

**Report of the  
OVERSEAS PRIVATE INVESTMENT CORPORATION**

**ANNUAL REPORT  
ON DEVELOPMENT IMPACT**

**FISCAL YEAR 2015**

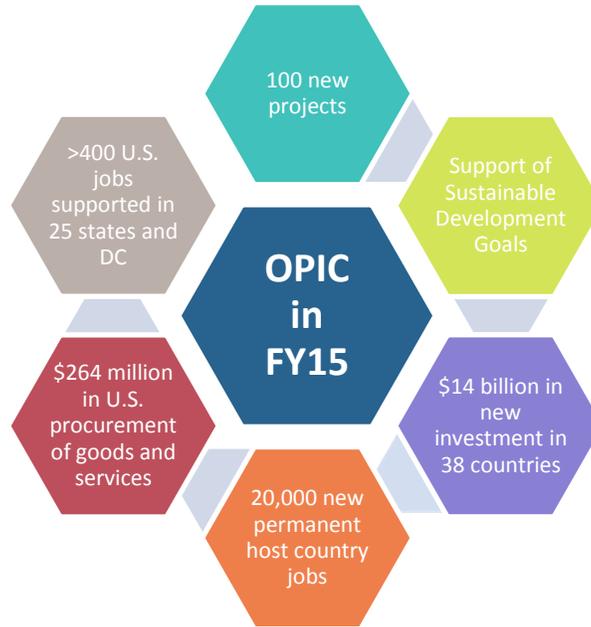


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Section 240A of the  
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As Amended**

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## EXECUTIVE SUMMARY

The Overseas Private Investment Corporation (OPIC), the U.S. Government’s development finance institution, mobilizes U.S. private capital to help solve critical development challenges and, in doing so, advances U.S. foreign policy.

OPIC has been a leader among development financial institutions (DFIs) in advancing sustainable development and applying high standards to its review and monitoring of projects. This report summarizes the projected development impact of the 100 new projects OPIC committed to support in Fiscal Year 2015 (FY15) in developing and emerging markets<sup>1</sup>. In addition, it provides the results of the monitoring of OPIC’s active portfolio to ensure projects are complying with statutory and policy requirements. This report also demonstrates how OPIC projects support the UN’s Sustainable Development Goals.

### Development Impact

OPIC estimates that the 100 new projects supported in FY15 will:

- Bring a total of \$14.2 billion in new investment to 38 developing and emerging markets.
- Create nearly 20,000 permanent host country jobs over five years, in addition to the 343,000 host country jobs that OPIC’s current project portfolio supports.
  - Sub-Saharan Africa accounts for 59% of OPIC’s host country employment projections.
  - Unskilled jobs, which play a critical role in moving individuals into the formal sector, account for 60% of OPIC’s host country employment projections.
- Generate 323 megawatts of renewable energy, avoiding 900,000 tons of carbon dioxide equivalent (CO<sub>2</sub>e) emissions per year.
  - Eight projects in FY15 fall under President Obama’s Power Africa Initiative, expected to avoid 760,000 tons of CO<sub>2</sub>e emissions per year.
  - Four projects in FY15 provide off-grid power and bring electricity to those without access to electrical grids.

<sup>1</sup> These projects include new finance and insurance projects that have not been previously reported to Congress and downstream investments made by OPIC-supported investment funds and through framework agreements.

## Support for the U.S. Economy

In addition to the significant positive benefits of OPIC-supported investment in emerging and developing economies, OPIC also has a positive impact on the U.S. economy. The projects OPIC backed in FY15 are expected to support over 400 U.S. jobs over the next five years through the procurement of an estimated \$264 million in goods and services from the United States. This includes an expected \$144 million in procurement of goods and services from U.S. small businesses located in 13 states and the District of Columbia. Furthermore, U.S. small businesses were partners in 75% of new OPIC-supported projects in FY15.

## Environment, Social, Labor, and Human Rights Impact

OPIC-supported projects must meet international best practices for environmental and social sustainability, treatment of workers, and respect for human rights. OPIC reviews each project to identify and mitigate potential adverse impacts. Seven of the 100 new projects that OPIC committed to support in FY15 were considered “Category A” due to heightened environmental and/or social risks. Two of the 100 projects were designated “Special Consideration” given their potential for heightened labor rights risks. Projects with either of these classifications require additional due diligence, mitigation measures, and monitoring.

OPIC is also committed to increasing the environmental benefits of its portfolio. OPIC tracks the direct greenhouse gas (GHG) emissions from active projects in its portfolio. Since FY08, the aggregate direct GHG emissions associated with projects in OPIC’s active portfolio decreased by almost 85%.

## Initiatives

OPIC is undertaking a number of initiatives to enhance its assessment of development impact and improve its monitoring and reporting. These include:

- *Adoption of harmonized development impact indicators:* OPIC has incorporated the standardized development impact indicators agreed upon by 25 international finance institutions (IFIs) in its information systems and client forms. Adoption of the standardized indicators by multiple IFIs will reduce reporting burdens on clients and promote best practices in development impact assessment.
- *Improved reporting:* OPIC revised its client reporting forms to make them more client friendly, improve response rates, and enhance data quality. The reporting improvements utilize feedback from stakeholders and incorporate results of the indicator harmonization effort.
- *Improving access and transparency:* OPIC is investing in the development of its data infrastructure to improve the accessibility of development impact data both within the agency and for external stakeholders.

## SUSTAINABLE DEVELOPMENT GOALS

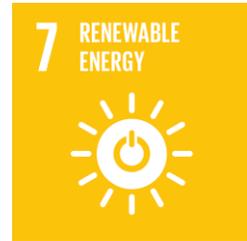
At the July 2015 United Nations meeting in Addis Ababa, more than 190 world leaders committed to the Addis Ababa Action Agenda on financing for development. Together, with the global agreement in September 2015 on the Sustainable Development Goals (SDGs), Agenda 2030 is focused on eradicating poverty, fighting inequality and injustice, and tackling climate change by 2030. The Addis Ababa Action Agenda provides a policy framework for development financing in support of sustainable development and a roadmap to help countries identify, attract, and access diverse sources of development finance. World leaders emphasized the critical role of both private and public investment, as well as domestic resource mobilization, to meet the SDGs. DFIs, such as OPIC, play a critical role in catalyzing private sector investment. OPIC’s projects contribute to several SDGs. The UN’s designated goal numbers are displayed in each goal’s icon below.



More than one billion people currently live on less than \$1.25 per day.<sup>2</sup> The first SDG – ‘No Poverty’ – aims to eradicate poverty by 2030. Successful OPIC projects contribute to this goal through job creation, economic growth, and reducing inequality – to name a few – in the areas of the world that need it most.

### Improving Access to Energy

In FY15, OPIC provided support for 15 renewable energy projects, which expect to generate 323 megawatts of power. Nearly 2.1 billion people around the globe do not have access to reliable energy and depend on expensive energy sources such as kerosene or diesel for light and electricity. OPIC is committed to partnering with innovative companies to finance off-grid energy solutions, which include village-level micro-grids and market-based consumer solutions, such as solar home kits.



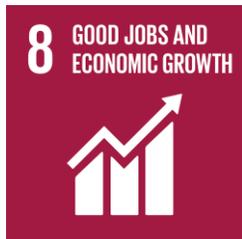
#### Community Impact

OPIC-supported projects often provide benefits to local communities through direct environmental improvements, including access to renewable energy and through Corporate Social Responsibility activities indirectly. Of OPIC’s active portfolio, 47% of supported projects reported having an environmental benefit for the local community and 60% reported an engagement in charitable work, supporting the local community.

In FY15, OPIC committed four new projects to support off-grid solar solutions in Sub-Saharan Africa and Central America. Families and businesses in remote villages will now use home solar kits to access electricity. Expanding and utilizing off-grid energy solutions is critical to addressing host country and global issues by bringing economic opportunity and security to communities that live away from the grid.

### Improving Jobs, Strengthening Economies

New projects in FY15 are expected to create nearly 20,000 permanent host country jobs, and support 37,000 temporary and construction jobs in developing and emerging markets. The application of OPIC’s strong labor standards make these jobs particularly desirable. For example, a Georgian company supported by OPIC rehabilitated and currently operates a historic three-story building in the capital city of Tbilisi. The multifunctional business complex includes space for meetings, conferences, and events, as well as four restaurants, making it one of the largest single food and beverage purchasers in the country. The project has had a positive developmental impact in the country by employing more than 200 local staff, supporting local business, and improving Georgia’s tourism infrastructure, which is an important driver of Georgia’s economic growth.



#### Project Impact

OPIC currently supports Romania’s leading provider of diagnostic imaging services, laboratory tests, and ambulatory consultations, serving 200,000 low- and middle-income patients. The company has consistently grown by opening centers in new cities to meet increased local demand. In FY15, the company employed over 350 people, predominantly in high-skilled technical positions. In addition, over 300 of the company’s employees are women.

<sup>2</sup> <https://www.globalgiving.org/sdg/no-poverty/>

## Constantly Innovating

OPIC promotes economic opportunity by supporting projects that introduce innovative technologies to local communities or provide training in new technologies.



Introduction of new technologies and improved technical skills increase the ability to build sustainable businesses.

### Project Impact

Of OPIC's active portfolio, 48% of supported projects reported the introduction of new technologies or the transfer of technical knowledge.

OPIC currently supports a project in Albania that introduced new technologies in essential communications fields. The project sponsor – a leading provider of data and voice services for corporate, government, and international customers – provides broadband, cable television, telephone, and data services to 98,000 customers with OPIC's support.

## Breaking Down Barriers

OPIC projects reach poor, underdeveloped, and rural areas of the countries in which they operate. OPIC may directly finance projects located in these communities, or support financial intermediaries that lend to these communities. Current OPIC-supported financial intermediaries reported lending \$16 billion to individuals and businesses in rural areas as of FY15.



### Project Impact

OPIC currently supports the largest microfinance institution (MFI) in Sri Lanka, which targets individuals excluded from mainstream credit opportunities including women, the self-employed, small-scale business owners, low-income earners, and people living in farming communities. The project functions at the grassroots level to encourage participation of traditionally underserved clients. This MFI reported serving 249,000 clients through FY15, three-quarters of whom are women.

Access to credit for MSMEs is essential for growth and job creation, which improve standards of living. OPIC supports financial institutions that make financing available to women-owned and managed businesses and entities in rural areas. Providing underserved segments of the population with access to finance stimulates economic growth and improves standards of living.

## Proactive Mitigation

OPIC's new renewable energy projects in FY15 expect to avoid 900,000 tons of CO<sub>2e</sub> emissions



per year, the equivalent of removing almost 190,000 passenger vehicles from the road. OPIC's portfolio has reduced cumulative emissions by approximately 84% since FY08.

### Project Impact

OPIC currently supports a firm selling innovative cookstoves in Kenya that replace traditional cookstoves and open fire pits. These cookstoves improve efficiency and help customers and the climate by decreasing smoke exposure and emissions. The World Health Organization lists smoke as one of top five threats to public health in developing countries, resulting in approximately four million premature deaths each year and causing a multitude of chronic illnesses and poor health.

## DEVELOPMENT IMPACTS

The July 2015 United Nations Addis Ababa Action Agenda provides a policy framework for development financing in support of sustainable development. It also creates a roadmap to help countries identify, attract, and access diverse sources of development finance. The agenda emphasizes the critical role of both private and public investment, as well as domestic resource mobilization in meeting the SDGs. OPIC and other DFIs play a critical role in catalyzing the private sector investment that promotes economic development and reduces poverty. DFI financing supports projects that have a multi-faceted impact through:

- Creation of local jobs that tend to pay above prevailing local wages and include important worker rights safeguards;
- Opportunities for the transfer of management skills and technology, which create a skilled workforce over time; and
- Generation of tax revenues that allow local governments to dedicate additional capital for public investment.

