

INFORMATION SUMMARY FOR THE PUBLIC¹
Lekela Egypt Wind Power BOO S.A.E.

Host Country	Egypt
Name of Borrower	Lekela Egypt Wind Power BOO S.A.E.
Project Description	The Project is the development, construction, commissioning, and operation of a 252 MW wind farm in Egypt. The Project will sell its electricity to the Egyptian Electricity Transmission Company pursuant to a 20-year power purchase agreement. The Project will be managed by Lekela Power BV, a Netherlands-based renewable energy developer of utility-scale wind and solar PV projects in Africa.
Proposed OPIC Loan/ Guaranty	A 19-year loan funded through OPIC-guaranteed loan participations of an amount up to \$87 million.
Total Project Costs	\$339 million
U.S. Sponsor	Actis Energy 3 LP, a fund which is 53% owned by U.S. investors
Foreign Sponsor	Lekela Power BV, a Dutch limited liability private company
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 impact on the U.S. trade balance.
Developmental Effects	This Project is expected to have a highly developmental impact by expanding Egypt's capacity to generate clean energy by 252 megawatts. Egypt experiences electricity blackouts due to rising demand, natural gas supply shortages, aging infrastructure and inadequate generation. Electricity consumption is forecast to increase by six percent per year over the next 10 years. More than a third of the country's existing installed capacity is over 20 years old, and is expected to be retired or require significant rehabilitation in the coming years. The Project will support the Government of Egypt's Sustainable Energy Strategy 2035, which envisions growing wind power to 12% of Egypt's electricity mix by 2022, and growing renewable sources of energy to 37% of the country's mix by 2035.
Environment	Screening: The Project has been reviewed in light of OPIC's categorical prohibitions and was determined to be categorically eligible. The Project is screened as Category A because the Project represents a large-scale greenfield wind project which could have significant adverse environmental and social impacts that are diverse and irreversible. The major environmental and social concerns related to the Project are

¹ The Information Summary will be updated once new clearances reflecting the change in EPC contractor have been provided.

	<p>potential impacts on migratory soaring birds given its location along the edge of the Rift Valley-Red Sea flyway, cumulative impacts given the number of windfarm developments being planned for the area by the GoE, and the need for a robust environmental and social management system with appropriate organizational capacity given the remote area of the Project and local security situation.</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; PS 2: Labor and Working Conditions; PS 3: Resource Efficiency and Pollution Prevention; PS 4: Community Health, Safety and Security; and 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 IFC’s August 7, 2015 Environmental Health and Safety Guidelines for Wind Energy are applicable to the Project.</p> <p>Environmental and Social Risks and Mitigation: The Project involves the development, construction and operation of a 250 MW wind farm in the Eastern Desert, close to the Red Sea coast and around 28 km north of the town of Ras Gharib in Egypt’s Red Sea Governorate. The Project site is located within a broader 328 km² area previously set aside by the New and Renewable Energy Authority (“NREA”) for the purposes of wind energy development. The Project will consist of 96 2.6 MW turbines, a substation and internal access roads. Power will be evacuated via 15 km of 220 kV and 15 km of 500 kV overhead transmission lines, which will be constructed and operated by the Egyptian Electricity Transmission Company (“EETC”).</p> <p>An Environmental and Social Impact Assessment was developed for the Project, along with an Environmental and Social Management Plan, Stakeholder Engagement Plan, a Non-Technical Summary, Supplementary Social Impact</p>
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	<p>Assessment, and a Supplementary ESIA.² The Project has also commissioned a Critical Habitat Assessment and a draft Analysis of Cumulative Effects focused on ornithological impacts. The Project falls in an area which has been subject to an overarching Strategic and Cumulative Environmental and Social Assessment (“SESA”) for Wind Power Projects in the Gulf of Suez. The SESA was commissioned by the Regional Center for Renewable Energy and Energy Efficiency (“RCREEE”) in partnership with several GoE agencies and was conducted by a third party international consultant.</p> <p>The Borrower has a corporate level environmental, social and governance strategy and has also developed an overarching framework Environmental and Social Management Policy Manual and Employers Environmental and Social Requirements for the Project. These will be used to develop more detailed, Project-specific Environmental and Social Management plans and procedures.</p> <p>The northernmost boundary of the Gabal El Zeit Important Bird and Biodiversity Area and Key Biodiversity Area (hereafter referred to as the “Gabal El Zeit IBA”) is located 12 km south of the Project site. This IBA comprises a stretch of Gulf of Suez coastline regarded to be a very important migration corridor for migratory soaring birds, particularly raptors and storks. The closest operational wind farms are located in a cluster near Gabal El Zeit more than 60 km south of the Project site. This cluster comprises a series of contiguous sites developed by NREA with support from the Spanish Government (120 MW), the German Government (240 MW) and Japanese support (220 MW). The closest operational wind farm to the north is the 580 MW Zafarana wind farm, near Ain El Sokhna port, a similar distance (over 60 km) north of the Project site. The closest approved wind farm site is the 250 MW Engie BOO Wind Power Project, located c. 40km south of the Project site, which is under construction and expected to be commissioned in Q4 2019. Several other wind power projects are planned in the vicinity.</p> <p>Several studies and assessments with respect to potential impacts to avifauna in the Project area and the windfarm development area have been conducted. Among these are a Strategic and Cumulative Environmental and Social</p>
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² The Borrower commissioned a Supplementary ESIA (April 2019) to be conducted to assess potential impact of a change to the EPC Contractor, and size and number of turbines. The supplemental analysis indicated no material change in impact above and beyond the findings from the original ESIA.

