

PUBLIC INFORMATION SUMMARY

Host Country	Kenya
Name of Insured Investor	Okavango Kenya Mauritius Limited (the “ Insured Investor ”). The Insured Investor is a holding company owned by Actis Energy 4 LP and Actis Energy 4A LP, two infrastructure investment funds managed by Actis GP LLP (“ Actis ”).
OPIC Reinsured Party	Chubb Bermuda Insurance Ltd. (“ Chubb ”)
Project Description	Kipeto will develop, construct and operate a 100 MW wind farm located in Kajiado, Kenya. Kipeto will sell power to the national distributor and sole grid-connected purchaser, Kenya Power & Lighting Company under a 20-year PPA. The Project will provide up to 460GWh of electricity to the grid annually.
Total Project Cost	\$320,190,000
Investment Type and Amount	Principal and interest due under a shareholder loan of up to \$87,627,000 in initial principal amount.
Insurance by Chubb	Up to \$100,000,000 for the shareholder loan and interest repayment
Reinsurance by OPIC	Up to \$50,000,000 of reinsurance for the shareholder loan and interest repayment
Policy Review	
U.S. Economic Impact	The Project is not expected to have a negative impact on the U.S. economy, as it involves the construction and operation of a wind power farm in Kenya. There is no U.S. procurement associated with this Project. Thus, the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a net negative five-year U.S. balance of payments impact.
Developmental Effects	This Project will have a positive developmental impact on Kenya, with the development, construction and operation of one of the first utility scale wind farms in the country. Kenya’s heavy reliance on hydropower has made the country susceptible to energy shortages during droughts. This Project is part of a larger effort by the Kenyan government to diversify its sources away from hydropower and increase its renewable energy capacity.
Environment	Screening: The Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because the Project represents a large greenfield wind development project with the potential for significant impacts to Indigenous Peoples, is located in a migratory flyway, and could have significant adverse environmental and social impacts that are diverse and irreversible. The major environmental and social concerns related to the Project include its potential impacts on resident and migrating birds, potential for significant habitat alteration, visual and noise impacts, appropriate management of land acquisition and disturbance, and the potential for significant disturbance to the lifestyle and cultural practices of Maasai households.

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.S. 1: Assessment and Management of Environmental and Social Risks and Impacts;

P.S. 2: Labor and Working Conditions;

P.S. 3: Resource Efficiency and Pollution Prevention;

P.S. 4: Community Health, Safety and Security;

P.S. 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources;

P.S. 7: Indigenous Peoples; and

P.S. 8: Cultural Heritage.

Performance Standard 5 is not triggered by the Project because the Borrower represents that they do not have the ability to resort to expropriation for Project-related land acquisition. As such, land acquisition, restrictions on future construction within the buffer zone of the turbines, or resettlement taking place as part of the Project is voluntary and the product of negotiated settlements. However, due to the sensitivity of the affected population, OPIC is requiring all land acquisition policies and processes be captured in documentation that demonstrates compliance with the requirements of PS 5.

In addition to the Performance Standards listed above, the IFC's April 30, 2007 Environmental, Health, and Safety (EHS) Guidelines for Wind Energy, the 2007 Environmental, Health, and Safety Guidelines for Electric Power Transmission and Distribution, and the IFC's April 30, 2007 Environmental, Health, and Safety General Guidelines are applicable to this Project.

Environmental and Social Risks and mitigation: The Project involves construction and operation of a 100 MW wind power generation facility in Kenya and construction of an associated 17 km long transmission line. The Project will consist of 60 General Electric (GE) 1.7MW 103m rotor diameter model wind turbines which will be located on a 70km² site located about 18 kilometers northwest of the town of Kajiado, Kenya and about 70 kilometers southwest of Nairobi.