### Employment Impact

OPIC's clients reported that nearly half of the 343,000 jobs supported in host countries belong to women. More than eight out of every ten jobs – for both men and women – are managerial or professional/ technical positions.

OPIC-supported FY15 projects are expected to create nearly 20,000 local jobs in developing and emerging countries over the next five years. Of these jobs, 40% are expected to be managerial and professional/technical positions, while 60% are expected to be unskilled jobs. The creation of jobs at the lower end of the pay scale is equally as important as skilled jobs. They provide critical opportunities for individuals to move from the informal to the formal sector. OPIC's FY15 projects are also expected to create employment opportunities for 37,000 construction and temporary workers.

In addition, OPIC-supported projects are expected to procure \$8.5 billion in local goods and services over the next five years, providing additional economic impact in the host countries. These projects are also expected to generate \$555 million in revenues for host country governments.

**Table 1**  
**Projected Development Impacts of**  
**New FY15 Projects**

Unskilled labor*	11,665
Managerial, Professional and Technical Jobs*	<u>7,931</u>
<i>Total</i>	<i>19,596</i>
Initial host country procurement	\$6.6 billion
Host country operational procurement*	\$1.9 billion
Net annual taxes, revenues and duties paid to the host country*	\$0.11 billion
Annual host country current account impact *	
Exports generated *	\$4.4 billion
Project-related imports*	\$0.25 billion

\* Average annual amount projected over a 5-year period

## FISCAL YEAR OVERVIEW

*In FY15, OPIC committed to 100 new projects in 38 countries. These projects are estimated to result in \$14.2 billion in total investment in developing and emerging markets.*

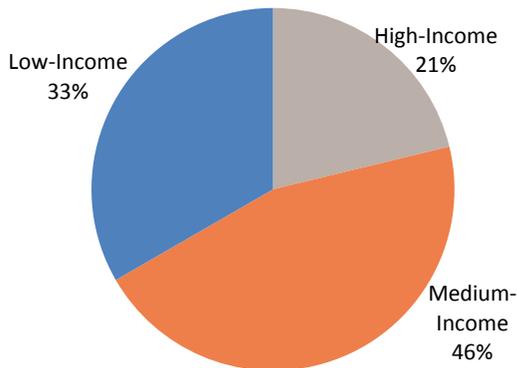
OPIC offers its clients direct loans, investment guarantees, and political risk insurance. The new projects committed in FY15 fall into the following categories:<sup>3</sup>

- 74 finance projects;
- 4 insurance projects; and
- 22 investments in portfolio companies by OPIC-supported investment funds.

### Supporting Development in Poor Countries

Of the 100 new projects committed in FY15, 33 are in low-income countries. These new projects expect to create over 12,000 jobs and support \$3.4 million in the local procurement of goods and services. OPIC also supported 57 projects in middle and high-income countries<sup>4</sup>, often targeting under-served populations or specific areas where income levels are lower. Many financial services sector projects in the high-income countries focus on lending to micro, small, and medium enterprises (MSMEs), support affordable housing, or develop off-grid power solutions.<sup>5</sup>

**Figure 1: Projects by Country Income**



#### Impact in Low-Income Countries

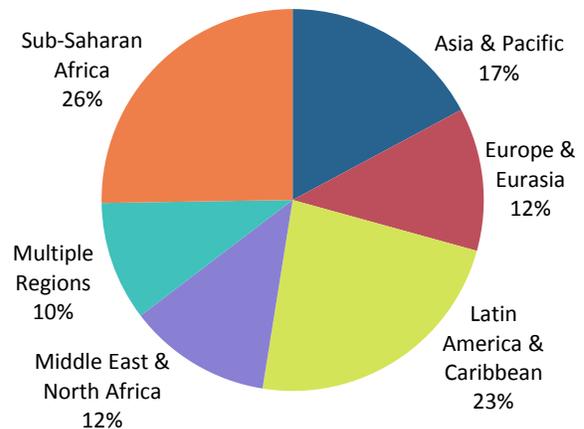
*In FY15, 33 new projects in low-income countries are expected to create:*

- **Over 12,000** new host country jobs, 80% of which are managerial
- **\$3.4 million** in additional local procurement
- **\$45 million** in taxes and other government transfers

### Global Reach

OPIC-supported projects in FY15 covered a range of countries and regions, which is consistent with maintaining a well-balanced and diverse portfolio. Sub-Saharan Africa had the largest share of new projects, accounting for 26%, followed by Latin America and the Caribbean at 23%. Across these geographic regions, projects in FY15 expect to generate \$14.2 billion in total investment.

**Figure 2: Regional Distribution (#)**



<sup>3</sup> These projects include new finance and insurance projects that have not been previously reported to Congress and downstream investments made by OPIC-supported investment funds and through framework agreements.

<sup>4</sup> Section 231 of the Foreign Assistance Act defines low-income countries as those with per capita GNP of \$984 or less in 1986 dollars. Middle-income countries are those with per capita GNP of \$985 to \$4,268 in 1986 dollars. High-income countries are those with a per capita GNP above \$4,268 in 1986 dollars.

<sup>5</sup> According to International Finance Corporation (IFC) standards, which OPIC adopts, a Medium Enterprise may not exceed more than two of the following: 300 employees, \$15 million in total assets, or \$15 million in total annual sales.

## Sub-Saharan Africa (SSA)

OPIC continued its strong support for African nations in FY15. OPIC committed to new projects in the region that broaden the economic base and improve the standard of living of the population through investments in energy, education, agriculture, healthcare, and telecommunications. For FY15 projects, 59% of the total jobs created by OPIC-supported projects are expected to be created in Sub-Saharan Africa.

### Impact in Sub-Saharan Africa

*In FY15, OPIC supported 26 new projects in Sub-Saharan Africa expected to create:*

- **Over 11,000** new jobs to be created
- **\$2.6 billion** in additional local procurement
- **\$42 million** in taxes and other government transfers

## Renewable Energy

OPIC supports a wide-range of projects in many sectors and countries. Support for renewable energy and resources has taken a prominent role in the agency's efforts. This past fiscal year, OPIC supported 15 renewable energy projects, which are expected to avoid the emission of 900,000 tons of CO<sub>2</sub>e per year.

In addition to generation of renewable power for electricity grids, OPIC in FY15 supported four off-grid solar projects. These projects, where customers install individual units in their houses or businesses, bring electricity to those previously unable to access power due to either low grid reliability or the distance of their location from grid access points.

### Impact of Renewable Energy

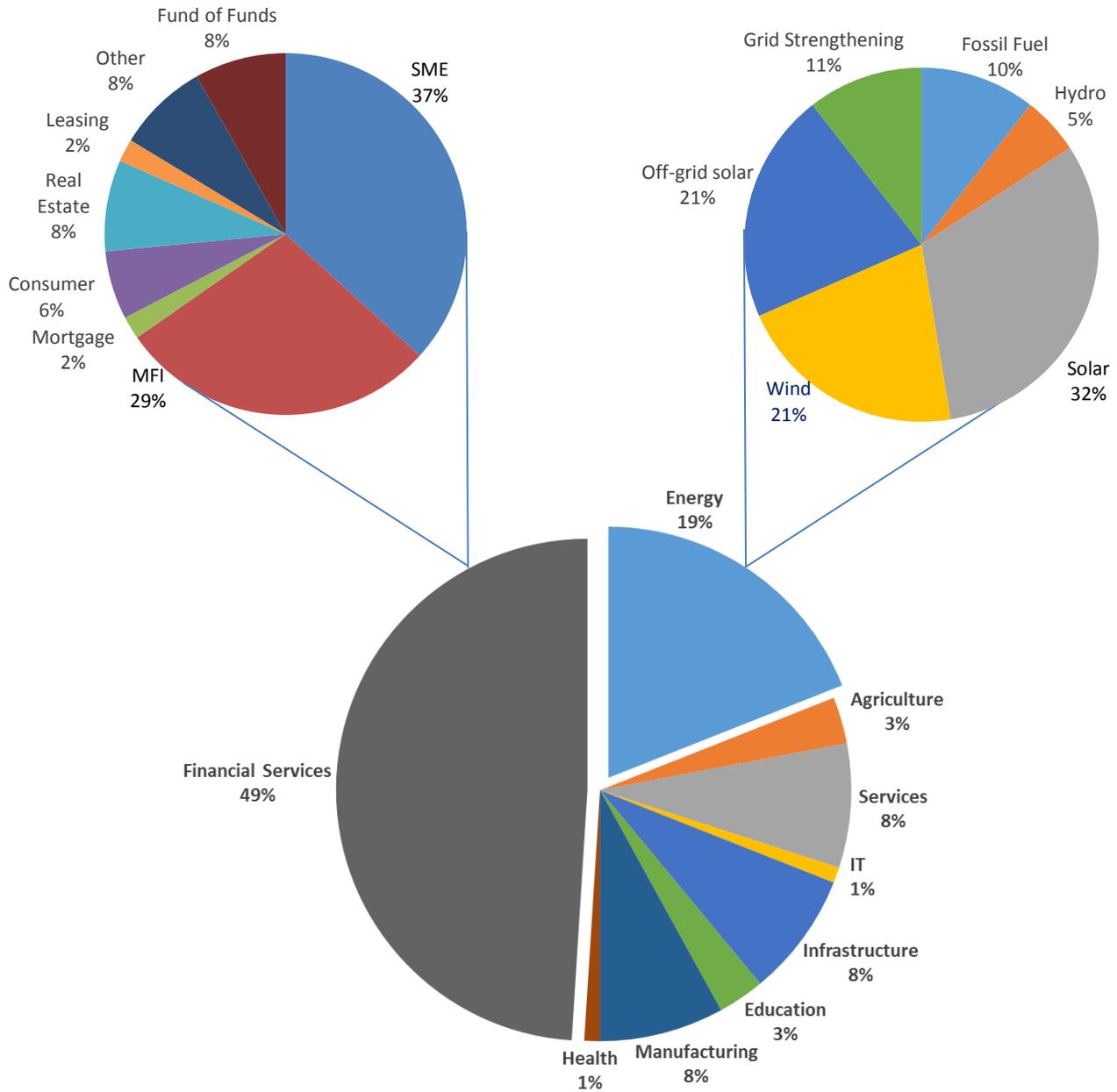
*In FY15, OPIC supported 15 new renewable projects globally expected to create:*

- **Over 600** new jobs;  
    **71%** at the managerial or technical level
- **\$1.2 billion** in additional local procurement

## Infrastructure Investment

There is a clear relationship between critical infrastructure and sustainable growth. Infrastructure fosters growth by raising productivity and reducing transaction costs. In addition to power generation, OPIC supported infrastructure development in various sectors including communications, housing, transportation, warehouses, and healthcare in FY15. These infrastructure projects are expected to support over 3,500 construction jobs in their respective host countries.

**Figure 3: Sector Breakdown**  
with Financial Services and Energy Details



In FY15, the Financial Services sector accounted for the largest share of OPIC projects at 49%. Well over half of Financial Services projects support microfinance institutions (MFIs) and small and medium enterprises (SMEs). The second largest sector in FY15 is Energy at 19%, with wind and solar power projects accounting for just over half of the projects in this sector.

