

<b>Host Country:</b>	CHILE
<b>Name of Borrower:</b>	Generacion Solar SpA
<b>U.S. Sponsor:</b>	Generacion Solar SpA
<b>Approved/Committed Date</b>	6-Jun-14
<b>Foreign Sponsor:</b>	NA
<b>Project Description:</b>	72.8 MWp solar PV plant to be built and operated in Maria Elena, Chile
<b>Total Project Cost:</b>	\$234,700,000
<b>Proposed OPIC Support:</b>	\$48,900,000
<b>Developmental Effects:</b>	<p>This project is part of Chile’s ongoing effort to expand its renewable energy capacity to 10% of all energy capacity by 2024, as outlined in the Chilean government’s National Energy Strategy. Chile is devoting significant resources to building renewable energy infrastructure that will reduce the country’s reliance on imported energy and support increasing energy demand due to recent economic growth. Furthermore, this project will create employment throughout its construction and operation phases, and will bring advanced solar generation, operation technologies, and management practices to Chile.</p>

<p><b>Environment:</b></p>	<p>Public Project Summary</p> <p>SCREENING: The Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Medium scale solar 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 the Project include the need for appropriate health and safety measures and a robust environmental and social management system for day-to-day aspects of construction and operation including solid waste disposal, hazardous materials management and treatment and disposal of wastewater.</p> <p>Applicable Standards: OPIC’s environmental and social due diligence indicates that the Projects will have impacts that must be managed in a manner consistent with the following Performance Standards:</p> <p>PS 1: Social and Environmental Assessment and Management Systems;  PS 2: Labor and Working Conditions;  PS 3: Pollution Prevention and Abatement;  PS 4: Community Health, Safety and Security; and  PS 8: Cultural Heritage.</p> <p>The Project will not involve land acquisition; land will be leased from the Chilean government. The Project will be located on sites that are isolated desert, more than 15 km from the nearest residence, and therefore will not result in physical or economic displacement or impacts to Indigenous Peoples. Therefore PS’s 5 and 7 are not triggered at this time. Although the project is located in natural desert habitat, it will impact 212 hectares of 6 million hectares of the habitat; therefore impacts will not be significant and therefore PS 6 is not triggered by the Project. Archeological studies were conducted as part of the environmental assessments and concluded that based on visual inspection and literature reviews, there is no evidence of archeological or cultural artifacts at the project sites. The Projects will be required to develop a chance find procedure in accordance with PS 8.</p> <p>In addition to the Performance Standards listed above, the IFC’s April 30, 2007 Environmental, Health, and Safety General Guidelines are applicable to the Projects.</p> <p>Environmental and Social Risks and Mitigation: The Borrower has developed a Social and Environmental Management System (SEMS) in accordance with the requirements of IFC Performance Standard 1. It includes the Company’s Environmental Policy, outlines the Company’s organizational structure for implementing the environmental, health, and safety commitments and includes checklists and frameworks to guide development of project-specific environmental, social, health and</p>
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	<p>safety plans and procedures. The Project will be required to develop and submit to OPIC for review and approval project-specific Social and Environmental Management Plans and a Community Relations Plan.</p> <p>The project site is located in desert areas with low ecological sensitivity. The site has little vegetation and there are no residences located nearby. Air emissions are restricted to dust during construction and the temporary operation of two 100 kV diesel generators during construction. CO<sub>2</sub>eq emissions are anticipated to be less than 500 tons/yr. Bottled water will be provided for workers and water needed for washing of the panels during operations will be brought on-site through a contracted third-party company. Sanitary wastes will be handled through portable toilets, septic system and modular wastewater treatment plants. Authorized third-party companies will be responsible for the collection of waste and maintenance of the systems. Treated effluent from the modular wastewater treatment plants will be used for irrigation purposes and meet Chilean regulation for discharge to subsurface waters. Solid wastes will be collected by authorized third-party companies and disposed of at municipal landfills. The Projects will be required to develop and submit to OPIC for review a plan for disposal of modules at the end of their useful life.</p>
<b>Worker Rights:</b>	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining. 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 of the Project.</p>
<b>Human Rights:</b>	<p>OPIC issued a human rights clearance for this project on February 10, 2014.</p>