

Public Information Summary Gigaton Empowerment Fund

Host Countries	Global, primarily in Africa and Asia
Name of Borrower	Gigaton Empowerment Fund S.A., SICAV-RAIF (the “Fund”)
Project Description	Capitalization of a debt fund that will make downstream loans to off-grid solar energy companies globally, primarily in Africa and Asia
Proposed DFC Loan/Guaranty	\$100,000,000, 15-year tenor with 13-year grace period
All-Source Funding Total	Target of \$500,000,000
Policy Review	
Developmental Objectives	The Fund is expected to have a highly developmental impact through the provision of off-grid renewable power solutions. Energy demand is expected to increase significantly in developing countries, and although solar technology has matured past the early growth stage, the regions targeted by the Fund lack adequate financing to deploy at scale. The Fund will mobilize significant funding to support an expected 1,200 GWh of renewable energy generation through off-grid installations. The Fund’s financing structure is designed to reduce risks to facilitate private capital mobilization for development.
Environment and Social Assessment	<p>The project has been reviewed against the DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. DFC direct investments into Investment Funds to support on-lending to growth-stage off-grid solar power for commercial and industrial (“C&I”), telecom (“telco ESCO”), agri-solar, single home system (“SHS”), and mini-grid uses are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Fund’s investments are consistent with the DFC’s statutory and policy requirements, the DFC investment will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p>

Under the DFC’s ESPP, the Fund is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-review-based due diligence assessment indicates that because the project involves DFC support to an investment fund for on-lending to growth-stage off-grid solar power for C&I, telco ESCO, agri-solar, SHS, and mini-grid uses, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated. Therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.

The Investment Manager has an Environmental and Social Management System comprised of their ESG & Impact Policy and their Responsible Investment Procedure, in addition to various other policies and procedures. While generally adequate for the investment proposal, the Investment Manager will be required to strengthen its child and forced labor policy, enhance its verification of borrower grievance mechanisms process, and provide evidence that its updated community grievance mechanism has been officially released.