## ENVIRONMENTAL, HEALTH, SAFETY & SOCIAL IMPACTS

### Project Screening and Assessment

OPIC screens all potential projects to identify the risk of adverse environmental and social impacts, and to identify project impacts that could preclude OPIC support. For a project determined to be categorically ineligible, OPIC immediately informs the applicant, so as to avoid unnecessary effort or expense. If the project is eligible, OPIC categorizes the project to determine the requirements for documentation, disclosure, consultation, reporting and post-commitment monitoring. Projects may be categorized as A, B, C, or D depending on their potential risks and impacts.<sup>6</sup>

Category A projects present the greatest potential for adverse environmental and/or social impacts, whereas Category C projects represent the least potential for adverse impact. Category D is reserved for certain projects involving financial intermediaries that make investments in or provide financing to projects or enterprises engaged in activities within Categories A, B or C (subprojects). OPIC screens, reviews, and provides prior written consent to subprojects on the basis of potential environmental and social risks.

#### ***OPIC uses a rigorous methodology for calculating potential environmental and social impacts.***

OPIC uses an environmental and social assessment process to evaluate the potential environmental and social impacts of an applicant's project and to identify means to improve the project by preventing, minimizing, remediating or compensating for potential adverse impacts as a condition of OPIC support. The process includes the following:

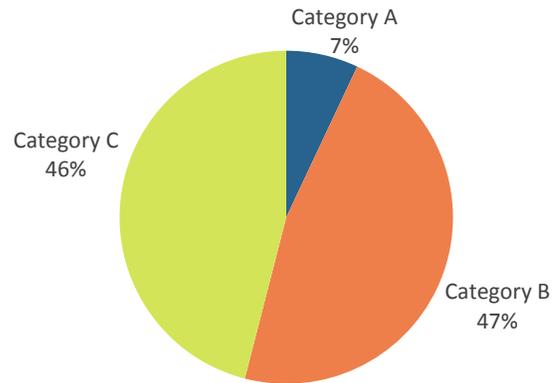
- Identification of potential adverse environmental and social impacts;
- Disclosure of the project's environmental and social impact assessment (ESIAs) for public review and comment (if the project has been screened as Category A);
- Comparison of the project's performance in relation to internationally accepted standards and alternative approaches;
- Evaluation or design of mitigation measures; and
- Evaluation or design of associated management and monitoring measures.

### **Category A Projects**

For FY15, seven of the 100 projects OPIC committed to support were screened as Category A, which have the potential for significant adverse environmental and/or social impacts if there were no mitigation measures. Given these risks, OPIC requires all Category A projects to have a full environmental and social impact assessment (ESIA). This review is subsequently disclosed to the public for comment (see next page). OPIC's committed FY15 Category A projects are:

- A gas powered plant in Ghana;
- A thermal power plant in Senegal;
- A petrochemical manufacturing complex in Egypt;
- A hydroelectric power plant in Uganda;
- A poultry, feed, and livestock agribusiness in Tanzania;
- A wind power project in Kenya; and
- A housing development in South Africa.

**Figure 4: Environmental and Social Categorization of FY15 Projects**



<sup>6</sup> Certain types of projects have potential adverse environmental or social impacts that preclude the project from receiving OPIC support. These categorically prohibited projects are listed in Appendix B of OPIC's Environmental and Social Policy Statement.

## Category B and C Projects

Forty-seven projects in FY15 were screened as Category B, which are likely to have environmental and/or social impacts that are few in number, generally site-specific, largely reversible and readily addressed through effective management systems.

Forty-six FY15 projects were screened as Category C, which are likely to have minimal adverse environmental and/or social impacts.

## Category D Projects

Category D applies to financial intermediaries that make investments in or provide financing to subprojects. Ultimately, subprojects are categorized and cleared as Category A, B, or C and included in the project count of the FY in which they are committed or consented to. Category D financial intermediaries are not included in the project count.

### ***OPIC's environmental experts conduct pre-approval site visits for Category A projects and potential projects with possible environmental and social sensitivities.***

OPIC support for Category A projects, as well as projects with potential environment and social sensitivities require lengthy reviews. As part of this process, OPIC environmental officers or external experts conduct on-site due diligence prior to commitment of OPIC support to any project screened as Category A. In FY15, OPIC conducted pre-approval site visits to 11 Category A projects in 10 countries including:

- An electrical grid strengthening project in South Africa;
- A phosphate mining project in Guinea-Bissau;
- A port project in Georgia;
- A geothermal project in Kenya;
- A wind farm in Serbia;
- A thermal power plant in Ghana;
- A thermal power plant in Senegal;
- A hydroelectric project in Uganda;
- A wind farm in Senegal;
- A petrochemical project in Egypt; and
- A bauxite mine in Guinea.



## Project disclosure

### ***OPIC publishes information on all Category A projects for public comment.***

In FY15, consistent with OPIC policy, nine Category A projects under consideration for OPIC support were posted on OPIC's website for 60 days prior to action by the OPIC Board, and announced via email to OPIC stakeholders. This process gives interested persons and organizations the opportunity to review the ESIA's and comment on the projects' potential environmental and social impacts. Full text versions of ESIA's were available for download directly from the OPIC website.<sup>7</sup> Public comments were not received in response to any of the nine ESIA's. Two of these projects were committed in FY15.

## Transactions rejected on environmental and/or social grounds

OPIC works diligently to ensure that its policies regarding environmental and social impact are well understood. OPIC counsels against projects that are potentially problematic from an environmental or social impact perspective before formal applications are submitted. As a result of this effort, OPIC did not reject any applications for finance or insurance in FY15 on environmental or social grounds.

<sup>7</sup> <https://www.opic.gov/doing-business-us/OPIC-policies/environment/documents>

## Mitigating Climate Change

OPIC has committed to: (a) reducing the direct greenhouse gas (GHG) emissions from projects in its active portfolio (using the calendar year 2007 direct GHG emissions from OPIC’s active portfolio on June 30, 2008 as a baseline), (i) by 30% over a ten-year period and (ii) by 50% over a 15-year period; and (b) increasing investment support to renewable energy and energy efficiency projects. “Direct emissions” are defined as the result of the combustion of fuel by OPIC-supported projects.

Since FY08, the aggregate direct GHG emissions associated with projects in OPIC’s active portfolio decreased by approximately 41.99 million short tons of CO<sub>2</sub>e from 49.76 million short tons of CO<sub>2</sub>e in FY08 to approximately 7.77 million short tons in FY15. This represents an approximately 84.4% reduction in portfolio emissions.<sup>8</sup>



For the purpose of tracking progress in achieving its GHG reduction goals, OPIC procured the services of an outside environmental auditor to develop a baseline GHG inventory of OPIC-supported projects. The baseline inventory was defined as 100% of the direct emissions from all projects within OPIC’s June 30, 2008 portfolio (FY08 baseline emissions).<sup>9</sup> Accounting for 100% of project emissions is more conservative than the “equity” or “operational control” approach, which assume partial ownership of a project’s GHG emissions. OPIC accounts for direct emissions, which are verifiable and directly attributable to the project activity that is benefiting from OPIC’s support. Revised baseline emissions for 2008 were estimated to be 49.76 million short tons of CO<sub>2</sub>e.<sup>10</sup> Subsequent annual estimates were based on investor-provided data indicative of actual operating conditions, project descriptions, and internationally recognized algorithms.

To account for emissions from non-reportable projects (i.e., projects below the current “significance” threshold for reporting of 25,000 tpy CO<sub>2</sub>e), OPIC adds a GHG “buffer” to the total emissions from reportable projects (i.e., projects with direct emissions above 25,000 tpy CO<sub>2</sub>e). OPIC has set the buffer to equal 5% of the total emissions from reportable projects.<sup>11</sup>

The total inventory of GHG emissions from OPIC-supported projects active as of September 30, 2015 (FY15 emissions) was 7.77 million short tons of CO<sub>2</sub>e.<sup>12</sup> This represents an 84.4% reduction in portfolio emissions from the FY08 baseline. The large decrease in emissions relative to previous GHG inventories was primarily due to seven thermal power generation projects falling off of OPIC’s portfolio during FY13, while smaller projects with lower GHG production levels entered the portfolio. Figure 6 shows the development of OPIC’s portfolio GHG emissions

<sup>8</sup> In the most recent Annual GHG Report, OPIC has corrected its FY08 baseline to remove GHG emissions that were earmarked for the Latin America Power (LP) III Fund. In FY 2014, LP III became fully invested without having invested in any projects that were significant GHG sources. Therefore, OPIC decided to retroactively remove the LP III allocation from the FY 2008-2013 inventories (including the FY 08 baseline).

<sup>9</sup> Total emissions during calendar year 2007.

<sup>10</sup> For its FY15 reporting, OPIC revised baseline emissions based on new information reported by one of OPIC’s project sponsors which had previously reported emissions based on its equity share (50%) rather than accounting for emissions for the entire project. Because OPIC accounts for 100% of emissions from projects regardless of equity share, the estimates for FY08 and FY09 were revised to reflect 100% of emissions.

<sup>11</sup> In FY09 and FY10, OPIC calculated the buffer as 5% of total emissions from reportable projects (i.e., projects emitting more than the significance threshold at the time of 100,000 tpy CO<sub>2</sub>e).

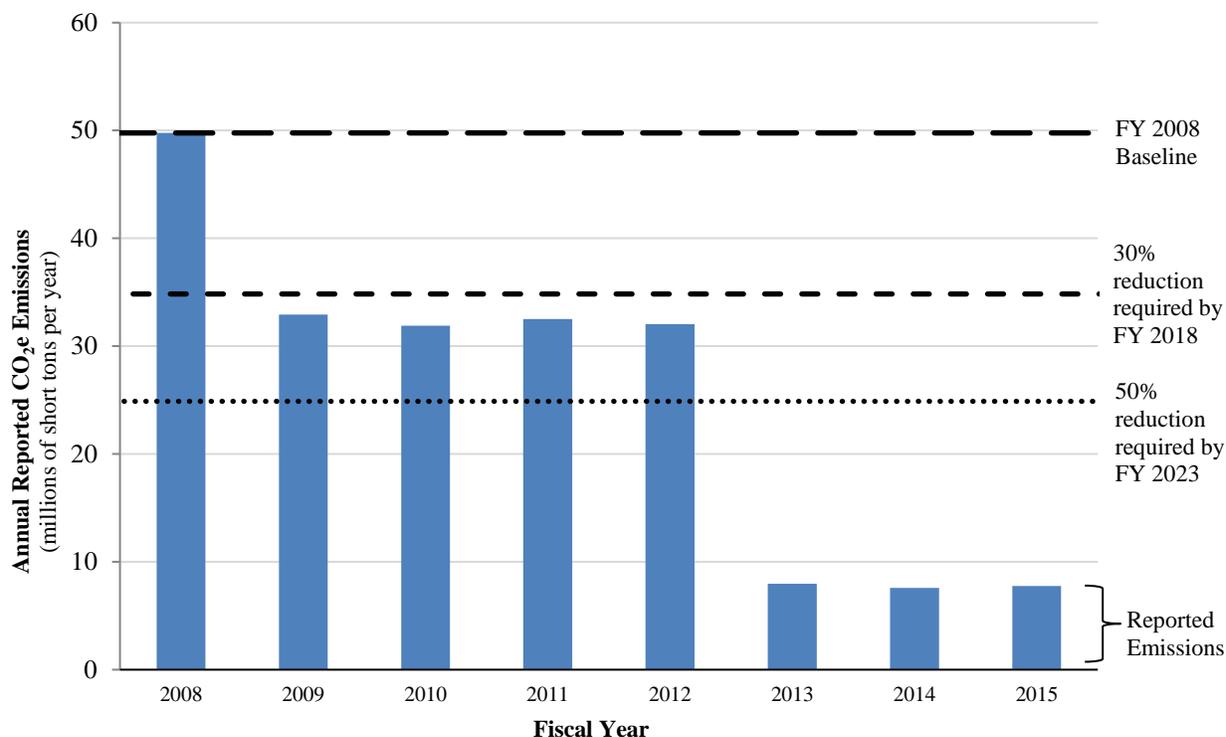
For FY10 – FY14, OPIC calculated the buffer so that the buffer plus the estimated emissions for projects that emit between 25,000 and 100,000 short tons of CO<sub>2</sub>e was equal to 5% of estimated emissions for projects that emit over 100,000 short tons (to maintain consistency with the previous buffer calculation).

