

INFORMATION SUMMARY FOR THE PUBLIC

Host Country	Georgia
Name of Borrower	GMT Hotels LLC (Georgia) (the “ Borrower ”)
Project Description	Renovation of the Tbilisi Marriott and Tbilisi Courtyard by Marriott, two well-established and reputable internationally-branded and -managed hotel properties in central Tbilisi, in order to maintain the hotels’ market position in Tbilisi’s competitive and fast-growing hospitality market.
Proposed OPIC Loan	\$7 million (12-year tenor)
Total Project Costs	\$13.5 million
U.S. Sponsor	Silk Road Partners, Inc. (Washington); Creekside Partners (Oregon); Geostar, Inc. (Nevis) (beneficial owners are U.S. citizens).
Foreign Sponsor	George Tavadze (Georgia) and Kakha Gvelesiani (Georgia).
Policy Review	
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 and therefore the Project is expected to have a neutral impact on U.S. employment. The Project is not expected to have an impact on the U.S. balance of trade.
Developmental Effects	This Project is expected to have a positive developmental impact on Georgia by improving its tourism infrastructure. Tourism is an important sector for the Georgian economy, representing 33.7% of GDP and 29.5% of total employment in 2018. The renovation of the Tbilisi Marriott and Courtyard by Marriott hotels will allow the Borrower to meet the changing needs of today’s global travelers, and will ensure the sustainability of the economic benefits the hotels provide to the Georgian economy, such as employment of over 300 workers (many of whom are women and youth), procurement of local goods and services, and serving as a benchmark for international best practices in the hospitality industry. The Project will also have a demonstration impact by obtaining IFC EDGE certification, as the renovations will feature energy and water saving technologies. In addition, the Borrower will further support the country’s growing tourism sector by creating an Hoteliers Association and a local student apprenticeship program.
Environment	<i>Screening:</i> The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving loans for hotel upgrades and general hotel operations are screened as Category B projects

under OPIC's environmental and social guidelines because impacts are site-specific and readily mitigated. Environmental and social issues associated with the Project include the need for appropriate occupational health and safety measures for workers conducting construction and maintenance activities, availability of potable water for guest services, proper disposal of wastewater and solid wastes, and life safety and fire protection.

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 (P.S.):

- P.S. 1: Social and Environmental Assessment and Management Systems;
- P.S. 2: Labor and Working Conditions;
- P.S. 3: Resource Efficiency and Pollution Prevention; and
- P.S. 4: Community Health, Safety, and Security

In addition to the P.S. listed above, the IFC Environmental, Health, and Safety (EHS) General Guidelines are also applicable to the Project.

The greenhouse gas emissions have been estimated to be approximately 2,000 tons of carbon dioxide equivalent (CO_{2eq}) per year.

Environmental and Social Risks and Mitigation: The Project involves a prior OPIC project which consists of two Marriott hotels. The OPIC loan will be used for hotel upgrades which will involve improvements to the interior design.

The Borrower's Technical Department will be responsible for overseeing that the hotel upgrade work is conducted in accordance with the Georgian health and safety regulations including provision of appropriate personal protective equipment and safety training as needed. Life safety and fire prevention measures at both hotels are consistent with the National Fire Protection Agency requirements.

Both properties are provided with municipal services for electricity, potable water, wastewater treatment and solid waste collection and disposal. Each of the hotels has three dual fuel (oil/gas) boilers onsite. The total capacity of the Marriott boilers is 1 MW and that of the Courtyard Marriott is 1.45 MW. Emissions are monitored monthly. There are two 1.1 mega Volt Amperes (MVA) back-up generator sets at the Marriott and one 2.2 MVA generator at the Courtyard Marriott. Diesel fuel is

	<p>stored in double-walled, reinforced concrete tank at the Courtyard Marriott (42,000 liters) and steel tank with secondary containment at the Marriott (63,000 liters).</p> <p>The hotels are expected to continue with acceptable environmental and social performance which conforms to the IFC's P.S. and EHS General Guidelines.</p>
<p>Social Assessment</p>	<p>The Project will be required to operate in a manner consistent with the IFC's P.S., OPIC's Environmental and Social Policy Statement, and applicable local laws.</p> <p>OPIC's statutorily required language regarding the rights of association, organization and collective bargaining, minimum age of employment, and prohibition against the use of forced labor, will be supplemented with provisions concerning non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including any contracted workers.</p> <p>This review covers the commensurate human rights risks associated with hotel renovation and construction in Georgia.</p>