

ANNEX B -- INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Kenya
Name of Borrower:	Mawingu Networks Limited, a Kenyan limited company (the “Borrower”)
Project Description:	While Kenya is one of the fastest growing countries in Africa and does lead the way in the telecommunications sector, 60% of the population still lacks access to the internet. Particularly in rural areas, infrastructure is poor and expanding the existing national fiber cables would be a costly endeavor. The Borrower offers a low-cost, high quality, rapidly scalable internet network utilizing WiFi and TV white space technologies to provide affordable internet access to those previously unserved, “last mile” customers. The Borrower’s internet service should catalyze economic growth in the cities in which it operates. A World Bank study found that for every 10% increase in broadband penetration, there is a 1.38% increase in GDP in developing countries. The Borrower will use the proceeds of the \$4,100,000 OPIC loan (the “OPIC Loan”) to finance the development, deployment, and operation of its internet network to deliver affordable internet access throughout rural parts of Kenya (the “Project”).
Proposed OPIC Loan:	\$4,100,000 loan with a fixed tenor of about 10 years
Total Project Costs:	\$5,561,520
U.S. Sponsor:	African Impact Ventures, Microsoft Global Finance, International Network Investments
Foreign Sponsor:	Malcolm Brew, Bjorn Joakim Vincze, Tim Hobbs
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy or employment. 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 negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project is expected to have a highly developmental impact in Kenya, a low income country, by providing affordable, high-speed Wi-Fi hotspots to consumers in rural areas. The Project will also provide free device charging to its clients in a country where in 2012, only 6.7 percent of its rural population had access to electricity. The Project will utilize new technology and a new business model to reach areas currently underserved by broadband service providers. The Project is also expected to create new professional and technical job opportunities in Kenya. Until recently, Mawingu was a non-commercial technical pilot

	<p>program, funded by donors and impact investors in order to prove out the technology.</p>
<p>Environment:</p>	<p>The Project has been reviewed against OPIC’s categorical prohibitions and determined to be eligible. Projects involving the installation of roof-top communication towers on commercial property and operation of existing communication towers 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 safety of employees and contractors involved in the installation of roof-top communication equipment.</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 (IFC) 2012 Performance Standards (PS):</p> <ul style="list-style-type: none"> -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; and -PS 4: Community Health, Safety and Security. <p>The Project will not involve any physical or economic displacement and no land will be purchased for the Project. All construction activities will be undertaken on commercial property and the Borrower will reach a lease agreement with the local landlords through negotiations of commercial terms. Therefore, IFC’s Performance Standard 5 is not triggered by the Project at this time.</p> <p>The Project will install roof-top communication equipment on commercial properties located in rural areas which the Borrower has represented will be in permitted locations. At a few national parks, small-sized non-intrusive wireless communication equipment (antenna) will be installed in order to meet the communication needs of the park authorities. The roof-top communication equipment will be installed in a manner which is consistent with the visual landscape and the management of the relevant parks. In addition, the Project sites are not expected to adversely impact any critical habitat or cultural heritage. Therefore, PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources and PS 8: Cultural Heritage are not triggered at this time. No</p>

	<p>Indigenous Peoples will be adversely impacted at any of the Project sites. Thus, PS7: Indigenous Peoples is also not triggered at this time.</p> <p>In accordance with PS 3, IFC’s Environmental, Health, and Safety (EHS) General Guidelines (2007) and EHS Guidelines for Telecommunications will be applicable to this Project.</p> <p>The Project is not expected to have significant greenhouse gas (carbon dioxide equivalent) emissions as it plans to use solar panels for charging its wireless communication equipment and achieve carbon neutral status.</p> <p>Environmental and Social Risks and Mitigation: The Borrower will manage both the construction of new roof-top communication equipment and their operation in accordance with its policies which also ensure compliance with both the local regulations and IFC Performance Standards and Guidelines. The Borrower has adopted detailed procedures relating to worker and contractor safety. In addition, employees and contractors will also receive extensive training specific to their jobs. All solid wastes will be transported off site and disposed at permitted facilities by licensed contractors. The Project does not generate significant quantities of wastewaters. Dust and other air emissions will be controlled to acceptable levels.</p> <p>The Borrower will be required to continue implementing its overarching environmental and sustainability policies that will be used to guide the Project’s environmental and social performance. The Borrower will also be required to continue implementing its grievance mechanism. In addition, the Borrower will also be required to ensure compliance with IFC’s Performance Standards (2012) and Environmental, Health, and Safety (EHS) Guidelines for Telecommunications and General EHS 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, hours of work, the timely payment of wages, 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>

	<p>OPIC has reviewed sample employee contracts, human resources manual, employee grievance process, as well as Mawingu’s representations of its labor management system. Based on this review, it is anticipated the Project will operate in a manner that is consistent with local labor law, IFC Performance Standards, and OPIC’s ESPS.</p> <p>OPIC issued a human rights clearance for this project on May 19, 2016.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this project on May 19, 2016.</p>