For FY15, OPIC is updating this methodology so that the buffer will again represent 5% of the total estimated emissions from reportable projects (except now with the current significance threshold for reporting of 25,000 tpy CO<sub>2</sub>e). This will result in a more conservative buffer and simpler calculation. OPIC has retroactively updated the buffer and yearly GHG numbers for FY10 – FY14 in its most recent GHG report (which reports calendar year 2014 emissions for FY15 active projects). The updated buffer amounts for these years increased OPIC’s reported emissions by between 0.3% (in FY10 and FY12) and 2.3% (in FY14).

<sup>12</sup> Total emissions during calendar year 2014.

profile as compared to the 2008 portfolio emissions baseline and the 30% and 50% reduction targets. A more complete explanation of OPIC’s GHG policy and current inventory is presented in Exhibit 6.

**Figure 5: OPIC's Portfolio GHG Emissions Profile**



### Fiscal Year 2015 Reporting

For FY15, OPIC reports no “Scope 1” emissions (resulting from the direct burning of fossil fuels) associated with its activities. OPIC reports “Scope 2” emissions (resulting from OPIC’s electricity purchases at its office) totaling 962 short tons of CO<sub>2</sub>e. The “Scope 3” emissions that OPIC reports for FY15 are direct (i.e., Scope 1) GHG emissions associated with projects in OPIC’s September 30, 2015 portfolio, calculated according to the methodology mentioned above.<sup>13</sup>

#### *OPIC Fiscal Year 2015 CO<sub>2</sub>e Emissions*

SCOPE 1 EMISSIONS (Emissions from OPIC’s direct combustion of fuel)	SCOPE 2 EMISSIONS (Emissions as a result of OPIC’s Purchased Electricity)	SCOPE 3 EMISSIONS (Direct Emissions – i.e., Scope 1 emissions – from projects in OPIC’s Active Portfolio)
0 short tons CO <sub>2</sub> e	962 short tons CO <sub>2</sub> e	7,772,851 short tons CO <sub>2</sub> e

On a transactional basis, OPIC considers reduction and control alternatives for all projects, including opportunities to enhance energy and operational efficiency; protect and enhance sinks and reservoirs of greenhouse gases, such as natural forests; and apply emerging technologies for capture, storage, and recovery of greenhouse gases.

<sup>13</sup> Total emissions during calendar year 2014.

## LABOR AND HUMAN RIGHTS

### Country Eligibility

***OPIC tracks country eligibility as part of its worker rights statutory obligations.***

OPIC’s Environmental and Social Policy Statement outlines OPIC’s policies on country eligibility for OPIC-supported projects based on labor-related statutory requirements that mirror the standards embedded in the Generalized System of Preferences (GSP) program, a trade benefits program overseen by the Office of the U.S. Trade Representative (USTR). Since the standards are commensurate, in order to maintain consistency across the U.S. Government, OPIC follows the worker rights determinations made by the President of the United States for the purpose of the GSP program. These require beneficiary countries to take steps towards adopting and implementing Internationally Recognized Worker Rights. During FY15, no countries lost their GSP or OPIC benefits on worker rights grounds.



The USTR continues to conduct formal GSP country practice reviews of the following countries on worker rights grounds: Georgia, Fiji, Iraq, Niger, and Uzbekistan. In addition, in FY15 USTR accepted a petition to review Thailand. OPIC will adjust country eligibility status on the basis of USTR’s final determination in these countries. Also in FY15, USTR completed its review of the Philippines. With this review closed, OPIC continues to be open for new projects in the Philippines.

### Project Screening and Assessment

OPIC implements policies consistent with statutory requirements related to respect for human rights and the rights of workers. OPIC screens all potential projects to identify labor-related and human rights impacts. If a potential project is not categorically prohibited, it undergoes a full labor review. In FY15, none of the potential projects reviewed were determined to be categorically prohibited on labor-related grounds, while two of the new FY15 projects were designated as “Special Consideration.”<sup>14</sup> This designation requires additional oversight in the form of an independent audit, a project site visit, and annual reporting for projects with a heightened potential for labor rights impacts. The Special Consideration Projects are:

- A greenfield development of a network of telecommunications towers in Burma due to the history of labor rights violations in the construction of telecommunications infrastructure in Burma; the large-scale utilization of contracted labor during the construction phase, and the aggressive geographic footprint, scale and timeline of the national rollout; and
- A large petrochemical complex in Egypt due to the large-scale utilization of temporary contract labor during the construction phase; political instability and restrictions on workers’ ability to join independent unions, to strike, and to bargain collectively; and the risk of adverse impacts on workers related to security and occupational safety and health during both the construction and operational phases of the Project.

***OPIC uses a rigorous methodology to assess potential labor-related risks.***

OPIC uses its labor assessment to evaluate the potential risks to workers at the project and to identify means to improve the project by preventing and minimizing such risks as a condition of OPIC support. The process includes the following:

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<sup>14</sup> Categorically prohibited projects have potential environmental or social impacts that preclude the project from receiving OPIC support. They are listed in Appendix B of the OPIC Environmental and Social Policy Statement, available on OPIC’s website.

- Identification of potential risks to workers, including the project’s potential to infringe upon internationally recognized worker rights;
- Comparison of the project’s expected performance in relation to internationally-accepted standards and practices;
- Evaluation or design of project requirements necessary to enable OPIC support; and
- Evaluation or design of associated management and monitoring measures.

**Human Rights**

As required by Section 239(i) of the Foreign Assistance Act of 1961, all OPIC-supported projects are subject to a human rights review. OPIC consults with the U.S. Department of State Bureau for Democracy, Human Rights, and Labor (DRL) on this review to ensure consistency between OPIC and DRL regarding human rights matters in OPIC eligible countries. Table 2 shows a list of countries in which OPIC no longer operates due to Labor or Human Rights issues.

Bangladesh	GSP status suspended as a result of workers’ rights petitions, 2013
Belarus	Lost GSP eligibility on workers’ rights grounds, 2000
Qatar	Non – GSP, lost OPIC eligibility through direct petition, 1995
Saudi Arabia	Non – GSP, lost OPIC eligibility through direct petition, 1995
Sudan	Lost GSP eligibility on workers’ rights grounds, 1991
Syria	GSP suspended due to workers’ rights issues, 1992
UAE	Non – GSP, lost OPIC eligibility through direct petition, 1995
China	Non – GSP, lost OPIC eligibility on human rights grounds, 1990

**Transactions rejected on labor rights and/or human rights grounds**

OPIC works diligently to ensure that its policies regarding labor rights and human rights are well understood. OPIC counsels against projects that are potentially prohibited from a labor rights or human rights perspective before formal applications are submitted. As a result of this effort, OPIC did not reject any applications for finance or insurance in FY15 on labor rights or human rights grounds.

## SUPPORT FOR THE U.S. ECONOMY

*FY15 projects expect to support over 400 U.S. jobs over the next five years with no expected loss in U.S. jobs.*

**Table 3:  
Projected U.S. Economic Benefits of New  
FY15 Projects**

Total project investment*	\$14.2 billion
U.S. investment in projects*	\$4.8 billion
U.S. percent of total	34%
U.S. exports*	\$264 million
Initial procurement	\$181 million
Operational procurement*	\$83 million
U.S. jobs supported*	401

\* Totals, over a 5-year period

OPIC carefully screens potential projects for their effect on employment in the U.S. OPIC does not support projects expected to harm the U.S. economy or result in the loss of U.S. jobs. In addition to reviewing projects for a potential negative impact, OPIC collects estimates for projected procurement of goods and services from the U.S. OPIC-supported projects in FY15 are expected to lead to \$264 million in U.S. procurement over five years, supporting an estimated 401 U.S. jobs. Table 3 describes the projected U.S. economic benefit. From the total 100 projects in FY15, 18 are expected have a positive impact on U.S. jobs. The remaining 82 are expected to have a neutral impact. No new projects in FY15 are expected to have a negative impact on U.S. jobs.

### Impact from Sub-Saharan Africa

OPIC's FY15 projects in Sub-Saharan Africa are expected to have a strong impact on U.S. procurement, representing 59% of total U.S. procurement generated from OPIC support.

*U.S. small business were involved in 75% of new OPIC-supported projects in FY15.*

OPIC recognizes the importance of small businesses as a key driver of U.S. economic growth and actively partners with such firms to enable their expansion into developing and emerging markets.

Over the last five years, OPIC has committed \$7.9 billion in finance and insurance to more than 343 new projects that involve U.S. small businesses.

OPIC's efforts to reach out to U.S. small businesses continued to yield positive results in FY15. OPIC supported 75 new projects that involved U.S. small businesses, or 75% of all new projects in FY15:

- 35 U.S. small businesses received OPIC investment guarantees directly, through investment funds or through financial intermediaries;
- 39 U.S. small businesses received direct loans from OPIC; and
- One U.S. small business received OPIC political risk insurance coverage.

In addition to finance and insurance received from OPIC, U.S. businesses also benefit through procurement of goods and services exported to host countries. In total, 38 new projects supported jobs in 25 states and the District of Columbia. Twenty-seven of these new FY15 projects expect to procure \$144 million over the next five years from U.S. small businesses, located in 13 states and the District of Columbia.



Note: Procurement data (shown above) are projections based on client-reported data for new FY 2015 projects.

OPIC also committed approximately \$44 million in financing and insurance to women-owned and/or minority-owned U.S. businesses through six new projects in FY15. These six projects expect to support almost 3,000 jobs in their host countries.

Finally, OPIC's direct U.S. procurement of goods and services amounted to \$20 million in FY15. Sixty-one percent expect to procure from small businesses and 14% from women-owned and minority-owned businesses.

