

## INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Rwanda
Name of Insured Investor:	Westrock Coffee Holdings, LLC
Foreign Enterprise:	Rwanda Trading Company, S.A.
Project Description	The project involves up to an \$8 million equity investment in coffee processing facilities in Kigali, Rwanda, a \$3-15 million annual revolving loan facility for agricultural extension loans and technical assistance projects for coffee suppliers, and up to \$1 million in assets for multi-country transit through Rwanda, Kenya, Tanzania and Uganda to export shipping ports in Tanzania and Kenya.
Total Project Cost:	\$24,000,000
Proposed OPIC Insurance Amount:	\$19,400,000
Developmental Effects:	This project will have a positive developmental impact on the host country, by increasing production and export of coffee by local smallholder farmers. The project will provide training and technical assistance to coffee farmers in modern cultivation and harvest techniques that will enhance crop yields. The project will help Rwandan farmers to become certified in Fair Trade and Organic certification schemes, which will help them access global markets. The project will have positive human capacity building impacts by hiring new local workers who will receive benefits and training. Finally, the project will have environmental and community benefits by processing coffee byproducts into biofuel. Through an organic decomposition process, the project will produce compost and fertilizer, which it will provide free of charge to its suppliers.
Environment:	<b>Screening:</b> The Project has been reviewed against OPIC's categorical prohibitions and has been determined to be categorically eligible. Small-to-medium coffee washing and milling operations are screened as Category B projects under OPIC's environmental and social guidelines because impacts are site-specific and readily mitigated. Environmental and social issues associated with the Project include the need for appropriate occupational health and safety measures, proper waste disposal, dust

mitigation measures and wastewater treatment/disposal from washing stations.

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

P.S. 1: Social and Environmental Assessment and Management Systems

P.S. 2: Labor and Working Conditions

P.S. 3: Pollution Prevention and Abatement

P.S. 4: Community Health, Safety and Security

P.S. 6: Biodiversity Conservation and Sustainable Natural Resource Management

Because the Project does not involve new construction or land acquisition, significant adverse impacts with respect to land acquisition and resettlement, indigenous peoples and cultural heritage are not anticipated at this time. Therefore, P.S.'s 5, 7 and 8 are not triggered by the Project at this time.

Consistent with the requirements of PS 3 (Pollution Prevention and Abatement), in addition to the Performance Standards listed above the IFC April 30, 2007 Environmental, Health, and Safety General Guidelines the following International Finance Corporation (IFC) Environmental Guidelines are applicable to this project:

- (i) The IFC April 30, 2007 Environmental, Health, and Safety General Guidelines.

**Environmental and Social Risks and Mitigation:**

The Project involves mill operations, a revolving loan facility for agricultural extension loans and technical assistance to farmers, cooperatives and aggregators, fertilizer distribution and provision of toll milling and washing stations. The mill facility is located within Gikondo Industrial Park in Kigali. Currently, there are 33 washing facilities associated with supplying product to the mill. At the washing stations, process water is separated

	<p>from the pulp and treated either by passing it through a natural vegetation bed or containing it in an evaporation pond surrounded with vetiver plants. Any wastewater that would be released into a surface waterbody must be tested to ensure that quality meets Rwandan standards. Direct combustion sources at the mill include a dryer, coffee roaster and backup generator. Many of the washing stations use an auxiliary generator, capacities ranging from 4 kVA and 12 kVA, when they do not have access to the local electricity grid. Generators run on either gasoline or diesel. Direct greenhouse gas emissions from the project are estimated to be less than 2,000 tons CO<sub>2</sub>eq/yr.</p> <p>Based on the information provided, it appears that the Insured has a Social and Environmental Management System for its washing stations which is adequately commensurate with the nature and size of potential impacts and risks associated with their activities. However, the mill does not have a formal SEMS in place. OPIC will require that a formal SEMS be developed and implemented in accordance with P.S. 1 and that evidence that one has been established be submitted to OPIC for review.</p> <p>In 2007, the Rwandan government designated the Gikondo Industrial Park as part of a wetland (Gikondo Wetland). The government has communicated to all businesses located within the Gikondo Industrial Park of their intention to relocate them to an area outside of the wetland; however, no timeframe for relocation has been decided. Once the government has chosen a new site, an environmental impact assessment will be conducted for the new site. OPIC will require that RTC notify OPIC of the relocation at which time OPIC may conduct a follow-up environmental and social assessment of the new site and RTC's operations and potential impacts at the new site.</p>
Workers Rights	OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association,

	organization and collective bargaining, hours of work, and hazardous work situations. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions.
Human Rights	OPIC issued a human rights clearance for the project on March 14, 2012.
U.S. Effects	The project is not expected to have a negative impact on the U.S. economy or employment. 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 will have a negative five-year U.S. balance of payments impact.