

INFORMATION SUMMARY FOR THE PUBLIC

Host Country	Kenya
Name of Borrower	Brighter Life Kenya 1 Limited
Project Description	The Project will provide funding to purchase accounts receivables of Pay-As-You-Go X850 solar home systems customers of D.light Limited, structured as an innovative off-balance-sheet financing by Solar Frontier Capital Ltd. The Project will provide the first large-scale demonstration of an off-grid solar home system receivables financing structure. Sales made possible through this financing will provide energy access to a projected 270,000 households or approximately 1.2 million people.
Proposed OPIC Loan	Up to \$20,000,000
Total Project Costs	\$66,000,000
U.S. Sponsor	Solar Frontier Capital Ltd.
Foreign Sponsor	N/A
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 is expected to have a highly developmental impact on Kenya by providing innovative financing to an off-grid solar provider in Kenya. The Project is expected to provide the first large-scale demonstration of the feasibility of receivables-purchase financing in this sector, and will ease D.light Limited's working capital requirements to enable growth. D.light Limited distributes its products throughout Kenya through well-developed networks of gas stations and microfinance networks, and offers a pay as you go model for larger, solar home systems. The D.light Limited's solar energy products provide an alternative to kerosene lamps and diesel generators. Access to electricity in rural regions in Kenya averages 60 percent, compared with 78 percent in urban areas.

<p>Environment</p>	<p>SCREENING: This Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Projects involving acquisition of existing pay-as-you-go off-grid solar home system (SHS) accounts 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 implementing workplace health and safety policies and appropriate waste management (disposal of batteries and panels at the end of their useful life).</p> <p>APPLICABLE STANDARDS¹: Under OPIC’s Environmental and Social Policies, the Borrower is required to comply with applicable national laws and regulations related to environmental and social performance. OPIC’s environmental due diligence indicates that the Project will have impacts which must be managed in a manner consistent with the following International Finance Corporation’s (IFC) 2012 Performance Standards (PS): P.S. 1: Assessment and Management of Environmental and Social Risks and Impacts P.S. 2: Labor and Working Conditions P.S. 3: Resource Efficiency and Pollution Prevention P.S. 4: Community Health, Safety and Security Additionally, the Project will be required to meet applicable provisions of the IFC’s April 30, 2007 Environmental Health and Safety (EHS) General Guidelines.</p> <p>KEY ENVIRONMENTAL & SOCIAL ISSUES AND MITIGATION: The major environmental and social issues associated with the Project include implementing occupational health and safety policies and appropriate waste management (disposal of batteries and panels at the end of their useful life). The Borrower has an adequate Health and Safety Policy which provides for safe working conditions, training, emergency response, fire safety and incident reporting. With respect to battery and panel disposal, solar lanterns can be repaired and serviced locally and a licensed local vendor for e-waste disposal is available.</p>
<p>Social Assessment</p>	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws.</p>

¹ Issues related to P.S. 5, 7 and 8 are addressed in OPIC’s Social Impact Assessment.

	<p>OPIC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment, prohibition against the use of forced labor, 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>The Project is to support financing working capital for existing off-grid solar home systems from D.Light Designs. The Project has developed a draft Human Resources (HR) Manual to manage its small, highly skilled workforce. OPIC will require that the Project finalize its HR policies to ensure compliance with IFC Performance Standards. OPIC is also supporting D.light Limited via a separate transaction.</p> <p>This review covers the commensurate human rights risks associated with the financial services sector in Kenya.</p>
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