## MONITORING OF ACTIVE PROJECTS

OPIC actively monitors its portfolio by site-monitoring active projects and requiring annual self-monitoring questionnaires (SMQs) from OPIC-supported projects. Active OPIC-supported projects are required to report annually on host country development impact and relevant environmental, social, health and safety, and labor issues as well as U.S. economic impact through the SMQ. In FY15, the SMQ response rate was 89%. Of the responses, 97% provided sufficient information to allow the development impact summary provided below.<sup>15</sup>

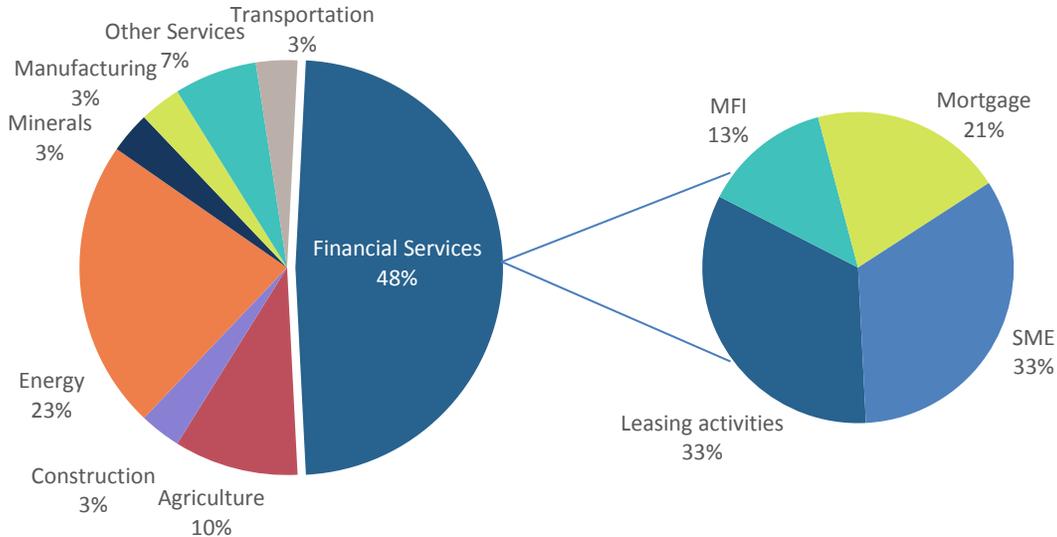
### Policy Site-Monitoring

OPIC monitors for policy compliance and to assess developmental impact. Site-monitoring allows OPIC staff to ensure compliance with policy covenants and to better understand how and why a project succeeds or struggles. In addition – through gathering, analyzing, and verifying information about its projects – OPIC seeks to improve its development impact methodology, policy compliance practices, and investment strategy. This helps improve outcomes for U.S. investors and host country economies, and helps OPIC to develop “lessons learned”.

Projects that are site-monitored include those randomly selected from OPIC’s active portfolio, as well as those designated as sensitive given their potential impact on the U.S. economy, labor rights, human rights, the environment, or local communities. Projects in countries with a potential hazardous security environment may be challenging for OPIC to monitor itself. For projects in these countries, OPIC uses alternative monitoring methods including employing third-party contractors to monitor the projects.

In FY15, OPIC site-monitored 31 projects.<sup>16</sup> Figures 6, 7, 8 and Exhibit 8 (which includes project-by-project detail) provide a breakdown of the sectors, products, and locations of monitored projects.

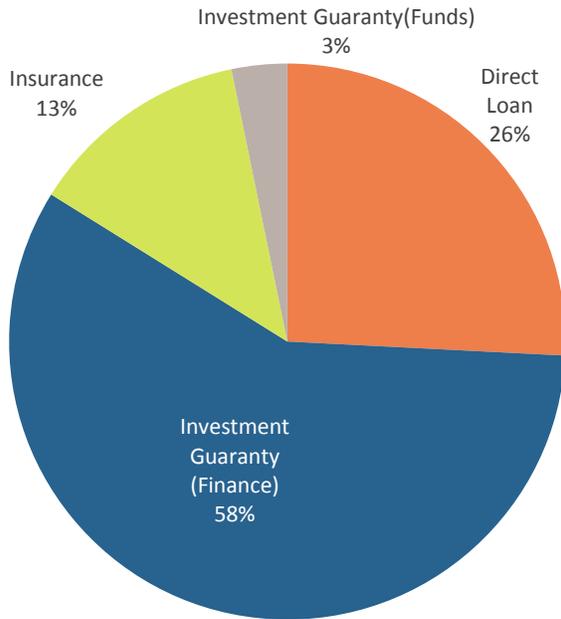
**Figure 6: FY15 Site Monitoring by Sector**



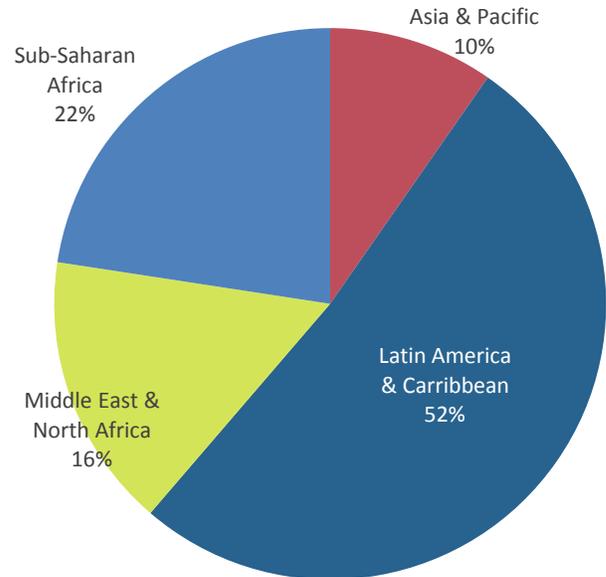
<sup>15</sup> Of the 385 requested SMQs, 343 (89%) clients responded. Eight SMQ responses (3%) were removed from the total response count of 343 due to incomplete information.

<sup>16</sup> The set of issues OPIC staff examine during site-monitoring varies from project to project. In some cases, a team of OPIC analysts may review the full range of policy and development impact issues. In cases where there is a specific policy issue that OPIC needs to monitor, the OPIC team may focus on that issue without full analysis of other issues. For more detail on OPIC’s site-monitoring methodology, see Exhibit 7.

**Figure 7: FY15 Site Monitoring by Product**



**Figure 8: FY15 Site Monitoring by Region**



The development impact of the 17 projects OPIC monitored in FY15 indicates that:

- 13 projects met expectations for development impact after monitoring;
- Three projects were projected to be Developmental, but exceeded expectations and were rated as Highly Developmental after monitoring; and
- One project was projected to be Highly Developmental, but was rated as Developmental after monitoring.

In addition to the site-monitoring conducted for policy compliance and developmental impact, OPIC actively monitors its portfolio for financial performance through on-site visits, visits to company headquarters, and a variety of regular quarterly reporting.

**Round 9 Site-Monitoring: 2013-2015<sup>17</sup>**

In order to compare the observed impacts of OPIC-supported projects with the impacts that were projected at their outset, OPIC evaluates the combined U.S. economic and host country development impact of projects every three years from a randomly selected group. FY15 marked the end of the 9th round of site-monitoring, consisting of projects randomly selected for site-monitoring in FY13, FY14, and FY15.

**Round 9 site-monitored projects supported more than 4,900 jobs in emerging and developing countries, nearly double the number that was originally projected.**

- More than 4,900 host country jobs were supported by these OPIC projects. This is significantly greater than the 2,700 jobs initially projected during pre-commitment review. In addition, the increase in the number of observed jobs was entirely driven by an uptick in the number of professional and managerial jobs supported.
- Total investment was slightly higher than projected. This increase indicates that additional capital was leveraged in the years following OPIC’s commitment.
- Compared to the 357 U.S. jobs originally projected to be supported, 249 U.S. jobs were supported. Projects also purchased fewer goods and services from the U.S. than initially estimated.

*Table 4*  
**Results of Site-Monitoring, Round Nine**  
 Projects Monitored in Fiscal Years 2013 – 2015

	Projected	Actual
Total Investment	\$6.1 billion	\$6.9 billion
<b>U.S. Effects</b>		
U.S. Jobs Supported	357	249
<b>Development Effects</b>		
Management Jobs Created	218	631
Professional Jobs Created	2,115	4,037
Labor Jobs Created	413	283
<b>Total Host Country Employment</b>	<b>2,746</b>	<b>4,951</b>
<b>Taxes Paid to Host Country</b>	<b>\$417 million</b>	<b>\$264 million</b>

<sup>17</sup> OPIC makes every effort to ensure that client projections made at the time of project approval are reasonable and appropriate based on the local commercial, financial, and political environment. It is not always possible to predict future market changes or the effects of host country or regional events. OPIC monitors projects after they have become operational to determine how the actual impacts compare with projections. OPIC uses the outcome of its monitoring data to refine its measures and garner “lessons learned”. In the interest of transparency, actual results are contrasted with projections, above, to demonstrate the impact of OPIC-supported projects as they progress.

## Compliance with OPIC Conditions and Covenants

Ensuring compliance with OPIC policy conditions and covenants is a critical aspect of OPIC's monitoring programs. The following describes the compliance-related findings of OPIC's FY15 site-monitoring.

- **U.S. economic effects:** All 17 projects monitored by the Economic Impact Analysis Group were found to be in compliance with OPIC conditions and covenants related to ensuring no harm to the U.S. economy and no loss of U.S. jobs.
- **Environment and social impact:** Environmental and social monitoring focused on 13 projects with the greatest environmental and social risks. All site visits involved Category A and B projects. No Category C projects were monitored in FY15.
  - During site-monitoring, all 13 projects were found to be in full compliance with OPIC covenants and conditions pertaining to environmental and social considerations.
- **Labor and human rights:** Labor and Human Rights monitoring focused on 25 projects with the potential for greatest labor risk.
  - During site-monitoring, 24 of 25 projects were found to be fully in compliance with OPIC covenants regarding labor conditions.
  - One site-monitored project was not fully in compliance with OPIC covenants and IFC Performance Standards. The project had issues related to the oversight of contractors' hours of work and the timely payment of overtime wages. Following OPIC's recommendation for corrective action, the project company promptly remedied the overdue wages.

OPIC also requires clients to self-report regarding policy compliance through the SMQ. SMQ responses can provide early warnings about potential issues that may emerge in OPIC supported projects.

- 98% of SMQ respondents reported compliance with OPIC conditions related to environment, health and workers' safety. Four projects reported that they were not compliant with OPIC conditions related to environment, health and workers' safety. All projects provided explanations for the non-compliance and submitted information describing the steps they are taking to remedy the non-compliance. OPIC is monitoring them on an ongoing basis.

