

Proposed change:

New Categorical Prohibition

XII. New coal-fired power plants and upgrades or retrofits of existing coal plants except those facilities (i) utilizing the best internationally available technology in the world's poorest countries¹ in cases where no other technically or financially feasible alternative² exists, or (ii) deploying carbon capture and sequestration technology sufficient to achieve a carbon intensity equivalent to 500 grams CO₂/kWh.

Changes to Paragraph 8.4 in ESPS

8.4 In order to achieve the 30 and 50 percent reduction goals (Paragraph 8.2) OPIC establishes an annual transactional cap for all new projects ~~that are not otherwise categorically prohibited (See Appendix B)~~ within a given year with significant, **Direct Greenhouse Gas Emissions**. For the purposes of allocation of the annual cap, new projects are defined as those projects that receive OPIC support within a given year. In cases where an **Applicant** requests OPIC support for a portfolio of projects, OPIC will allocate cap individually, as necessary, to each **Project** within the **Applicant's** portfolio. For years in which the annual emissions associated with OPIC committed projects are less than the annual cap for that year, the remaining capacity may be allocated to subsequent years. Annual cap may not be allocated prior to the year in which such cap becomes available. Allocation of the annual transactional cap is at OPIC's discretion. ~~With respect to projects that involve the construction of coal-fired power plants, OPIC will give strong preference to projects that capture and sequester 85 percent of **Greenhouse Gas** emissions.~~

¹ Those countries so designated as "IDA-only" by the International Development Association (IDA) of the World Bank Group.

² Technical feasibility is based on whether the proposed measures and actions can be implemented with commercially available skills, equipment and materials, taking into consideration prevailing local factors such as climate, geography, demography, infrastructure, security, governance, capacity and operational reliability. Financial feasibility is based on commercial considerations, including relative magnitude of the incremental cost of adopting such measures and actions compared to the project's investment, operating and maintenance costs, and on whether the incremental cost would make the project nonviable for the Applicant.