

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Country:	South Africa
Name of Borrower:	Firefly Investments 230 (Pty) Limited, (the “Borrower”), a private company established under the laws of South Africa.
Project Description:	The project is the development, construction, commissioning and operation of a 60 MW solar PV power project being developed by SunEdison in the Free State, South Africa.
Proposed OPIC Support:	Up to \$250 million
Total Project Costs:	\$307 million (estimated)
U.S. Sponsor:	MEMC Electronic Materials, Inc. (“MEMC”), a Delaware corporation, and SunEdison, LLC (“SunEdison”), a Delaware limited liability company. SunEdison is a wholly owned subsidiary of MEMC.
Foreign Sponsors:	Izingwe Capital Ltd. (South Africa); loveLife (South Africa).
Policy Review	
U.S. Economic Impact:	This investment will be used for the construction of a new 60 megawatt solar power plant in South Africa, with all new capacity dedicated to the grid of the national utility. The project is expected to have no impact on U.S. employment. The project is expected to have a net negative impact on the U.S. balance of payments over the first five years.
Developmental Effects:	The project will have a positive development impact on the host country through the construction of a solar power generation plant. This project comes in response to a South African government initiative to increase investment in renewable energy production, especially solar. The project will deploy advanced solar power generation technology in the host country and generate new jobs in a rural part of South Africa.
Environment:	Screening: The project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Small-scale renewable power generation facilities 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 photovoltaic projects are land use issues, potential

disturbance of sensitive ecological species through habitat alteration, visual impacts and the disposal of panels at the end of their useful life.

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:

PS1: Social and Environmental Assessment and Management Systems;

PS2: Labor and Working Conditions;

PS3: Pollution Prevention and Abatement;

PS4: Community Health, Safety and Security;

PS6: Biodiversity Conservation and Sustainable Natural Resource Management;

PS 8: Cultural Heritage.

In addition to the Performance Standards listed above, the IFC's April 30, 2007 Environmental, Health, and Safety General Guidelines are applicable to this facility as are all environmental, health and safety regulations of South Africa.

All land purchased for the facility was acquired through negotiated settlements. The project will not result in physical or economic displacement, nor will it impact any indigenous peoples. Therefore, PS 5 and 7 are not triggered at this time.

Environmental and Social Risks: The Borrower has provided an Environmental and Social Policy for this project. Additionally, a Social and Environmental Impact Assessment and Environmental Management Plan were prepared for the project. Community and other stakeholder notification is an integral part of environmental and social review in South Africa, although this does not require continued stakeholder engagement throughout the construction and operations phase. No major issues were raised during the scoping and consultation process.

The project site is 400 hectares of which 160 will be developed for the solar park. The site was previously used for livestock grazing and the site has minimal ecological value, with the exception of a wetland area on the northern part of the site. Since only about a third of the site is actually needed for the project development, the project will avoid any encroachment into this area and will be developed in the most degraded grassland area of the site. The remainder of the site will be

	<p>preserved for sensitive flora and to provide corridors for fauna movement. The site is accessible by roads and will only require the construction of gravel roads within the site to transport materials.</p> <p>Air emissions are restricted to dust during construction. Water will be sourced from an onsite borehole and is only needed for washing of the panels and sanitary use during operations. Sanitary wastes will be disposed of in portable toilets during construction and a septic system once the plant is operational. Solid waste will be disposed of in a municipal landfill. Impacts to the surrounding community are anticipated to be small and there are no residences located within 3 km of the site. The only direct greenhouse gas emissions are associated with trucks and other vehicles used in construction.</p> <p>Archaeological finds are not anticipated, but must be reported to appropriate authorities if any item of significance is discovered during construction.</p> <p>Risk Mitigation: The project will be required to provide OPIC with a formal stakeholder engagement plan and grievance mechanism. The project will also be required to provide a plan for the disposal of the panels at the end of their useful life.</p>
Workers Rights:	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, and the timely payment of wages. 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 in the Project.</p>
Human Rights:	<p>OPIC issued a human rights clearance for the project on July 25, 2012.</p>