

Public Information Summary
One Acre Fund

Host Country:	Kenya
Name of Borrower:	One Acre Fund (the Borrower)
Project Description:	Procurement of farming inputs to scale services to small-holder farmers in Kenya.
Proposed DFC Loan:	\$7,000,000
Total Project Cost:	\$10,000,000
U.S. Sponsor:	Citibank, N.A.
Foreign Sponsor:	NA
Developmental Effects:	<p>The Project is expected to have a highly developmental impact in Kenya by providing small loans to finance basic farm inputs, such as seed and fertilizer, to women and other smallholder farmers. One Acre Fund serves over a million African women and other farmers and provides technical assistance to boost yields and expand production beyond subsistence levels. Women produce up to approximately half of food produced in a number of countries in Africa, where more than a quarter of rural households are headed by a women and around 20 percent of women work in agriculture. African women farmers have significantly lower farm productivity than men counterparts due in part to lower access to training and farm inputs.</p>
Environment	<p>Screening: The Project has been reviewed against DFC’s 2020 Environmental and Social Policy and Procedures (“ESPP”) and has been determined to be categorically eligible. This Project has also been reviewed against findings in the 2019 State Department Human Rights Report for Kenya. In accordance with DFC’s environmental and social policies, projects involving agricultural supplies are screened as Category B as they have limited environmental and social impacts that can be mitigated to acceptable levels by the adoption of effective management practices.</p> <p>The primary environmental and social impact issues associated with this Project include the need for a robust Environmental and Social Management System (“ESMS”) to ensure that the Project operates in accordance with the 2012 IFC Performance Standards, proper storage and disposal practices for agro-supplies, and worker health and safety. The Project is subject to Climate Resiliency Screening per Executive Order 13677.</p> <p>Applicable Standards: Under DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of</p>

the 2012 International Finance Corporation’s Performance Standard (“PS”) 1, 2, and 3. For this Project, applicable provisions are:

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention;
- PS 4: Community Health, Safety, and Security; and
- PS 6: Biodiversity

The Project consists of providing seed, fertilizer, and skill-based training to local farms and farmers in Kenya. The Project does not include land acquisition or involve relocation of indigenous peoples. The land being used for seed and tree planting is pre-existing farmland. However, the Borrower represents that at times it does utilize private security for some of its Projects. Impacts with respect to land acquisition, indigenous peoples, or cultural heritage are not anticipated and therefore P.S. 5, 7, and 8 are not triggered.

Host Country Requirements

The Borrower represents that it is legally incorporated in Kenya and has obtained all necessary licenses¹ to engage in the sale of fertilizer, lending activities, seed importation, and pesticide (chemical) use and storage.

Environmental and Social Risks: The Borrower has a developed Environmental and Social Policy (“ESP”) where environmental and social impacts associated with agro-supply distribution, including proper storage and handling procedures for agro-supplies, have been comprehensively incorporated into The Borrower’s operations. The overarching objective is to align environmental and social approaches of the organization with clients to promote sustainable financing relationships. The Borrower seeks to ensure through its ESP, evaluation and assessment processes, that the projects it finances (i) are socially and environmentally sustainable; (ii) respect the rights of staff and local communities; and (iii) are designed and operated in compliance with applicable regulatory requirements. The Borrower represents that it has in-country human resources, corporate operations, and infrastructure departments who are responsible for maintaining workplace health and safety policies that comply with ILO conventions on health and safety and all domestic laws and regulations governing the safety of workers.

The Borrower represents that it operates strictly within the guidelines provided by the host country and are particularly careful when it comes to the issue of seed regulation. The Borrower documentation provides that it only uses hybrid or open-pollinated varieties (OPV) in countries that prohibit GMO, and are in fact not selling GMO seeds in any Project location. Further, the Borrower represents that it has obtained all

¹ e.g. Kenya Plant Health Inspectorate Services

	necessary licenses in the countries where it offers its products and is obligated to do so.
Labor/Human Rights	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.