processing and transportation and general working capital.
Proposed OPIC Loan:	\$4,000,000 financed over 10 years
Total Project Costs:	\$8,000,000
U.S. Sponsor:	Land O'Lakes Innovation Fund, LLC [Minnesota] Land O'Lakes International Development [Minnesota]
Foreign Sponsor:	NA
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a neutral five-year impact on the U.S. trade balance.
Developmental Effects:	This Project is expected to have a highly development impact by increasing credit issued to agribusiness SMEs in Sub-Saharan Africa. Agribusiness plays a vital role in economic development, contributing to a major portion of GDP and employment in these countries. This is particularly true in Sub-Saharan Africa, where agriculture accounts for 25 percent of the region's GDP, and 70 percent of employment. Despite the sector's importance, agribusinesses struggle to secure sufficient financing to sustain or grow operations due to perceived

	<p>financial risk. The Project seeks to help address these challenges by providing technical assistance to both financial institutions that serve agribusiness SMEs, and to potential borrowers on topics such as business and financial management, agricultural best practices, utilizing and maintaining productive equipment, and market linkages. In addition, approximately 50 percent of Project funds will target rurally located SMEs, and an estimated 25 percent will target women-owned SMEs. The Project aligns with UN Sustainable Development Goal #1 (No Poverty), #8 (Decent Work and Economic Growth), and #2 (Zero Hunger).</p>
Environment:	<p>The Facility has been reviewed against OPIC's 2017 Environmental and Social Policy Statement ("ESPS") and has been determined to be categorically eligible. Loans to financial intermediaries and SMEs are screened as a Category C activity for the purposes of environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. To ensure that the Sponsor's investments are consistent with OPIC's statutory and Policy requirements, the Facility will be subject to conditions regarding the use of proceeds.</p> <p>The primary environmental and social issues associated with the Facility include the need for an Environmental and Social Management System ("ESMS") commensurate with the risks of the downstream investments to ensure that downstream investments are developed in accordance with the applicable 2012 IFC Performance Standards. The Sponsor has an ESMS that is applied to all borrowers to help guide environmentally sustainable and sound social investment decisions. The Sponsor obligates all borrowers to comply with the IFC and OPIC Exclusion Lists; applicable local, provincial, and national laws on environment, health, safety, labor, and social issues; and the IFC Performance Standards.</p>
Social Assessment:	<p>The Facility has been reviewed against OPIC's 2017 Environmental and Social Policy Statement ("ESPS") and has been determined to be categorically eligible. Loans to financial intermediaries and SMEs are screened as a Category C activity for the purposes of environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. To ensure that the Sponsor's investments are consistent with OPIC's statutory and Policy requirements, the Facility will be subject to conditions regarding the use of proceeds.</p> <p>The primary environmental and social issues associated with the Facility include the need for an Environmental and Social Management System ("ESMS") commensurate with the risks of the</p>

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