

Public Information Summary

Host Country:	Georgia
Name of Borrower:	Georgian American University LLC (Georgia)
Project Description:	The acquisition and renovation of a building in Tbilisi, Georgia in order to expand the Georgian American University (GAU) by developing a new School of Natural Sciences & Engineering, as well as relocating its existing schools of Business and Law & Social Sciences to the new building. This will be the first permanent campus for GAU, which has been leasing space for operations.
Proposed OPIC Loan:	\$3,500,000 and 10-year term.
Total Project Costs:	\$5,380,500
U.S. Sponsor:	R. Michael Cowgill and Kenneth A. Cutshaw
Foreign Sponsor:	Tamar Tsitsishvili-Cowgill, Nino Toronjadze; Rusudan Tsitsishvili, Sopiko Shubladze, Teimuraz Toronjadze, Lia Mukhashavria, Zaza Rukhadze and the University of Georgia, Ltd.
Policy Review	
U.S. Economic Impact:	Since the project involves the provision of university educational services within the host country, this investment is not expected to have a negative impact on the U.S. economy. There is no initial or operational U.S. procurement associated with this project. The project is expected to have a net negative impact on the U.S. balance of payments over its first five years.
Developmental Effects:	This project will have a positive developmental impact on the host country through the refurbishment of a building to expand a local university, which will benefit students of various economic backgrounds. The university has an EEO policy that meets ILO Convention 111 standards and will hire new staff related to this expansion. All employees are provided with various benefits.
Environment:	<p>Screening: This Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Medium-scale construction projects are generally screened as Category B under OPIC’s environmental and social guidelines because impacts are site specific and readily mitigated. The major environmental concerns are handling of wastewater, supply of potable water for workers and students, removal and disposal of solid waste, implementation of adequate life and fire safety protection measures, and implementation of procedures to assure safe working conditions for workers during construction and students during operations.</p> <p>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:</p> <p>PS1: Assessment and Management of Environmental and Social Risks and Impacts PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention;</p>

	<p>PS4: Community Health, Safety and Security.</p> <p>The project does not involve any land disturbance, physical or economic displacement, land purchase or impacts on indigenous peoples or cultural sites. Therefore, PSs 5, 6, 7 and 8 are not triggered by this project.</p> <p>Consistent with the requirements of PS 3 (Resource Efficiency and Pollution Prevention) the Project is required to meet applicable provisions of the IFC General Environmental, Health and Safety Guidelines.</p> <p>Environmental and Social Risks: The Project entails refurbishment of an existing building and does not require the purchase or disturbance of any additional land. It will be served by municipal water which is treated to World Health Organization drinking water standards, sanitary wastes will be discharged to a municipal sewage treatment plant and solid wastes are picked up by city collectors and disposed of in a certified landfill. The project has a small gas fired boiler which will supply heat and hot water to the building. CO_{2eq} emissions are anticipated to be less than 2000 tons per year. The building was designed with energy efficiency measures and uses energy efficient lighting, low-flow showerheads and faucets and has energy efficient windows and doors.</p> <p>Impacts to the community are not significant and the Project has developed an emergency response plan to assure proper procedures are in place should an emergency arise.</p> <p>Risk Mitigation: The Project has prepared a Life, Fire and Safety Master Plan, Emergency Response Plan and is in the process of completing an Occupational Health and Safety Plan and Social and Environmental Management Plan (SEMP). An updated Life and Fire Safety Plan, Occupational Health and Safety Plan, grievance mechanism, and SEMP will all be required prior to disbursement. Additionally, should the presence of asbestos containing materials be found on site, the Project will develop an asbestos management plan for OPIC review.</p>
Workers Rights:	<p>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 also be required to implement a management system that applies standards consistent with International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. Standard and supplemental contract language will be applied to all workers of the project.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this project on February 29, 2012.</p>

