

**INFORMATION SUMMARY FOR THE PUBLIC**

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| Host Country:          | Georgia   |
| Name of Borrower:      | Sayali, LLC   |
| Project Description:   | Development, construction, and operation of a hospital in Tbilisi, Georgia. The hospital will be managed by the American Hospital Management Corporation, a privately-owned Washington, DC-based global hospital management company. This will be the first U.S. managed hospital in Georgia. This will be the first JCI-certified hospital in Georgia.   |
| Proposed OPIC Loan:    | \$18,000,000  |
| Total Project Costs:   | \$30,500,000  |
| U.S. Sponsor:          | American Hospital Management Corporation (long-term management agreement)   |
| Foreign Sponsors:      | AzerCon OJSC and AzerCon UAE Holdings   |
| <b>Policy Review</b>   |   |
| U.S. Economic Impact:  | The Project is not expected to have a negative impact on the U.S. economy, as it involves the development and management of a hospital that will provide medical services locally. U.S. procurement associated with this project is expected to have a positive impact on U.S. employment. The Project is expected to have a negative five-year U.S. balance of payments impact over the first five years.  |
| Developmental Effects: | This Project will have a positive developmental impact on Georgia through the development and management of a medical hospital. The hospital will offer a wide range of high quality outpatient and inpatient services and introduce cardio surgery and neurosurgery, which are limited in availability in the country. The Project will be the first in Georgia to involve a U.S. hospital management company thereby introducing modern management practices. The Project will create hundreds of jobs in the host country, most of which are professional/technical.   |
| Environment:           | <b>Screening:</b> The Project has been reviewed against OPIC's categorical prohibitions and has been determined to be categorically eligible. Construction and operation of hospitals are screened as Category B projects under OPIC's environmental and social guidelines because impacts are site specific and readily mitigated. The primary environmental concerns related to this project are impacts from construction, the management and disposal of waste and wastewater, monitoring of air emissions from on-site power generation and the assurance that appropriate health and safety measures have been instituted for employees. Additionally, OPIC considers issues related to quality of care in evaluating healthcare facilities to ensure the facility contributes to improved public health in the host country. |

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

In addition to the Performance Standards listed above the following International Finance Corporation (IFC) Environmental Guidelines are applicable to this project:

- The International Finance Corporation (IFC) April 2007 Environmental, Health and Safety Guidelines for Health Care Facilities; and
- The IFC April 30, 2007 Environmental, Health, and Safety General Guidelines.

The site was acquired from the government in a negotiated privatization; therefore there is no resettlement and Performance Standard 5 (Land Acquisition and Involuntary Resettlement) is not triggered. The Project is located on a site which previously housed two hospitals and is not an environmentally sensitive area. Therefore P.S. 6 (Biodiversity Conservation and Sustainable Management of Natural Resources) is not triggered at this time. The Project is not expected to impact Indigenous Peoples or cultural heritage. The Project site is located in an urban setting. Therefore, P.S.'s 7 and 8 are not triggered by the Project at this time.

**Environmental and Social Risks and Mitigation:**

Construction works will be outsourced to contractors. The Project has appointed a construction management firm which has health, safety and environmental management plans in place at the corporate level. OPIC will require that the Project develop a project specific Health Safety and Environment Plan for the construction phase using the IFC Performance Standards and General EHS Guidelines as a framework. With respect to hospital operations, the hospital will seek JCI accreditation and as a result, hospital operations will be managed in line with a

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|                | <p>Social and Environmental Management System in accordance with P.S. 1.</p> <p>The hospital will be serviced by municipal utilities, including water, sanitation and electrical. Biomedical will be isolated and disposed by a licensed medical waste disposal firm. The Project will not involve on-site incineration. Hospital heating services will be provided from natural gas boilers. Four, 300kW boilers will be installed, although one will only be used on a stand-by basis. Designed maximum heating output is estimated to be 800kW. The Project site has an existing natural gas connection. Based on the designed maximum output, greenhouse gas emissions are estimated to be 2,900 tons CO<sub>2e</sub> per year.</p> <p>The hospital design has been developed to comply with British Standards codes of practice for hospitals.</p> |
| Worker 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. Standard and supplemental contract language will be applied to all workers of the Project. 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.</p>   |
| Human Rights:  | <p>OPIC issued a human rights clearance for this Project on May 12, 2014.</p>   |