

## INFORMATION SUMMARY FOR THE PUBLIC

<b>Host Country:</b>	Afghanistan
<b>Name of Borrower:</b>	Sustainable Energy Services Afghanistan (SESA), Afghanistan
<b>U.S. Sponsor:</b>	Anthony Woods
<b>Foreign Sponsor:</b>	N/A
<b>Project Description:</b>	Contract bid-support financing for SESA's construction of one megawatts of solar power in Bamyan Province, Afghanistan to provide delivery of reliable, affordable, and sustainable electricity to households, businesses, and government.
<b>Total Project Cost:</b>	\$14,750,000
<b>Proposed OPIC Loan:</b>	\$3,000,000 (2 year term)
<b>Developmental Effects:</b>	This project will have a positive development impact on the host country through the support of the construction of new solar power generation sites, in the Bamyan Province of Afghanistan. These sites will bring a source of renewable power to a part of Afghanistan that has limited access to electricity. The project will hire new staff, most of whom will receive training in the host country.
<b>Environment:</b>	<p><b>Screening:</b> This 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.</p> <p><b>Applicable Standards:</b> OPIC's environmental</p>

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; and

PS6: Biodiversity Conservation and Sustainable Natural Resource Management.

PS8: 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 Project.

The Project does not involve physical or economic displacement and any land purchased for the Project was either owned by the government or negotiated with the landowners and purchased at market rates. The Project also does not impact any indigenous peoples. Therefore, PS's 5 and 7 are not triggered by this Project.

**Environmental and Social Risks:** A Social and Environmental Impact Assessment has been conducted for this project which lays out the Project's impacts and potential mitigation measures. The solar arrays associated with the project are located either on buildings or sites that are currently unoccupied. No sensitive or endangered species have been noted on the sites. The Project's associated 20 kV transmission/distribution line covers 30 km, but will not be of major impact. The poles will either be located along existing roads or on the edge of agricultural fields minimizing impacts to farmers.

The Project does include the installation of 3 diesel engines which will serve as backup

	<p>power for the solar arrays. The CO<sub>2eq</sub> emissions would be small and even if run full time less than 2000 tons annually. Water requirements are small and waste disposal will be handled in accordance with international standards. The proposed sites for the Project are located in close proximity to several UNESCO World Heritage sites listed for their archaeological and cultural significance. None of the Project sites is closer than 3.5 km from the UNESCO sites, with the exception of a small 20 KW array on the roof of an existing building requested by the local government that has responsibility for the protection of the UNESCO site.</p> <p>None of the distribution lines go through a UNESCO protected zone, but most of the Bamyan area is regarded as archeologically important. The Project will have a chance finds procedure in place to assure work stoppage in the event of a significant finding.</p> <p><b>Risk Mitigation:</b> As a condition of disbursement, the Project will be required to provide OPIC with a current and more detailed Social and Environmental Management Plan which includes the Project’s procedures for disposing of solid and sanitary wastes, handling of hazardous materials, its chance finds procedures, and community grievance mechanism . The Project will also be required to provide OPIC with an Occupational Health and Safety Plan for its review.</p>
<p><b>U.S. Economic Impact:</b></p>	<p>This investment will support the construction of new solar power installations in Afghanistan, with all new capacity dedicated to the country’s power utility. This project is not expected to have a negative impact on the U.S. economy, but a positive impact on U.S. employment. The project is expected to have a net positive impact on the U.S. balance of payments over the first five years.</p>

<b>Worker Rights:</b>	OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining, minimum age, hours of work, the timely payment of wages, and hazardous work situations. The Project will 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.
<b>Human Rights:</b>	OPIC issued a human rights clearance for this Project on April 25, 2012.