

Information Summary for the Public

Host Country:	Russia
Name of Borrower:	CJSC Star Networks
U.S. Sponsors:	Principal US sponsor is Mr. Peter Gerwe. Other US sponsors include individuals each holding interests of less than 5 percent.
Foreign Sponsors:	Principal foreign sponsors are Bressar Holdings, PRT Holdings, Crown Point Equity, Starnet Investment Group, Starnet Management Group
Project Description:	Expand Internet business in Moscow metropolitan area.
Total Project Cost:	\$40.4 million
Proposed OPIC Loan:	\$28.0 million
Developmental Effects:	This project will have a positive developmental impact on the host country. The project provides strong developmental benefits in Moscow, Russia. ZAO Star Networks' projected expansion of Internet services will facilitate development of information and entertainment services, e-commerce, and telephony. The project will have a positive human capacity impact and will provide training for a majority of new employees.
Environment:	Telecommunications projects are screened as Category B under OPIC's environmental guidelines if they involve the installation of physical infrastructure such as landlines, cellular towers or satellite relay stations, because impacts are site specific and readily mitigated. The major concerns related to telecommunications projects include the creation of new rights-of-way, land acquisition, tower erection or creation of access in otherwise inaccessible environmentally sensitive areas.

	<p>Applicable standards. The project will be required to construct and operate the project in accordance with (i) applicable provisions of the International Finance Corporation’s April 30, 2007 Guidelines for Telecommunications; and (iii) all applicable environmental, health and safety requirements of Russia.</p> <p>Impacts and Mitigation Measures. The project involves the installation of fiber optic, copper, and coaxial cables to and throughout residential buildings (primarily large existing multiple dwelling units). Outside of residential buildings lines are generally permitted to follow established utility corridors. Within structures these lines will follow pre-existing utility routes with only minor wall adjustments necessary. Small air conditioned rooms may be constructed within existing buildings to house computer servers. The project will not generate significant greenhouse gas emissions.</p> <p>The project will not result in adverse impacts on protected areas or critical habitats. The project will not result in physical or economic displacement.</p>
Workers Rights	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining, minimum age requirements, hours of work, hazardous working situations, minimum wages, and timely payment of wages. Standard and supplemental contract language will be applied to all workers of the Project.</p>
Human Rights	<p>In consultation with the Department of State, the project received a Human Rights Clearance on August 18, 2008.</p>