

## REPORT FROM OPIC MANAGEMENT TO THE BOARD OF DIRECTORS

### SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Countries:	Vietnam, Cambodia, and Laos
Name of Borrower:	Mekong Renewable Resources, L.P. (the “Fund”), a Cayman Island-based private equity fund
Sponsor:	Indochina Capital Corporation, a Vietnam-based company incorporated in the Cayman Islands. The General Partner of the Fund is Indochina Infrastructure Management, a wholly-owned subsidiary of the Sponsor.
Project Description:	The Fund will invest in renewable resource opportunities in the Lower Mekong region, focusing on: (1) environmental services and infrastructure (waste-to-energy, recycling, solid waste management, sustainable forestry, waste water treatment and clean water initiatives); (2) renewable energy (wind, small hydro, solar, biomass); and (3) energy efficiency (renovations to industrial facilities).
Total Fund Capitalization:	\$150 million
Proposed OPIC Loan:	OPIC loan guarantee of up to \$50 million in principal plus accrued and accreted interest thereon
Term of Fund:	Ten years, with the possibility of two one-year extensions subject to LP approval
Selection Process:	<p>During the December 2010 United Nations Climate Change Conference held in Cancun, Mexico, OPIC President &amp; CEO Elizabeth Littlefield announced that OPIC would provide at least \$300 million in financing for new private equity investment funds that could ultimately invest more than \$1 billion in renewable resources projects in emerging markets. To deliver on this commitment, OPIC announced a Global Renewable Resources Funds call for proposals to help catalyze and facilitate private sector investments promoting renewable resources globally (the “Call”). The OPIC Evaluation Committee selected the Fund from among 56 respondents to the Call with the assistance of Cambridge Associates, as gatekeeper.</p> <p>The Fund advances the objectives of the Call by providing additional capital to invest in climate solutions centered around environmental services, renewable energy generation, energy efficiency and sustainable forestry, specifically in Southeast Asia, areas of strategic interest where OPIC's portfolio benefits from additional diversification.</p>
<b>Policy Review</b>	

Developmental Effects:	<p>The Fund will have a significant development impact in Vietnam and throughout the Southeast Asia region as it will provide capital to renewable resources-related companies and projects which deliver resource management, clean energy, and energy efficiency solutions to a region dominated by fast paced economic and population growth, rapid urbanization, and an underdeveloped sustainable energy and resource management infrastructure. The Fund will act as facilitator of technology and knowledge transfers between its portfolio companies and more mature renewable resource markets where cost-effective technological innovations have been developed and utilized.</p>
Environment:	<p>The capitalization of a fund is screened as a Category D activity for the purposes of environmental and social assessment. Although no further assessment is warranted at this stage in the transaction, each and every downstream investment by the Fund will be screened at and subject to the full scope of OPIC's environmental and social assessment process, including public disclosure within the host country of Environmental Impact Assessments for Category A projects, conditionality and monitoring, as is warranted by the nature and scope of the downstream investments.</p> <p>Under OPIC's environmental and social policies, the Fund will be required to establish an Environmental Management System which will assess the environmental and social impact of their own operations as well as the operations of their downstream investments, and include the environmental and social objectives and principles that will be used to guide the Fund and downstream investments to implement measures that will eliminate risks, ameliorate damage, and enhance positive effects.</p>
U.S. Economic Impact:	<p>Since this clearance pertains to the capitalization of the Fund, there is no potential for an adverse impact on the U.S. economy at this time and an industry analysis is not necessary. However, the Fund's portfolio company investments will be analyzed individually for their impact on the U.S. economy and U.S. employment in accordance with OPIC guidelines.</p>
Workers Rights:	<p>Each of the Fund's subprojects will be evaluated separately with regard to specifics of operation and compliance with OPIC worker rights and human rights approval criteria. Standard and supplemental worker rights language for each subproject will be included in the subproject's Consent Notice.</p>
Human Rights:	<p>In consultation with the Department of State, the Fund received a Human Rights Clearance on May 16, 2011.</p>