

INFORMATION SUMMARY FOR THE PUBLIC

| | |
|------------------------------------|--|
| Host Country(ies) | Burundi |
| Name of Borrower(s) | Gigawatt Global Burundi S.A. |
| Project Description | Refinancing of the construction, development, and operation of a 7.5 MW solar photovoltaic system in Burundi (the “Project”). |
| Proposed OPIC Loan/Guaranty | \$10,000,000 |
| Total Project Costs | \$15,702,000 |
| U.S. Sponsor | Gigawatt Global Cooperatief U.A. |
| Foreign Sponsor | Inspired Evolution Fund II |
| 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, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a neutral U.S. trade balance impact. |
| Developmental Effects | This Project will have a highly developmental impact in Burundi through the development and operation of the country’s first utility-scale solar power plant by the country’s first independent power producer. The Project is expected to add 14% power generation capacity for the country. Burundi’s lack of steady and affordable electricity is seen as one of the primary impediments to economic development. Burundi, considered one of the least developed countries in the world, experiences approximately 29% downtime in electrical access, with the grid down an average of two days a week. With an installed capacity of roughly 50-60 MW, the World Bank estimates that between five and seven percent of the country’s 10.5 million people have access to electricity. The government has projected a need for a nearly six-fold increase in installed capacity by 2020, to about 280 MW, and has set an ambitious goal of 20% electrification by that time. Furthermore, the country’s reliance on hydroelectric sources (representing 65% of capacity) causes wide fluctuations in supply, with deficits ranging from 13 MW to 30 MW during the wet and dry seasons. |

| | |
|---------------------------|---|
| | <p>As a first mover in the solar power generation sector and the first Burundi based independent power producer, the Project expects to have multiple demonstration impacts in a country that is ranked 162 out of 190 by the World Bank in “ease of doing business.”</p> <p>The Project is expected to create over 300 construction jobs and over 30 permanent local jobs. Through a robust corporate social responsibility (CSR) program, the Gigawatt Global Burundi expects to support a rural off-grid village of roughly 3,500 people by developing and maintaining a hybrid solar and diesel mini-grid. Through the CSR pilot program, Gigawatt Global Burundi will provide partially subsidized electricity to a health clinic, church, school, and commercial businesses with the expectation of expanding to include residential access. The Company expects to train and hire a local operations and management company for the mini-grid. The Project, through the described expected impacts, will help Burundi to attain Sustainable Development Goal #7 (Affordable and Clean Energy), #8 (Decent Work and Economic Growth), and #9 (Industry, Innovation, and Infrastructure).</p> |
| <p>Environment</p> | <p>SCREENING: The Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Solar power generation facilities not located in or near sensitive areas and that are unlikely to have significant negative impacts associated with biodiversity, Indigenous Peoples and land acquisition are screened as Category B under OPIC’s environmental and social guidelines because impacts are site specific and readily mitigated. The major environmental and social issues associated with the Project include the need for appropriate health and safety measures and a robust environmental and social management system for day-to-day aspects of construction and operation including solid waste disposal, hazardous materials management and disposal, and wastewater treatment and disposal.</p> <p>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> <p>PS 1: Assessment and Management of Environmental and Social Risks and Impacts;</p> <p>PS 2: Labor and Working Conditions;</p> |

| | |
|--------------------------|--|
| | <p>PS 3: Resource Efficiency and Pollution Prevention;</p> <p>PS 4: Community Health, Safety and Security;</p> <p>PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</p> <p>In addition to the Performance Standards listed above, the IFC’s April 30, 2007 Environmental, Health, and Safety General Guidelines and the IFC Environmental Health and Safety Guidelines for Electric Power Transmission and Distribution lines are applicable to the Project. Finally, the IFC and EBRD “Workers’ accommodation: process and standards” are applicable to the Project.</p> <p>Environmental and Social Risks and Mitigation: The Project is a 7.5 MW solar photovoltaic Project to be located in the town of Mubuga, Gitega Province, Burundi. An Environmental and Social Management System (“ESMS”) for the Project is in progress, but not yet complete. It will be updated before financial close to include an environmental policy, revised Environmental and Social Management Plan (“ESMP”) for construction and operations, a robust description of the organizational capacity to assure appropriate implementation and monitoring of the environmental requirements during construction and operations, and an emergency response plan.</p> <p>The Project site is located on 20 hectares. The site’s ecology has been altered by farming and grazing activities over the years and all biodiversity risks will be able to be managed through appropriate mitigation measures included in the ESMP. Solid waste will be handled by licensed contractors and a waste management plant will be expanded to include operations. An occupational health and safety plan is in progress. A transportation management plan will be required prior to construction to assure minimal impacts to the communities during construction and a water management plan will be developed to address proper water management. Air and noise impacts will occur primarily during construction and will be managed through appropriate measures in the Project’s ESMP</p> <p>CO_{2eq} emissions: <5000 tons/year</p> <p>Avoided emissions: 5087 tons/year</p> |
| Social Assessment | The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance |

| | |
|--|---|
| | <p>Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws. OPIC’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 contracted workers.</p> <p>This Project involves the construction and operation of a 7.5 megawatt (MW) photovoltaic power plant in Mubuga, Gitega Province, Burundi (the “Project”). The Project is on a privately owned 20 hectare plot of land, which has been leased for 25years through a negotiated settlement with the land owner. The Project will require a 15 meter wide right of way for the 7.2 km transmission line which will connect the Project to the existing electric substation at Gitega.</p> <p>The Borrower will be required to prepare and implement an Environmental and Social Management System, Human Resources management plans, a Security Risk Assessment and Management Plan, and a Cultural Heritage Management Plan, to be in alignment with the IFC Performance Standards. The Project will also require a Livelihood Restoration Plan reflecting that land acquisition for the site and right of way is conducted in accordance with the requirements of the IFC Performance Standards, and a legal opinion confirming the land registration of the power plant site.</p> <p>This review covers the commensurate human rights risks associated with solar power in Burundi.</p> |
|--|---|