

Information Summary for the Public

Host Country:	Republic of Peru
Name of Borrowers:	GTS Majes S.A.C. and GTS Reparticion S.A.C., both newly-created corporations established under the laws of Peru, which will serve as joint and several borrowers under the OPIC loan.
U.S. Sponsor:	Assured Guaranty Municipal Corp.
Foreign Sponsor:	Grupo T-Solar Global S.A., a Spanish corporation.
Project Description:	The development, construction and operation of two 20 MW solar power projects located in Peru (the “Project”). The Project will use solar technology that was developed by Applied Materials, Inc. (“Applied Materials”), a U.S. company headquartered in California.
Total Project Costs:	Approximately \$193 million
Proposed OPIC Loan:	Approximately \$133 million with a 19-year term including a 2-year grace period and a 17-year repayment period. The OPIC loan will have a weighted average life of approximately 12 years. The tenor of the OPIC loan provides for a 2-year tail from the expected maturity date of the OPIC loan to the end of the Project’s power purchase agreements.
Partial Risk Guaranty:	Assured Guaranty Municipal Corp. is expected, subject to closing conditions including internal credit approval, to provide a partial risk guaranty solely for the benefit of OPIC for approximately \$33 million with a tenor of eight years. The partial risk guaranty will cover the timely payment of principal and interest to OPIC by the Borrowers under certain circumstances.
Developmental Effects:	The Project will have a positive development impact on the host country through the construction of two new solar electric generation plants, which will increase the capacity of Peru’s national grid. This renewable energy production project will involve the installation of advanced solar panel equipment and will be located in a rural area of the host country. There will also be new employees hired for this project, who will receive training related to working at the site.
Environment:	The Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. Small-scale renewable 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 photovoltaic projects are land use issues, potential disturbance of sensitive ecological species through habitat alteration, visual impacts and the disposal of panels at the end of their useful life.

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:

PS1: Social and Environmental Assessment and Management Systems;
PS2: Labor and Working Conditions;
PS3: Pollution Prevention and Abatement;
PS4: Community Health, Safety and Security;
PS6: Biodiversity Conservation and Sustainable Natural Resource Management;
PS 8: Cultural Heritage.

In addition to the Performance Standards listed above, other applicable standards include the IFC's April 30, 2007 Environmental, Health, and Safety General Guidelines and the IFC's Environmental, Health, and Safety Guidelines for Electric Power Transmission and Distribution, and all applicable environmental, health and safety regulations of Peru.

No land will be purchased for the Project. Land for the project sites is currently owned by the Majes Authority (Majes site) and National Land Property Administration (Reparticion site). For both sites land will be under a usufruct contract for 30 years. The Project will not result in physical or economic displacement, nor will it impact any indigenous peoples. Therefore, adverse impacts with respect to land acquisition, resettlement, and indigenous peoples (PS 5 and 7) are not anticipated at this time.

Environmental and Social Risks: The Project has an overarching environmental policy and grievance mechanism in place. Social and Environmental Impact Assessments have been prepared for both project sites. Additionally, an initial Environmental Management Plan, Maintenance Plan, Emergency Response Plan, and Occupational Health and Safety Plan have been prepared for the Project.

	<p>The Project sites are located in temperate warm desert areas with low ecological sensitivity. The sites themselves have little to no vegetation and there are no residences located within 2 km of the sites. Air emissions are restricted to dust during construction and the temporary operation of two small diesel generators during construction. CO_{2eq} emissions are anticipated to be less than 5,000 tons/year. Water is only needed for washing of the panels and during operations only 5 people will be located on site. Sanitary wastes will be handled with portable toilets during construction and a septic system once the plant is operational.</p> <p>There are a number of threatened, vulnerable, and endangered species that are known to be in the Project's region. It is anticipated; however, that the impact on these species from Project construction and operation will be minimal as the range of the species is quite large and the footprint of the Project is small. Nonetheless, measures have been put in place by the Project to mitigate any impacts.</p> <p>The Borrower has prepared an Occupational Health and Safety Plan and will hire an Environmental, Health and Safety coordinator to assure environmental, social, health, and safety commitments are implemented. The Project will be required to provide OPIC with additional details on the routing of the transmission lines and to incorporate mitigation measures into its Environmental Management Plan for OPIC's review and approval.</p>
<p>U.S. Economic Impact:</p>	<p>This investment will be used for the construction of two 20 megawatt power plants in Peru, with all new capacity dedicated to the national grid. There will be no U.S. procurement associated with this project and thus it is expected to have a neutral impact on U.S. employment. The Project is expected to have a negative impact on the U.S. balance of payments over the first five years.</p>
<p>Workers Rights:</p>	<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. 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</p>

	contract language will be applied to all workers of the Project.
Human Rights:	In consultation with the Department of State, the Project received a Human Rights Clearance on April 18, 2011.