

**Burn Manufacturing Company  
Information Summary for the Public**

Host Countries:	Kenya, Rwanda, Tanzania, Uganda
Name of Borrower:	Burn Manufacturing Company
Project Description:	The project involves a \$3 million OPIC loan to Burn Manufacturing Company to finance a cookstove assembly and manufacturing project in East Africa. The project aims to provide high quality cookstoves designed to meet the specific needs of local communities. The project will establish a continuous flow manufacturing facility in Kenya and satellite assembly plants in Rwanda, Tanzania and Uganda.
Proposed OPIC Loan:	\$3 million
Total Project Costs:	\$4 million
Developmental Effects:	This project will have a developmental impact in the East Africa Region by providing high efficiency cook stoves to the low and middle income population. This project addresses the detrimental health effects posed by the burning of biomass in inefficient cookstoves as wells as open fires which produce life-threatening smoke. These cookstoves will reduce exposure to smoke from open fires while utilizing biomass fuel sources more efficiently. In turn, the local assembly and manufacturing supports jobs creation in countries suffering from high unemployment. In addition, the project implements a relatively uncommon manufacturing technique of modern continuous flow. The local procurement of goods and services will contribute to the host country impact.
U.S. Economic Impact:	The project is not expected to have a negative impact on the U.S. economy or employment. There will be some U.S. procurement which is expected to have a positive impact on U.S. employment. The project will have a positive five-year U.S. balance of payments impact.
Environment:	<p>Screening: Projects involving the assembly and manufacturing of cook stoves are screened as Category B projects under OPIC’s environmental and social guidelines because impacts are site specific and readily mitigated. The primary environmental and social concerns related to this project are associated with the occupational health and safety of employees involved with the manufacturing operations.</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 International Finance Corporation’s 2012 Performance Standards (PS):</p> <ul style="list-style-type: none"> <li>-PS 1: Assessment and Management of Environmental and Social Risks and Impacts;</li> <li>-PS 2: Labor and Working Conditions;</li> <li>-PS 3: Resource Efficiency and Pollution Prevention; and</li> <li>-PS 4: Community Health, Safety, and Security.</li> </ul>

	<p>The manufacturing facility will be located in an industrial area at a facility that will be retrofitted by the borrower. Since the project will not acquire ownership of the plot of land but only lease it on commercial terms, Performance Standard 5: Land Acquisition and Involuntary Resettlement is not triggered. The facility will be located in a highly developed area where issues associated with PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources are not triggered. There are no Indigenous Peoples in the industrial area and there are no Cultural Heritage issues recorded to date. Thus, PS 7 and PS 8 are also not triggered.</p> <p>In accordance with PS 3, the International Finance Corporation (IFC) Environmental, Health, and Safety General Guidelines are applicable to this project.</p> <p>The Project's greenhouse gas (carbon dioxide equivalent) emissions are estimated to be 400 tons per year.</p> <p>Environmental and Social Risks: The Borrower will design, construct, and operate the manufacturing facility under its Corporate policies and in compliance with the local regulations. Thus, the Borrower will adopt detailed procedures relating to worker safety. In addition, employees will also receive extensive orientation training as well as annual refresher training specific to their jobs. All solid wastes will be stored in containers until transported off site for disposal at approved facilities. Scrap metal will be sent to metal recyclers. The Project will not use water in the manufacturing process. Sanitary wastewaters will be discharged to the municipal sewerage network.</p> <p>Risk Mitigation: The Borrower will be required to implement its overarching policy statement of environmental and social objectives and principles that will be used to guide the project's environmental and social performance. The Borrower will also be required to implement its grievance mechanism. In addition, the Borrower will be required to comply with IFC's Environmental, Health, and Safety General Guidelines (2007).</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 for employment, hours of work, the timely payment of wages and hazardous work situations. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions.</p>
Human Rights:	<p>The Project received a human rights clearance on January 28, 2013.</p>