Environmental and Social and Impact Assessments (ESIA) were conducted for the wind farm and transmission line. Supplemental studies were performed to assure the documents conform to the requirements of the IFC Performance Standards. An Environmental and Social Management System is currently under development and will be completed and reviewed by OPIC before construction begins. Environmental Management Plans have been developed for both the wind farm and transmission line by the Developer, but still contain gaps

which will be addressed in an Environmental and Social Action Plan (ESAP). Additional studies will be required as part of the ESAP including an Emergency Response Plan, Occupational Health and Safety Plan, Transportation and Traffic Management Plan, a Worker Accommodation Plan, a Water Management Plan, a Solid Waste Management Plan, an Influx Management Plan, a revised Stakeholder Engagement Plan, and a Community Development Plan that will address the development needs and benefits-sharing opportunities for the local Maasai.

The wind farm site and transmission line are primarily open grass land, with bush and woodland near to or in the valleys. The diversity of plants is high only in the southeastern portion of the transmission line. The only species of conservation value is the sandalwood tree, which is locally endangered. Construction will not occur within 500 meters of a sandalwood tree. Solid and liquid wastes will be segregated and stored in accordance with their classification and physical properties. Solid waste will be removed by a licensed waste carrier and hazardous materials by licensed parties specifically certified to handle hazardous materials.

Original bird and bat vantage point studies were done for the Project in 2012. Since that time the status of two vulture species seen on site (Rüppell's Vulture and White-backed Vulture) has declined to critically endangered on the IUCN's red list of threatened species. The major reason for this decline is related to incidental poisoning by farmers and herders who place poisoned carcasses in their fields to kill predators. Vultures then feed on these carcasses which leads to their death. To ensure that environmental risks associated with potential bird mortality were appropriately considered, additional bird vantage point studies were conducted in 2016, 2017 and are still ongoing. These studies have revealed significantly more bird activity than originally identified on-site and the presence of two nearby roosting sites for the critically endangered vultures. Further studies were conducted to ensure that the Project would be able to satisfy the requirements of IFC Performance Standard 6, including the requirement to demonstrate net gain of the vultures over the lifetime of the Project.

The studies concluded that demonstrating net gain of the two vulture species was possible as long as a rigorous set of mitigation measures are implemented at the site. The mitigation plan focuses on two primary programs. To minimize bird strikes on-site, a team of observers will be located around the turbines to remove the carcasses that attract vultures, track sensitive bird flight patterns and relay to a central dispatcher if turbines should be shut down to avoid sensitive species collision. Additionally, an anti-poisoning program will be instituted in known Kenyan hot spots of poisoning and vulture foraging areas. Areas where Programs have already been initiated,

	<p>but suffer from lack of funding, are targeted. The mitigation plan will be overseen by a committee that will include input from prominent NGO bird groups and members of the Kenyan environmental and wildlife offices along with the community and Project representatives. The Project sponsor has committed to providing an annual budget to implement the mitigation plan and to ensure the requirements of IFC Performance Standard 6, including the requirement to demonstrate net gain of the vultures over the lifetime of the Project.</p> <p>OPIC Disclosure and Site Visits: The Project’s ESIA was posted on OPIC’s web site for a 60 day comment period, from October 1, 2013 to December 1, 2013. OPIC did not receive any comments.</p> <p>OPIC staff also undertook an environmental and social due diligence site visit from April 22 through April 25, 2013 and September 19 through September 23, 2016. The due diligence visit involved site visits to the wind farm site and the transmission line route and meetings with the affected communities, government officials, National Museum of Kenya staff conducting the bird studies, and Bird Life International. OPIC also took part in a three day workshop in March 2017 with the Project owners, applicable government agencies, community representatives and bird NGO groups. The workshop was focused on defining potential mitigation measures for critically endangered vultures.</p>
Social Assessment	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights 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 International Finance Corporation’s Performance Standard 2 on Labor and Working Conditions.</p> <p>OPIC issued a human rights clearance for the Project on November 26, 2014.</p>