## **EXHIBITS – METHODOLOGIES, PROJECTIONS AND OTHER DATA**

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OVERSEAS PRIVATE INVESTMENT CORPORATION

**Exhibit 1: U.S. Employment and Associated Effects**

**Fiscal Year 2015 (Projections)**

(All Dollar Figures are in Thousands)

Industry Sector <sup>1</sup>	Number of Projects	Final Destination of Project Output <sup>2</sup>			U.S. Procurement <sup>3</sup>	Effect on U.S. Employment <sup>3</sup>			Effect on U.S. Trade Balance <sup>3</sup>
		Host Country	U.S.	3rd Country		Initial	Operating	Total	
<b>A. Projects with Positive Effects on Employment<sup>4</sup></b>									
Agriculture	2	\$27,111	\$0	\$3,828	\$8,630	11	2	13	\$8,630
Finance	2	\$13,000	\$0	\$0	\$15,905	29	11	40	\$15,905
Infrastructures <sup>5</sup>	4	\$150,229	\$0	\$0	\$26,259	22	32	54	\$26,259
Information Technology	0	\$0	\$0	\$0	\$0	0	0	0	\$0
Utilities	6	\$401,671	\$0	\$0	\$154,998	176	42	218	\$154,998
Services	4	\$63,232	\$0	\$8,615	\$47,141	15	48	63	\$47,141
<b>Positive Total</b>	<b>18</b>	<b>\$655,243</b>	<b>\$0</b>	<b>\$12,443</b>	<b>\$252,934</b>	<b>253</b>	<b>135</b>	<b>388</b>	<b>\$252,934</b>
<b>B. Projects with Neutral Effects on Employment<sup>6</sup></b>									
Finance	47	\$309,130	\$0	\$338	\$1,292	1	1	2	\$1,292
Infrastructures <sup>7</sup>	9	\$184,250	\$0	\$0	\$1,501	2	0	2	\$1,501
Manufacturing	7	\$23,319	\$498,829	\$3,902,667	\$300	0	0	0	(\$2,493,894)
Utilities	14	\$490,559	\$0	\$0	\$7,463	7	1	8	\$7,463
Services <sup>8</sup>	5	\$34,790	\$0	\$8,183	\$808	1	0	1	\$808
<b>Neutral Total</b>	<b>82</b>	<b>\$1,043,177</b>	<b>\$498,829</b>	<b>\$3,911,187</b>	<b>\$11,364</b>	<b>11</b>	<b>2</b>	<b>13</b>	<b>(\$2,482,829)</b>
<b>C. Projects with Negative Effects on Employment<sup>9</sup></b>									
<b>Negative Total</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>
<b>FY Total</b>	<b>100</b>	<b>\$1,698,420</b>	<b>\$498,829</b>	<b>\$3,923,630</b>	<b>\$264,298</b>	<b>264</b>	<b>137</b>	<b>401</b>	<b>(\$2,229,895)</b>

\* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A (2) (b)

- 1 In FY15, 100 new OPIC-supported projects were classified into 15 categories using the North American Industry Classification System (NAICS). The 15 categories were distilled into seven categories, shown above.
- 2 Average annual effect during first 5 years of project operation.
- 3 Total effect during first five years of project operation
- 4 Projects with a U.S. employment effect of more than two jobs (10 person years or more of employment during the first five years of project operation).
- 5 Includes Construction, Transportation and Warehousing, Education and Healthcare; excludes Utilities. There is one project within manufacturing in Section A (positive effects). To protect business confidentiality, the data for this project is included in the data for infrastructure.
- 6 Projects with a U.S. employment effect of two or fewer jobs (10 person years or less of employment during the first five years of project operation).
- 7 There is one project in information technology in Section B (negative effects). To protect business confidentiality, the data for this project is included in the data for infrastructures.
- 8 There is one project within agriculture in Section B (negative effects). To protect business confidentiality, the data for this project is included in the data for services.
- 9 There were no projects supported in FY15 that projected the loss of any U.S. employment.

## Exhibit 2: Destination of Sales to Third Party<sup>1</sup> Markets

### PROJECTS WITH POSITIVE EFFECTS ON U.S. EMPLOYMENT <sup>2</sup>

<b>Sector</b>	<b>Destination</b>	<b>Annual Sales (\$)</b>
<b>Agriculture</b>		
	Burundi	\$770,000
	Kenya	\$560,000
	Rwanda	\$770,000
	Uganda	\$1,728,000
	<b>Sector Total</b>	<b>\$3,828,000</b>
<b>Services</b>		
	World Wide	\$8,615,000
	<b>Sector Total</b>	<b>\$8,615,000</b>
<b>TOTAL SALES FOR PROJECTS WITH POSITIVE U.S. EFFECTS</b>		<b>\$12,443,000</b>

\* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A (2) (A)

1 "Third party" refers to countries that are neither the U.S. nor the host country.

2 The 18 OPIC-supported projects in FY15 that were projected to have positive effect on U.S. employment as defined by U.S. employment effect of more than two jobs (10 person years or more of employment during the first five years of project operation). There were no projects supported in FY15 projected to result in the loss of any U.S. jobs.

**Exhibit 2 (cont.): Destination of Sales to Third Party<sup>1</sup> Markets****PROJECTS WITH NEUTRAL EFFECTS ON U.S. EMPLOYMENT <sup>2</sup>**

<b>Sector</b>	<b>Destination</b>	<b>Annual Sales (\$)</b>
<b>Finance</b>		
	Mozambique	\$112,500
	Tanzania	\$112,500
	Zambia	\$112,500
	<b>Sector Total</b>	<b>\$337,500</b>
<b>Manufacturing</b>		
	All OPIC Countries	\$3,891,442,627
	Africa Regional	\$400,000
	Australia	\$2,170,512
	Bahrain	\$17,064
	Kuwait	\$15,168
	Mauritius	\$1,829,982
	Mozambique	\$1,911,315
	Qatar	\$24,648
	Saudi Arabia	\$56,880
	Zambia	\$1,016,656
	Zimbabwe	\$3,781,963
	<b>Sector Total</b>	<b>\$3,902,666,815</b>
<b>Services</b>		
	All OPIC Countries	\$3,494,000
	Middle East Regional	\$396,000
	World Wide	\$4,293,000
	<b>Sector Total</b>	<b>\$8,183,000</b>
<b>TOTAL SALES FOR PROJECTS WITH NEUTRAL U.S. EFFECTS</b>		<b>\$3,911,187,315</b>
<b>Fiscal Year TOTAL</b>		<b>\$3,923,630,315</b>

\* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A (2) (A)

1 "Third party" refers to countries that are neither the U.S. nor the host country.

2 The 82 OPIC-supported projects in FY15 that were projected to have neutral effect on U.S. employment as defined by U.S. employment effect of two or fewer jobs (10 person years or less of employment during the first five years of project operation). There were no projects supported in FY15 projected to result in the loss of any U.S. jobs.

### Exhibit 3: U.S. Employment Effects and Host Country Location

In FY15, OPIC supported 100 new projects in 38 countries and five regions. These 100 projects also include 10 projects that occur in multiple regions globally.

#### **Of those 100 projects, 18 had a positive impact on U.S. jobs:<sup>1</sup>**

- Two in agriculture: Tanzania and Zambia
- Two in finance: Ghana and Latin America Region
- Three in infrastructure: Georgia, Moldova and Panama
- One in manufacturing: All OPIC eligible countries
- Four in services: Georgia, Mongolia, Iraq and Philippines
- Six in utilities: Ghana, Kenya, Jamaica, Pakistan, Mexico and South Africa

#### **Of those 100 projects, 82 had a neutral impact on U.S. jobs:<sup>2</sup>**

- One in the agricultural sector: Tanzania
- One in information technology: Democratic Republic of Congo
- Eight in infrastructure: Ghana, Guatemala, Myanmar, Tajikistan and South Africa
- Seven in manufacturing: Africa Region, Egypt, India, Indonesia, Jordan and Malawi
- Four in services: Georgia and India
- 14 in utilities: All OPIC eligible countries, Costa Rica, Hungary, India, Jamaica, Kenya, Nigeria, Pakistan, Panama, Senegal, Uganda and Zimbabwe
- 47 in the Finance Sector: Africa Region, All OPIC eligible countries, Asia Region, Botswana, Costa Rica, Georgia, India, Jordan, Latin America Region, Mexico, Morocco, Myanmar, New Independent States, Nigeria, Paraguay, Peru, Poland, Tunisia, Ukraine, West Banka and Zambia

#### **Regional breakdown:**

- 26 in Sub-Saharan Africa (six with positive U.S. job impacts and 20 with neutral U.S. job impacts)
- 12 in Europe & Eurasia (three with positive U.S. job impacts and nine with neutral U.S. job impacts)
- 23 in Latin America & Caribbean (four with positive U.S. job impacts and 19 with neutral U.S. job impacts)
- 17 in Asia & Pacific (three with positive U.S. job impacts and 14 with neutral U.S. job impacts)
- 12 in Middle East and North Africa (One with positive U.S. job impacts and 11 with neutral U.S. job impacts)
- 10 in multiple regions (One with positive U.S. job impacts and nine with neutral U.S. job impacts)

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\* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A (3) (C)

1 Projects with a U.S. employment effect of more than two jobs (10 person years or more of employment during the first five years of operations).

2 Projects with a U.S. employment effect of two or fewer jobs (10 person years or less of employment during the first resulted in the loss of any U.S. jobs. The majority of projects were in the services sector. No projects that OPIC supported in FY15 resulted in the loss of any U.S. jobs.

## Exhibit 4: Methodology for Calculating U.S. Employment Effects<sup>18</sup>

Each project seeking OPIC support is individually reviewed to estimate the potential impact on employment in the United States. OPIC uses procurement estimates provided by the investor to calculate expected initial and operational procurement from the United States (by value and specific type of good or service). The U.S. employment figure is generated by estimating a project's initial procurement, as well as its and five-year operational procurement of goods and services. OPIC considers both the *direct and indirect* employment necessary to produce those goods and services. Therefore, the employment effects incorporate the direct employment necessary to produce the procured goods and services, as well as the indirect employment required for the production of the associated intermediate inputs.

OPIC details each type of U.S. good or service expected to be procured for each project and, using industry-specific data from the U.S. Bureau of Labor Statistics (BLS), calculates the employment effect in that industrial sector, as well as in the sectors that supply necessary components or inputs. By using this standard employment effect methodology, OPIC is able to ascertain employment generation with greater precision than if it used an average for all U.S. exports. By including indirect effects, OPIC's employment figures present a more accurate picture of the benefits accruing to U.S. workers from the anticipated procurement of goods and services by OPIC-supported projects. Finally, to confirm employment effect estimates, OPIC monitors *actual* economic effects after project start-up and throughout the life of OPIC's involvement with the project. OPIC's monitoring is described in further detail in the Monitoring section of this report.

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<sup>18</sup> OPIC's model does not distinguish between newly created jobs and those that are maintained. Full-time, part-time, and seasonal jobs are treated the same. Lags in the release of BLS data and difficulties in classifying some goods and services into standard industry classifications pose some challenges in calculating job estimates

## Exhibit 5: OPIC's Development Matrix

As the U.S. Government's development finance institution, OPIC seeks to support projects that will produce strong positive developmental impact. While many of the direct benefits of these projects are clear from the start, these projects often produce indirect benefits including associated job creation, increased host country tax revenue and the related procurement of local goods and services.

Every proposed project is evaluated and scored based on a scale of 1 to 100. A project must score at least 25 points on the matrix to be considered developmental and clearly eligible for OPIC support. A score of over 60 qualifies a project as highly developmental. OPIC scores projects using two matrices — one tailored for financial services projects and the other for all other projects. Both matrices are comprised of the following five broad categories that measure a project's developmental impact, regardless of the project's industry, sector or the host country's level of development:

- **Development Reach**, which measures a project's impact on basic infrastructure and/or its potential benefits to the poor and other underserved populations. For projects involving financial services, this factor measures the extent to which underdeveloped areas or underserved, poor populations will be targeted by the financial institution.
- **Environmental and Community Benefits**, which assesses a project's improvement of the environment and any philanthropic activities that benefit the local community.
- **Job Creation and Human Capacity Building**, which includes the number of new jobs to be created, as well as training and employee benefits that go beyond local legal requirements.
- **Host Country Macroeconomic or Financial Benefits**, which measures local procurement and fiscal and foreign exchange impacts. For projects involving financial services, this factor measures the amount of funds to be disbursed, as well as the impact on micro, small, and medium-sized enterprises, entrepreneurship, and home ownership.
- **Demonstration Effects**, which includes technology and knowledge transfer, technical assistance to suppliers or borrowers, the introduction of new products (including financial products), the project's impact on regulatory and legal reform, and the adoption of internationally-recognized quality or performance standards.

