

INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Mexico
Name of Borrower:	Celsol S.A.P.I. de C.V., a Mexican corporation (the “Company”), <i>doing business as</i> Optima Energía
Project Description:	The development, installation and implementation of energy efficient LED street lighting solutions in Mexico through the financing of commercial leases with municipal customers (the “Project”).
Proposed OPIC Loan and Tenor:	\$50 million, for a period of approximately 12 years
Total Project Costs:	Up to \$67 million
U.S. Sponsor:	True North Venture Partners, L.P., a limited partnership organized in Arizona
Foreign Sponsors:	Enrique Gomez Junco, Enrique Gómez Junco Blancq-Cazaux, Roberto Jaime Coindreau and Daniel Gómez Junco Blancq-Cazaux, each a citizen of Mexico.
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. Initial U.S. procurement associated with this Project is expected to have a positive impact on U.S. employment. The Project is expected to have a positive five-year U.S. balance of payments impact.
Developmental Effects:	This Project will have a positive developmental impact on the host country by leasing high quality, energy efficient public lighting equipment to municipalities in Mexico. The new LED lamps will improve the quality and reliability of public lighting, while reducing overall energy consumption and costs for the municipalities. After the ten year lease, the lighting equipment is granted to the municipalities. The municipalities have to pay a symbolic value for the equipment so they can enjoy further energy savings for an additional 10-12 years. Improving the quality and reliability of public lighting will result in safer communities, which will also benefit the local economy by increasing night-time commercial activities.
Environment:	SCREENING: This Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Energy efficiency projects 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 are assurance that new lights will not be sited in environmentally sensitive areas, the employment of appropriate health and safety procedures to protect workers while installing the lights, and the presence of appropriate disposal procedures for replacement lights.

	<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;</p> <p>In addition to the Performance Standards listed above, the IFC’s April 30, 2007 Environmental, Health, and Safety General Guidelines are applicable to this Project.</p> <p>The Project does not require any land acquisition nor is there any economic or physical displacement. There are also no cultural sites that will be impacted by the Project. Additionally, as the Project involves minimal construction in already disturbed urban areas, there are no biodiversity impacts. Therefore, PS’s 5, 6, 7, and 8 are not triggered by the Project at this time.</p> <p>Environmental and Social Risks: This Project primarily involves the replacement of street lighting fixtures with high efficiency lights. Only 2 percent of the fixtures would require the addition of new poles and any additional poles would be in already disturbed urban areas. The primary environmental issue relates to the disposal of the existing bulbs, which contain mercury. Municipalities are required to prepare waste disposal plans under Mexican law and OPIC will require the Project assure these plans are in accordance with international standards. The Project should result in the savings of CO₂ emissions, as the more efficient streetlights save on average about 50% of a municipality’s energy costs related to lighting. It is estimated that the Project will save about 30,000 tons of CO₂ annually.</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, the timely payment of wages, hours of work, minimum age and hazardous work situations. The Project will also 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. Standard and supplemental contract language will be applied to all workers engaged by the Project.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this Project on September 3, 2013.</p>