

Public Information Summary

Host Country:	India
Name of Borrower(s):	ReNew Wind Energy (TN 2) Private Limited – Karnataka
Project Description:	The Project is under the ReNew Master Financing Facility, a \$250 million financing facility for the development, construction, and operation of solar PV projects awarded under the Government of India’s Jawaharlal Nehru National Solar Mission. The Project will result in the construction of a 50 MW capacity solar PV located in a solar park in the state of Karnataka. The Project will diversify the country’s power generation mix with a clean source of renewable power. The Project also contributes to the U.S. Government’s commitment to assist India with its transition to a low carbon economy and to help India achieve the goals of the NSM, which is targeting an addition of 100 GW of solar power by 2022.
Proposed OPIC Loan:	Up to \$34,778,889
Total Project Costs:	Approximately \$46,371,853
U.S. Sponsor:	ReNew Power Ventures Private Limited
<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 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:	The Project is expected to have a highly developmental impact as it will generate renewable energy for India. The Government of India's ambitious renewable energy generation targets aim to have 170 gigawatts of installed renewable capacity by 2022, of which 100 gigawatts are to be solar. The targets further specify that solar comprise 17% of total energy capacity by 2040. Solar energy currently accounts for approximately 1% of total energy capacity in India, or 7.5 gigawatts. The Project is consistent with the goals outlined in the USAID Country Development Cooperation Strategy for India, which calls for use of renewable energy as a means to reduce greenhouse gas emissions and increase the energy capacity.
Environment:	<b>SCREENING:</b> The Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Photovoltaic solar power generation facilities are

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	<p>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 the need for appropriate health and safety measures, a robust environmental and social management system for day-to-day aspects of construction and operation including solid waste disposal, hazardous materials management and treatment and disposal of wastewater, and the need for a robust stakeholder engagement system to reduce cumulative impacts on the community from the construction and operations of the solar park.</p> <p><b>APPLICABLE STANDARDS:</b> 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; PS 5: Land Acquisition and Involuntary Resettlement; PS 6: Biodiversity Conservation and Sustainable Natural Resources; PS 7: Indigenous Peoples; and PS 8: Cultural Heritage.</p> <p>In addition to the Performance Standards listed above, the IFC’s April 30, 2007 Environmental, Health, and Safety General Guidelines and the IFC and EBRD “Workers’ accommodation: process and standards” are applicable to the Project.</p> <p><b>Environmental and Social Risks and Mitigation:</b> An Environmental Impact Assessment and Social Management Plan was completed for the NTPC Limited portion of the Karnataka Solar Park (the “Solar Park”), of which the Project is one of the developers. Detailed management of environmental and social issues during construction is still in the process of being completed and will be addressed through an Environmental and Social Action Plan (ESAP). The Project is in the process of developing and implementing and corporate Environmental and Social Management System (ESMS) which will apply to both construction and operations phases of the Project. An Environmental and Social Management Plan will be developed for the Project and will include Project-specific procedures.</p>
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	<p>The Solar Park will supply water to the Project during both construction and operations from boreholes and through rainwater harvest techniques. Water availability in the area is currently considered over exploited and the Solar Park has undertaken an assessment to determine the impact of the Solar Park's water use on competing resource allocation and the mitigation measures necessary to ensure sustainability of the resource. Air emissions are limited to dust during construction and emissions from construction vehicles. Diesel generators will also be used on site during the construction period. Greenhouse gas emissions from the generators are estimated to be less than 1000 short tons of CO<sub>2</sub> per year. The Project is expected to avoid 66,730 tons of CO<sub>2e</sub> annually<sup>1</sup>.</p> <p>Health and Safety of the community will be impacted by the construction and operation of the 2,000 MW KSPDC Solar Park where the Project is located. The Project will manage impacts to the community through its ESMS, and through coordination with other developers and the Solar Park. The Project will be required to have a robust Stakeholder Engagement Plan that includes measures and plans for ongoing consultation and disclosure throughout construction and operation of the Project, as well as a community grievance mechanism.</p> <p>Land for the KSPDC Solar Park was acquired through 30 year leases from individual land owners. Agricultural laborers who do not own land or who own small parcels of land, which includes both Scheduled Caste and Scheduled Tribe communities, are impacted by the Solar Park's land acquisition. The Project will be required to analyze the impact and take measures to ensure compliance with the IFC Performance Standards.</p>
<p>Social Assessment:</p>	<p>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, OPIC's Environmental and Social Policy Statement and applicable local labor laws. OPIC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment, prohibition against the use of forced labor,</p>

<sup>1</sup> This estimate was calculated based on the energy generation capacity enabled by the OPIC-supported financing, taking into account plant load factors. National consumption of energy by fuel as a percentage of the country's total national energy consumption was calculated. These percentages were used to allocate the quantities of energy generated by fuel that are offset by the OPIC-supported project. Fuel specific emission factors were applied to these quantities to estimate CO<sub>2</sub> emissions avoided. The calculations assume that the OPIC-supported projects replace fossil fuel energy megawatt for megawatt.

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	<p>non-discrimination, hours of work, the timely payment of wages, hazardous working conditions, and security. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>OPIC has reviewed the Project's human resource policies which are appropriate to its workforce consistent with IFC Performance Standard 2. OPIC has reviewed the Project's employee grievance policy which will be revised in order to achieve compliance with IFC Performance Standard 2. The Project will be required demonstrate how terms and conditions of work are communicated to contracted workers. The Project will be required to engage security personnel in a manner consistent with IFC Performance Standard 4 on Community Health, Safety, and Security.</p> <p>This review covers the commensurate human rights risks associated with solar projects in India.</p>
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