


## INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	Nigeria
Name of Borrower(s):	Txtlight Power Solutions Limited (“Txtlight”)
Project Description:	Txtlight, doing business as Lumos, leases rooftop solar kits to residential and commercial customers in Nigeria through five year lease-to-own agreements (the “Project”).
Proposed OPIC Loan:	Up to \$35,000,000
Total Project Costs:	\$61,378,000
U.S. Sponsor:	Israel Cleantech Ventures II, L.P., Israel Cleantech Ventures II (Israel), L.P., Solight Mobile Systems Limited
Foreign Sponsor:	NA
<b>Policy Review</b>	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and 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 on Nigeria by providing reliable and affordable electricity solutions to thousands of households with limited or no access to electricity. The Project’s off-grid solar energy kits offer a clean source of electricity, providing an alternative to kerosene lamps and diesel generators. The Project aligns with Sustainable Development Goal Seven, which aims to ensure access to affordable, reliable, sustainable, and modern energy for all. Currently, approximately half of the population of Nigeria is connected to the power grid, and only an estimated 25 percent of the population has access to regular supply of electricity. <sup>1</sup> Nigeria has the highest rate of power outages in Sub-Saharan Africa with a reported average of over 32 outages per month with an average duration of eight hours per outage.
Environment:	<b>Screening:</b> This Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Small-scale renewable power 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 include implementing occupational health and safety policies and appropriate waste management (disposal of batteries and panels at the end of their useful life).

<sup>1</sup> Nigerian Association for Energy Economics, 8th NAAEE International Conference, 2015

**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:

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.

Because the Project will distribute and install solar systems on existing rooftops and will not involve any construction, the Project will not acquire any new land, are not expected to adversely impact any critical habitat, Indigenous Peoples or cultural heritage. Therefore, PS's 5, 6, 7 and 8 are not triggered at this time.

In accordance with PS 3, the International Finance Corporation (IFC) Environmental, Health, and Safety General Guidelines (2007) are applicable to this Project.

**Environmental and Social Risks and Mitigation:** The Project involves self-installation of solar systems on existing rooftops and therefore does not involve any construction. Environmental and social impacts are expected to be minimal and no environmental impact assessment is required. Txtlight has developed formalized procedures for customer service (community grievance mechanism), emergency preparedness, health and safety, incident/accident reporting and investigation and new employee training. Txtlight has a dedicated health and safety officer who oversees implementation of health and safety aspects of the Project.

Txtlight has developed a Safety Guide for its workers. All staff are required to go through theoretical and in the field training. Txtlight has a dedicated safety and health manager to oversee implementation of its health and safety policies and procedures. Txtlight and its contractors and subcontractors will be required to adhere to the 2007 IFC General Guidelines for Occupational Health and Safety requirements which should be sufficient for the risks associated with this Project.

With respect to battery and panel disposal, Txtlight's customers are advised to return used systems to authorized MTN/Txtlight service centers near their homes. Txtlight's Waste Management

	<p>Policy focuses on separation, reuse, second life and safe disposal. Defective panels and batteries will be stored in an authorized third party facility.</p>
<p>Workers Rights:</p>	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, non-discrimination, wages, safety, minimum age, and hours of work. 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 has reviewed sample employee contracts, human resources manuals, employee grievance process, as well as Txlite’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 Environmental and Social Policy Statement.</p>
<p>Human Rights:</p>	<p>OPIC issued a human rights clearance for this Project on September 9, 2016.</p>