



## Public Project Profile

<b>Host Country:</b>	Jamaica
<b>Name of Borrower:</b>	Jamaica Public Service Company Limited
<b>Project Description:</b>	To support ongoing system losses reduction initiatives and technological advancement in the transmission and distribution segments of the business
<b>Proposed OPIC Loan:</b>	\$22,500,000
<b>Total Project Cost:</b>	\$30,000,000
<b>U.S. Sponsor:</b>	Citibank, N.A.
<b>Foreign Sponsor:</b>	
<b>U.S. Economic Impact:</b>	The Project is not expected to have a negative impact on the U.S. economy. The Project is expected to have a small, but positive, impact on U.S. employment. The Project is expected to have a positive five-year U.S. balance of payments impact.
<b>Developmental Effects:</b>	This Project is expected to have a positive development impact with the implementation of electricity grid improvements in Jamaica. According to the World Economic Forum's Global Competitiveness Report, Jamaica ranks 83 out of 144 countries in terms of quality of its electricity supply. While approximately 92 percent of Jamaica has access to electricity, the power generation and electricity sector is characterized by reliance on imported fuels, structural shortcomings, and high transmission and distribution losses. In 2014, grid losses amounted to an estimated 22.3 percent with approximately 12.3 percent a result of theft or illegal connections. The Project will utilize the latest in grid technology to cut transmission losses, both from theft and inefficiencies, and to increase consumer access to the grid.



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## Environment

### Public Project Summary

Screening: Projects involving modernization of electricity transmission and distribution (T & D) grids and upgrading of renewable energy plants to reduce system losses are screened as Category B projects under OPIC's environmental and social guidelines because impacts are site specific and readily mitigated. The primary environmental and social concerns related to this Project are associated with the occupational health and safety of employees.

Applicable Standards: OPIC's environmental and social due diligence indicates that the Project will have impacts which must be managed in a manner consistent with the following International Corporation's (IFC) 2012 Performance Standards (PS):

PS 1: Assessment and Management of Environmental and Social Risks and Impacts;  
PS 2: Labor and Working Conditions;  
PS 3: Resource Efficiency and Pollution Prevention; and  
PS 4: Community Health, Safety, and Security.

Upgrades to electricity transmission and distribution grids and renewable energy generating units within existing facilities do not involve physical or economic displacement and therefore, Performance Standard 5: Land Acquisition and Involuntary Resettlement is not triggered. The existing Project facilities are located on developed land where issues associated with PS 6: Biodiversity Conservation and Sustainable Natural Resource Management are not triggered. There are no Indigenous Peoples at these Project facilities and there are no Cultural Heritage issues recorded to date. Thus, PS 7 and PS 8 are also not triggered.

In accordance with PS 3, IFC's Environmental, Health, and Safety (EHS) General Guidelines (2007) and EHS Guidelines for Electric Power Transmission and Distribution (2007) are also applicable to this Project.

Since the Project will not include combustion facilities, its greenhouse gas (carbon dioxide equivalent) emissions will be minimal.

Environmental and Social Risks and Mitigation: The Borrower operates its T & D grids and renewable energy units under its corporate policies, IFC's Performance Standards and Guidelines, and in compliance with local regulations. Employees receive extensive orientation training as well as annual refresher training specific to their jobs. The Borrower will handle, store and dispose of all solid and hazardous wastes in accordance with an approved Waste Management Plan. Small quantities of wastewater are discharged to the municipal sewerage network.

The Borrower will be required to continue implementing its overarching policy statement to ensure Project's acceptable environmental and social performance. The Borrower will also be required to continue implementing its grievance mechanism. In addition, the Project will be required to comply with IFC's EHS General Guidelines (2007) and EHS Guidelines for Electric Power Transmission and Distribution (2007).



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<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, hours of work, the timely payment of wages, hazardous work situations, and the requirement to deliver a Retrenchment Plan, if necessary. 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 by the Project.
<b>Human Rights</b>	OPIC issued a human rights clearance for the Project on August 27, 2015.