## Exhibit 6: OPIC's Greenhouse Gas Policy and Current Inventory

OPIC reports GHG emissions from all projects that have “significant” direct emissions, currently defined as more than 25,000 short tons per year (tpy) of CO<sub>2</sub>e. In FY09 and FY10, the threshold for “significant” direct emissions was 100,000 short tons of CO<sub>2</sub>e. The 25,000 tpy CO<sub>2</sub>e threshold was selected to be consistent with the U.S. Environmental Protection Agency’s threshold criteria for significant GHG emissions.<sup>19</sup>

These projects are divided into three tiers. Tier A projects are fossil fuel-fired power generation projects that emit more than 100,000 tpy of CO<sub>2</sub>e. Tier B projects are projects in the oil & gas, mining, transportation, manufacturing, construction, or other sectors which have a Potential To Emit (PTE) of more than 100,000 tpy CO<sub>2</sub>e. Tier C projects are those projects that have a PTE of less than 100,000 tpy CO<sub>2</sub>e, but more than 25,000 tpy CO<sub>2</sub>e. Annual independent GHG audit reports for projects that are expected to emit more than 25,000 tons of CO<sub>2</sub>e are available at [www.opic.gov](http://www.opic.gov).

To account for emissions from non-reportable projects (i.e., projects below the current “significance” threshold for reporting of 25,000 tpy CO<sub>2</sub>e), OPIC adds a GHG “buffer” to the total emissions from reportable projects (i.e., projects with direct emissions above 25,000 tpy CO<sub>2</sub>e). OPIC has set the buffer equal to 5% of the total emissions from reportable projects.<sup>20</sup> By accounting for these sources, OPIC is consistent with the GHG accounting methodology of The Climate Registry.<sup>21</sup>

OPIC calculates GHG emissions from projects in its active portfolio using methodologies and algorithms that rely on activity data such as fuel consumption or gas/oil throughput. In most cases, OPIC uses methodologies approved by The Climate Registry. For emissions from sources without Registry-approved methodologies, OPIC uses emission estimate methodologies provided by the U.S. Environmental Protection Agency.

Following the completion of an independent GHG audit of the FY15 emissions, OPIC provided investors the opportunity to comment on the Independent Auditor’s estimates, activity data, and methodology. The following table contains the final auditor estimates after consideration of investor input.

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<sup>19</sup> The U.S. Environmental Protection Agency’s threshold criterion for significant GHG emissions was set at 25,000 metric tons per year. To maintain consistency with units, OPIC uses 25,000 short tons, which is conservative – since 25,000 metric tons converted to short tons would equal a reporting threshold of approximately 27,500 short tons.

<sup>20</sup> In FY 2009 and FY 2010, OPIC calculated the buffer as 5% of total emissions from reportable projects (i.e., projects emitting more than the significance threshold at the time of 100,000 tpy CO<sub>2</sub>e).

For FY 2010 – FY 2014, OPIC calculated the buffer so that the buffer plus the estimated emissions for projects that emit between 25,000 and 100,000 short tons of CO<sub>2</sub>e was equal to 5% of estimated emissions for projects that emit over 100,000 short tons (to maintain consistency with the previous buffer calculation).

For FY 2015, OPIC is updating this methodology so that the buffer will again represent 5% of the total estimated emissions from reportable projects (using the current significance threshold for reporting of 25,000 tpy CO<sub>2</sub>e). This will result in a more conservative buffer and simpler calculation. OPIC has retroactively updated the buffer and yearly GHG numbers for FY 2010 – FY 2014 in its most recent GHG report (which reports calendar year 2014 emissions for FY 2015 active projects). The updated buffer amounts for these years increased OPIC’s reported emissions by between 0.3% (in FY 2010 and FY 2012) and 2.3% (in FY 2014).

<sup>21</sup> The Climate Registry is a nonprofit collaboration among North American states, provinces, territories, and Native Sovereign Nations that sets consistent and transparent standards to calculate, verify and publicly report greenhouse gas emissions into a single registry. The Registry supports both voluntary and mandatory reporting programs and provides comprehensive, accurate data to reduce greenhouse gas emissions. The 5% value is from The Climate Registry’s General Reporting Protocol, Version 1.1, May 2008, p. 58. Available online at: <http://www.theclimateregistry.org/downloads/GRP.pdf>.

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**OPIC GHG Emissions Inventory Estimate by Project**

Tier A Project Emissions (Short Tons CO<sub>2</sub>e)

Project Name	Location	Maximum PTE [1]	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
			CY2007 Baseline	CY2008 Emissions	CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions
Adapazari Elektrik Uretim	Turkey	2,706,499	2,106,754	2,106,754	2,441,657	2,426,053	2,309,241	R/C	R/C	R/C
AES Jordan [2]	Jordan	1,545,173	N/A	590,940	1,318,130	1,434,569	1,184,010	936,400	1,514,054	1,203,945
AES Levant	Jordan	1,409,533	N/A	N/A	N/A	N/A	N/A	N/A	N/A	467,262
AES Nigeria	Nigeria	1,603,307	1,166,398	1,341,157	988,271	949,754	949,754	949,754	R/C	R/C
Contour Global - Togo	Togo	587,305	N/A	N/A	N/A	Below Threshold	46,561	130,773	161,830	55,467
Doga Enerji	Turkey	816,057	740,762	740,762	672,014	655,981	R/C	R/C	R/C	R/C
Gaza Private Generating PLC	Gaza	481,485	293,804	303,535	325,926	228,627	405,262	Below Threshold	161,215	193,406
Gebze Elektrik Uretim	Turkey	5,412,998	4,121,923	4,121,923	4,794,979	4,833,330	4,535,511	R/C	R/C	R/C
Grenada Electricity Services	Grenada	141,127	114,571	121,156	141,127	135,237	134,371	131,206	130,221	R/C
Habibullah Coastal Power	Pakistan	487,658	447,880	447,880	R/C	R/C	R/C	R/C	R/C	R/C
Isagen SA	Colombia	980,011	203,010	Below Threshold	300,706	305,181	305,181	305,181	775,357	980,011
Izmir Elektrik Uretim	Turkey	5,412,998	4,694,380	4,694,380	4,300,376	4,739,787	4,824,511	R/C	R/C	R/C
Jorf Lasfar Energy	Morocco	14,268,496	14,268,496	R/C						
NEPC Consortium Power	Bangladesh	383,159	245,795	343,581	255,734	297,068	297,068	R/C	R/C	R/C
Paiton Energy	Indonesia	10,045,869	9,553,044	9,553,044	9,624,125	9,854,076	10,045,869	R/C	R/C	R/C
Pakistan Water & Power Authority [3]	Pakistan	522,490	522,490	522,490	283,937	283,937	R/C	R/C	R/C	R/C
Termovalle SCA [4]	Colombia	714,070	Below Threshold	Below Threshold	223,983	223,983	Below Threshold	R/C	R/C	R/C
Trakya Elektrik Uretim	Turkey	1,818,912	1,747,956	R/C						

**NOTE:** “N/A” indicates that a project was not yet active in the OPIC Portfolio during that year, and “R/C” indicates that the project was either repaid (loan or guarantee) or cancelled (insurance) prior to the cutoff date for that year.

[1] Maximum potential to emit (PTE) was calculated on the basis of a projects maximum operating capacity. When maximum operating capacity could not be determined, the maximum PTE was set equal to the highest annual emission level assessed in this or prior OPIC GHG inventories.

[2] Sharp emission increase due to ramped-up energy production from 10,103,603 in 2008 to 22,536,748 MMBtu in 2009.

[3] 2009 emissions are significantly lower due to fewer reported operating hours.

[4] 2009 emissions are significantly higher due to increased reported operating hours.

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Tier B Project Emissions (Short Tons CO<sub>2</sub>e)

Project Name	Location	Maximum PTE [1]	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
			CY2007 Baseline	CY2008 Emissions	CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions
Accroven SRL	Venezuela	998,677	998,677	445,832	R/C	R/C	R/C	R/C	R/C	R/C
Baku-Tblisi-Ceyhan Pipeline	Azerbaijan	787,577	707,672	707,672	787,577	723,214	671,605	584,200	R/C	R/C
E.P. Interoil [5]	Papua New Guinea	802,469	392,296	103,247	79,709	75,928	74,985	R/C	R/C	R/C
Equate Petrochemical	Kuwait	720,573	720,573	680,311	R/C	R/C	R/C	R/C	R/C	R/C
Foxtrot International [2]	Cote d'Ivoire	270,804	104,484	104,484	104,484	Below Threshold	27,746	R/C	R/C	R/C
Lukoil RPK Vysotsk [3] [5]	Russia	107,184	70,767	70,767	76,339	97,117	91,143	92,696	95,070	99,423
Natural Gas Liquids II Financing	Nigeria	390,806	244,048	244,048	R/C	R/C	R/C	R/C	R/C	R/C
Pannonia Ethanol	Hungary	110,543	N/A	N/A	N/A	N/A	N/A	64,244	93,251	101,474
Various Egypt Subsidiaries (Apache) [4]	Egypt	4,438,554	3,071,932	3,244,189	3,294,654	3,465,842	4,438,554	4,178,447	4,056,437	4,012,346
West Africa Gas Pipeline [5]	Ghana	244,728	N/A	N/A	244,728	91,451	86,617	86,617	86,617	86,617
Wilpro Energy Services (El Furrial)	Venezuela	289,106	289,106	289,106	R/C	R/C	R/C	R/C	R/C	R/C
Wilpro Energy Services (Pigap)	Venezuela	571,090	571,090	571,090	R/C	R/C	R/C	R/C	R/C	R/C

**NOTE:** “N/A” indicates that a project was not yet active in the OPIC Portfolio during that year, and “R/C” indicates that the project was either repaid (loan or guarantee) or cancelled (insurance) prior to the cutoff date for that year.

[1] Maximum PTE was calculated on the basis of a projects maximum operating capacity. When maximum operating capacity could not be determined, the maximum PTE was set equal to the highest annual emission level assessed in this or prior OPIC GHG inventories.

[2] In 2010, Foxtrot operated for a minimal period of time and thus had corresponding GHG emissions below the established threshold.

[3] Lukoil has the Potential-to-Emit over 100,000 tons CO<sub>2</sub>e annually, although emissions have been reported below this level to date.

[4] In 2007 and 2008, Apache reported their emissions in relation to their equity share of the project (49%). OPIC accounts for 100% of a project's emissions regardless of equity share. As a result, emissions data for 2007 and 2008 will more than double in comparison to the project sponsor reported data in order to calibrate the inventory according to OPIC standards.

[5] In some years, project emissions have been estimated to be less than 100,000 short tons, but the project has the Potential-to-Emit greater than 100,000 short tons annually.

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Tier C Project Emissions (Short Tons CO<sub>2</sub>e)

Project Name	Location	Description	Maximum PTE [1]	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
				CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions
Aga Khan Hospital & Medical College	Pakistan	Health Care	72,965	N/A	N/A	N/A	N/A	N/A	25,064
CGLOB Astarta Zhadanivka Kyiv [2]	Ukraine	Agriculture	38,404	N/A	N/A	Below Threshold	36,886	25,470	38,404
Dominica Electric Services	Dominican Republic	Power Generation	50,084	50,084	50,084	50,084	R/C	R/C	R/C
Jose Lindley	Peru	Manufacturin	25,000	25,000	25,000	R/C	R/C	R/C	R/C
Joshi Technologies / Parko Services	Colombia	Oil & Gas	91,861	30,398	57,826	43,564	52,894	73,685	91,861
Qalaal Holdings [3]	Egypt	Manufacturin	105,821	N/A	N/A	N/A	46,707	52,169	47,437

**NOTE:** “N/A” indicates that a project was not yet active in the OPIC Portfolio during that year, and “R/C” indicates that the project was either repaid (loan or guarantee) or cancelled (insurance) prior to the cutoff date for that year.

