

Host Country:	India
Name of Borrower:	Simpa Energy India Private Limited
Project Description:	Simpa has developed a mobile-based payment technology for retail solar systems that enables collection from rural, underserved communities thereby expanding the penetration of home solar units and access to home lighting for thousands of Indian families. Simpa will use the loan to finance approximately 50,000 new retail solar systems.
Proposed OPIC Loan:	\$3,000,000 (with a tenor of 6.75 years)
Total Project Costs:	\$7,000,000
U.S. Sponsors:	Paul Needham, Michael MacHarg, Jacob Winiecki, BSP Fund LLC, Simpa Networks, Inc.
Foreign Sponsors:	The Asian Development Bank and Hilti Foundation
Policy Review	
U.S. Economic Impact:	The project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this project, and the project is expected to have a neutral impact on U.S. employment. The project is expected to have a net negative five-year U.S. balance of payments impact.
Developmental Effects:	This project will have a positive developmental impact on India through the sale of solar power generation units for installation in individual houses. There are an estimated 700 million people in India with either no access to grid power or insufficient access. This project will address this severe power shortage through solar units that will help families power their homes. All of these units are expected to be sold to households in rural areas of India. The project company will be hiring new staff and creating opportunities for local entrepreneurs to market the units.
Environment:	<p>The Project has been reviewed against OPIC's Environmental and Social policies and determined to be categorically eligible. In accordance with OPIC's environmental and social policies, micro-scale solar projects that involve the construction/installation of small solar systems are screened as Category B as they have limited environmental and social impacts that can be mitigated to acceptable levels by adopting good management practices. The main environmental and social issues related to the Project include hazardous materials management, waste management, and occupational health and safety.</p> <p>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 Finance Corporation's (IFC) 2012 Performance Standards (PS):</p>

	<ul style="list-style-type: none"> • 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. <p>A desk-review due diligence assessment indicates that the Project does not involve land acquisition or significant adverse impacts with respect to biodiversity, indigenous peoples, or cultural heritage. Therefore, Performance Standards 5 through 8 are not triggered by the Project at this time. In addition to the above PSs, the Borrower will be required to comply with applicable provisions of the IFC’s Environmental, Health, and Safety (EHS) General Guidelines (April 30, 2007).</p> <p>The Borrower shall comply with all national law, and operate in a manner consistent with IFC’s 2012 Performance Standards (1 through 4) and applicable sections of IFC’s 2007 Environmental, Health, and Safety (EHS) General Guidelines. Prior to financial close, OPIC will require the Borrower to expand its Grievance Mechanism to include methods for both clients and non-client stakeholders that may be impacted by the Project to submit grievances.</p>
Workers’ Rights:	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age for employment, 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 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 January 24, 2014.</p>