	<p>Assessment (“SESA”), Analysis of Cumulative Effects, a Project-specific ESIA bird baseline surveys for the Project site and the transmission line route, and a Project-specific Supplementary ESIA. Through the Analysis of Cumulative Effects, 13 priority bird populations are identified including nine migratory raptor populations and four migratory waterbird populations.</p> <p>Although the impact on habitat is minor given the vast extent of the Eastern Desert and the minimal project footprint, unmitigated impacts on migratory soaring birds would be significant, especially during the spring season and the Borrower has thus committed to a No Net Loss objective as per IFC’s PS6 Natural Habitat requirements to the Project. The Project has committed to a mitigation and monitoring approach that is equally robust in both the spring and autumn seasons given that the movements of migratory birds across this large of a corridor are unpredictable. On the Project site, the Borrower commits to, <i>inter alia</i>, the following: good construction management practices (e.g. footprint minimization; avoiding off-road driving; avoiding disturbance to wadis and vegetation; and good waste management practices); micro-siting of turbines; avoiding lighting that may increase collision risk; burying connector lines underground; implementing shut-down on demand with in-flight monitoring conducted by live (i.e. human) observers during operations; and implementing fatality monitoring during operations. The shutdown on-demand (with observers) and fatality monitoring are commitments for the life of the Project. In addition to human observers, the Borrower also commits to implementing its shutdown on-demand program using radar. Furthermore, as specified in the SESA, the Project will take part in an area-wide “Active Turbine Management Program” (“ATMP”). The ATMP will be developed by the Regional Center for Renewable Energy and Energy Efficiency (“RCREEE”) and consists of a coordinated approach to shutdown on-demand from the wind power projects located north of Ras Gharib.</p>
Social Assessment	<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> <p>OPIC’s statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment,</p>

	<p>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 will be built on government-owned land that is remote and uninhabited. Risks to local communities is anticipated to be low. During peak construction, the Project is anticipated to hire approximately 300 workers. The main social risks include contractor management, local expectations around employment, worker rights and security. The Project will be required to have in place a stakeholder engagement plan, external grievance mechanism, labor management system, and security management plan.</p> <p>This review covers the commensurate human rights risks associated with the wind energy sector in Egypt.</p>
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