[1] Maximum PTE was calculated on the basis of a projects maximum operating capacity. When maximum operating capacity could not be determined, the maximum PTE was set equal to the highest annual emission level assessed in this or prior OPIC GHG inventories.

[2] CGLOB’s emissions were mistakenly reported as 38,404 tons CO<sub>2</sub>e in the CY 2013 report. The correct emissions for CY 2013 and CY 2014 are 25,470 and 38,404 tons CO<sub>2</sub>e respectively.

[3] Qalaa’s CY 2013 emissions were mistakenly reported as 57,035 tons CO<sub>2</sub>e in the previous OPIC GHG report. Qalaa’s correct CY 2013 emissions are 52,169 tons CO<sub>2</sub>e.

Summary of OPIC Portfolio Emissions (Short Tons CO<sub>2</sub>e)

Inventory Item	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
	CY2007 Baseline	CY2008 Emissions	CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions
Tier A	40,227,263	24,887,602	25,670,965	26,367,582	25,037,339	2,453,314	2,742,677	2,900,090
Tier B	7,170,645	6,460,746	4,587,491	4,453,552	5,390,650	5,006,203	4,331,375	4,299,859
Tier C	NQ [3]	NQ	105,482	132,910	93,648	136,486	151,325	202,766
Tier A, B, C Subtotal	47,397,908	31,348,348	30,363,938	30,954,044	30,521,637	7,596,003	7,225,377	7,402,715
Latin America Power III Fund [1]	0	0	0	0	0	0	0	0
5% Buffer for Additional Sources [2]	2,369,895	1,567,417	1,518,197	1,547,702	1,526,082	379,800	361,269	370,136
<b>TOTAL:</b>	<b>49,767,803</b>	<b>32,915,765</b>	<b>31,882,135</b>	<b>32,501,746</b>	<b>32,047,719</b>	<b>7,975,803</b>	<b>7,586,646</b>	<b>7,772,851</b>

[1] Per agreement between Latin American Power III and OPIC, the Fund agreed to “not make an investment in a Portfolio Company if after such investment, the assets and operations of all Portfolio Companies then held by the Fund would emit (in the aggregate and on a calendar-year basis) in excess of 2,077,500 short tons CO<sub>2</sub> as calculated in accordance with the IPCC”. In FY 2014, OPIC determined that the Fund would not invest in any power-generating projects; therefore, the allocation for the Latin American Power III Fund was not included in the FY 2014 inventory. To ensure the reported emissions are accurate, OPIC is retroactively removing this allocation from the FY 2008-2013 inventories.

[2] For the CY 2007 Baseline and CY 2008, the buffer was calculated as 5% of all reportable projects (i.e., those projects that emitted more than 100,000 short tons per year of CO<sub>2</sub>e). For the original CY 2010, CY 2011, CY 2012, and CY 2013 emissions, the buffer was calculated so that the buffer plus projects that emitted between 25,000 and 100,000 short tons of CO<sub>2</sub>e was equal to 5% of emissions from projects that emitted more than 100,000 short tons of CO<sub>2</sub>e. Starting with the current CY 2014 inventory, the buffer for additional sources is calculated as 5 percent of reportable projects (i.e., Tier A, B and C emissions combined). OPIC applied this calculation retroactively to the buffer for CY 2009 – CY 2013, which resulted in an increase in the buffer, and a subsequent increase in reported emissions of between 0.3% and 2.3%.

[3] Not quantified.

## Exhibit 7: OPIC Site-Monitoring Methodology

### **Environment, U.S. Economic Impact, Labor, and Host Country Developmental Impact**

OPIC performs comprehensive and integrated monitoring to evaluate the U.S. and host-country economic effects, as well as the environmental, social, health and safety, and general working conditions of the projects it supports. OPIC's integrated project monitoring is designed to ensure that each project complies with statutory and contractual requirements in these areas. Project monitoring consists of site visits to projects, in addition to analysis of information submitted annually by investors in the form of an online Self-Monitoring Questionnaire (SMQ). Since 1993, OPIC has required SMQs of all investors per the OPIC finance agreement or insurance contract.

Using a statistical sampling methodology combined with risk-based monitoring, OPIC identifies projects that staff from one or more disciplines will site-monitor. The projects selected for site-monitoring include: (1) a random sample of projects that have been active for five or more years and have not been monitored previously; (2) projects that are sensitive with respect to U.S. economic effects, labor or environment, social, health and safety issues; and (3) projects that fit in logistically with randomly selected or sensitive projects.

#### Labor

OPIC monitors projects for compliance with contractual worker rights requirements through a combination of annual reporting by companies as well as site visits to both random and selected samples of projects. OPIC targets its worker rights monitoring efforts toward countries and sectors with a higher potential for possible worker rights violations.

Certain areas of worker rights violations may be difficult to identify from a typical project site-monitoring visit. In those instances where OPIC determines further investigation is warranted, OPIC may employ trained and certified labor auditors to perform a full project audit. Auditors are often recruited locally, and those with a reputation for impartiality and credibility among both the labor and business communities are preferred. The auditors spend as much time as necessary to investigate potential violations thoroughly. At a minimum, an audit would include independent and confidential interviews with employees and management. Relevant entities such as government officials, knowledgeable local NGOs, and organized labor groups may also be interviewed.

#### Environment, Social, Health, and Safety (E&S)

With respect to E&S issues, projects selected for site-monitoring in a given year are prioritized based on environmental and social risk. Environmental and social risks depend upon several factors including project sensitivity, host country context, project-level environmental and social management systems, and investor experience in implementing projects of similar complexity. OPIC assesses the E&S performance of a project against applicable benchmarks including contract conditions, international standards and guidelines, and industry best practices. Factors included in the performance assessment include an evaluation of the project's environmental and social management systems, the effectiveness of mitigation, including pollution controls in risk reduction, and the efficiency of the operations, including energy efficiency. Interviews with the local community are conducted where relevant.

#### U.S. Economic Impact

OPIC monitors projects for their actual impact on the U.S. economy, including the U.S. employment generation effects. OPIC ensures that projects do not negatively impact the U.S. economy. This analysis includes verifying levels of exports to the U.S. or other countries (if any), calculating the U.S. balance of payments impact, and verifying compliance with any restrictions included in the OPIC loan agreement or insurance contract (e.g. restrictions on exporting to the United States. or significant U.S. export markets).

#### Development Impact

Regarding host country development impact, OPIC monitors projects using the same criteria used at the time of project approval. Thus, an "apples-to-apples" comparison can be made between original development impact projections and actual operations. For example, if a project originally expected to hire 100 local workers, actual employment numbers are verified and compared to this forecast. Additionally, if a project is expected, for example, to build a school for the children of its employees, this will be verified. Other developmental impacts not identified or anticipated at the time of application are also evaluated and quantified during site-monitoring. Finally, the project is re-evaluated using actual findings based on the same criteria used in the project's original OPIC review. OPIC conducted "lessons learned" exercises based on these and other findings.

**Exhibit 8: Projects Site-Monitored for Development Impact in FY15**

<b>PROJECT NAME</b>	<b>COUNTRY</b>	<b>PROJECTED DEVELOPMENT RATING</b>	<b>MONITORED DEVELOPMENT RATING</b>
BANCO BAC SAN JOSE, S.A. - MORTGAGE LENDING	COSTA RICA	Developmental	Developmental
BANCO BAC SAN JOSE, S.A. - SME LENDING	COSTA RICA	Developmental	Developmental
MICROFINANCE GROWTH FUND, LLC	COSTA RICA	Highly Developmental	Highly Developmental
WBC - KINERET S.A.	COSTA RICA	Developmental	Highly Developmental
CSI LATINA FINANCIAL, INC./CSI LEASING MEXIC	MEXICO	Developmental	Developmental
WBC - ARRENDADORA Y COMERCIALIZADORA LINGO S.A. DE C.V. SOFOM E.N.R.	MEXICO	Highly Developmental	Developmental
WBC - ANALISTAS DE RECURSOS GLOBALES SAPI DE CV	MEXICO	Developmental	Developmental
WBC - DOCUFORMAS S.A.P.I. DE C.V.	MEXICO	Developmental	Developmental
BAC INTERNATIONAL BANK, INC. - MORTGAGE LENDING	PANAMA	Developmental	Developmental
BAC INTERNATIONAL BANK, INC. - SME LENDING	PANAMA	Developmental	Developmental
BANCO ALIADO, S.A.	PANAMA	Developmental	Developmental
GLOBAL BANK PANAMA	PANAMA	Developmental	Developmental
LA HIPOTECARIA PANAMANIAN MORTGAGE TRUST 10	PANAMA	Developmental	Developmental
ALISTAIR JAMES COMPANY LIMITED	TANZANIA	Developmental	Highly Developmental
BRAC AFRICA MICROFINANCE, LTD.	TANZANIA	Highly Developmental	Highly Developmental
WBC - AFRICAN BANKING CORPORATION TANZANIA LTD	TANZANIA	Highly Developmental	Highly Developmental
AMERICAN EMBASSY SCHOOL OF LUSAKA	ZAMBIA	Developmental	Highly Developmental

### Exhibit 9: Projects Monitored for Environmental and Social Compliance in FY15

PROJECT NAME	COUNTRY	E&S MONITORING RESULT
TERRA GLOBAL CAPITAL, LLC	CAMBODIA	E&S performance consistent with contract conditions
ALTO MAIPO SPA	CHILE	E&S performance consistent with contract conditions
BANCO BAC SAN JOSE, S.A. - MORTGAGE LENDING	COSTA RICA	E&S performance consistent with contract conditions
BANCO BAC SAN JOSE, S.A. - SME LENDING	COSTA RICA	E&S performance consistent with contract conditions
WBC - KINERET S.A.	COSTA RICA	E&S performance consistent with contract conditions
MICROFINANCE GROWTH FUND, LLC	COSTA RICA	E&S performance consistent with contract conditions
GRUPO VIVIENDAS LATINOAMERICANAS	COSTA RICA	E&S performance consistent with contract conditions
PT. TUCAN PUMPCO SERVICES INDONESIA	INDONESIA	E&S performance consistent with contract conditions
AES LEVANT PSC	JORDAN	E&S performance consistent with contract conditions
SUNEDISON JORDAN	JORDAN	E&S performance consistent with contract conditions
AES JORDAN PSC	JORDAN	E&S performance consistent with contract conditions
MOQUEGUA FV S.A.C.	PERU	E&S performance consistent with contract conditions
TACNA SOLAR S.A.C. AND PANAMERICANA SOLAR S.A.C.	PERU	E&S performance consistent with contract conditions
T-SOLAR PERU	PERU	E&S performance consistent with contract conditions
RWANDA TRADING COMPANY LLC	RWANDA	E&S performance consistent with contract conditions
MTANGA FARMS LIMITED	TANZANIA	E&S performance consistent with contract conditions
SILVERLANDS TANZANIA LIMITED	TANZANIA	E&S performance consistent with contract conditions
ALISTAIR JAMES COMPANY LIMITED	TANZANIA	E&S performance consistent with contract conditions
BRAC AFRICA MICROFINANCE, LTD.	TANZANIA	E&S performance consistent with contract conditions
WBC - AFRICAN BANKING CORPORATION TANZANIA LTD	TANZANIA	E&S performance consistent with contract conditions
AUSTRALIS AQUACULTURE LLC	VIETNAM	E&S performance consistent with contract conditions
AMERICAN EMBASSY SCHOOL OF LUSAKA	ZAMBIA	E&S performance consistent with contract conditions