

Public Information Summary

Host Country	Mongolia
Name of Borrower	GN Beverages, LLC (Incorporated in Mongolia)
Project Description	The Project will enable the Borrower, a PepsiCo bottler, to expand its operations, generate local jobs, increase tax payments to the government, and showcase PepsiCo's presence in a high priority DFC region. In addition, the project will include a day care facility thereby supporting more women employees with childcare responsibilities.
Proposed DFC Loan	US\$ 7,700,000; seven-year loan term
All-Source Funding Total	US\$ 11,000,000
Policy Review	
Developmental Objectives	This Project is expected to have a positive developmental impact on Mongolia by supporting the expansion of a beverage bottler and distributor. The Project will increase the Borrower's production and distribution capacity, which will enable the Borrower to diversify its product mix and to reach new customers across the country. The Project is also expected to result in increased employment opportunities and through investment in its distribution network, the Borrower will contribute to the improvement in the country's logistics industry. According to the World Bank's Logistics Performance Index, Mongolia ranks 130 th out of 160 countries.
Environment and Social Assessment	The Project will have impacts that must be mitigated in a manner consistent with the International Finance Corporation's Performance Standards, DFC's Environmental and Social Policy Statement and applicable local laws. DFC's statutorily required language regarding the rights of association, organization and collective bargaining, minimum age of employment, and prohibition against the use of forced labor, will be supplemented with provisions concerning non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including any contracted workers. The main social risks for the Project include contractor labor management and general working conditions. The Project's labor management system is sufficient to address these risks for both direct and contracted labor. The Project will be required to provide a Project-level external grievance procedure that is in alignment with local law and IFC

	Performance Standards. This review covers the commensurate human rights risks associated with the expansion of a beverage company in Mongolia.
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