

Public Information Summary

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| Host Country | Georgia |
| Names of Borrower | Information Communication Systems LLC |
| Project Description | The Project involves the development, construction, and operation of a regional logistic center located in Tbilisi, Georgia, to provide international and domestic logistics, warehousing, and supply chain integration services to business customers |
| Proposed DFC Loan/Guaranty | \$4,000,000 |
| All-Source Funding Total | \$6,1000,000 |
| Policy Review | |
| Developmental Objectives | The Project is expected to have a highly developmental impact in Georgia by providing integrated supply chain logistics services to Georgia and neighboring markets. According to the US International Trade Administration, Georgia’s strategic location makes it a natural logistics and transit hub along the “New Silk Road” linking Asia and Europe via the Caucasus. The country scored 119 out of 160 on the World Bank’s logistics performance index, where it noted that having inadequate systems of transportation, logistics, and trade-related infrastructure can severely impede a country’s ability to compete on a global scale. The new logistics facility is expected to support the development of Georgia’s supply chains and positively contribute to its economic development through international trade. |
| Environment and Social Assessment | <p>Screening: The Project has been reviewed against DFC’s 2020 Environmental and Social Policy Procedures (“ESPP”) and has been determined to be categorically eligible. Projects involving loans for logistics warehouses are screened as Category B under DFC’s environmental and social guidelines because impacts are site-specific and readily mitigated.</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. DFC’s environmental and social desk-review due diligence indicates that the investment will have impacts that must be managed in a manner consistent with the following International Finance Corporation’s (IFC) 2012 Performance Standards (PS):</p> <ul style="list-style-type: none"> • 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 |

DFC's due diligence assessment indicates that the Project involves construction of transportation and logistics facilities in a predominately commercial and industrial area. The Borrower represents that the land plot for the Project was purchased in 2019 from a private individual on a negotiated, willing seller/willing buyer basis. Most of the surround area is privately owned and used for industrial and transportation services in association with the nearby international airport. No adverse impacts associated with land acquisition, biodiversity, cultural heritage, or indigenous peoples are anticipated. Therefore, PS 5, 6, 7, and 8 are not triggered at this time.

The Project will also be required to meet applicable provisions of the IFC's General Environmental, Health, and Safety (EHS) Guidelines (2007).

Environmental and Social Risks and Mitigation: Key potential environmental and social risks and impacts associated with this Project include occupational health and safety measures for workers, disposal of wastes, life and fire safety, human resources management, and contractor management.

The Borrower will develop and implement a site-specific occupational health and safety (OHS) Plan that will include measures such as site security, PPE use, OHS training procedures, written safety procedures, and documentation of work-related accidents. The Borrower will ensure that adequate first aid will be available to Project workers at all times. Additionally, moving equipment will be outfitted with audible back-up alarms, and hazardous areas shall have proper signage and restricted access in accordance with international standards.

Non-hazardous solid waste will be collected on site in designated areas and disposed of by licensed third-party waste haulers. The Project will follow the Waste Management Code of Georgia during disposal of wastes. Small quantities of hazardous waste will be stored temporarily in a special area that will have proper signage, restricted access, and protection from the elements. Disposal of waste from the temporary disposal site will be done through licensed third-party contractors with proper permits for the disposal of hazardous waste.

The Borrower will follow all applicable local life and fire safety regulations and will have standpipe systems and fire extinguishers in the warehouse and office areas.

The Borrower has in place adequate Human Resources Policies and Procedures including for worker grievance redressal. The Borrower has developed a Contractor Management Plan that includes a review of contractors' policies and practices and communication of the borrower's policies to its contractors. The Borrower will be required to update its Contractor Management Plan to clarify how it will monitor compliance of contractors on an ongoing basis.