

Host Country:	GUATEMALA
Name of Borrower:	CGLOB-ASESORIA EN TELECOMUICACIONES
U.S. Sponsor:	Citibank
Approved/Committed Date	01/20/2012
Foreign Sponsor:	
Project Description:	The expansion of the company's telecommunications networks. In particular, the proceeds will be used to improve the company's infrastructure and services for its existing 2G network and expand its 3G coverage as well as expand its offering of value added services.
Total Project Cost:	\$60,000,000
Proposed OPIC Support:	\$30,000,000
Developmental Effects:	This project will have a positive developmental impact in Guatemala as it will provide 2G and 3G mobile telecommunications services to both urban and rural populations throughout the country. This project will improve Guatemala's mobile telecommunications infrastructure as it will provide mobile connectivity in areas not currently covered by cellular service. The Project Company's expansion will have significant indirect effects as it will provide rural enterprises with a reliable, fast, and efficient medium for communication with suppliers and clients. Additionally, the delivery of data coverage will provide users with internet where it is currently unavailable, thus enabling users with greater access to global information resources.

Environment:	<p>Screening: This Project has been reviewed against OPIC's categorical prohibitions and determined to be eligible. Operations associated with the installation of 3G telecom equipment at existing cell towers are screened as Category B projects under OPIC's environmental and social guidelines because impacts are site specific and readily mitigated. The primary environmental and social concerns related to this Project are associated with the safety of employees and contractors involved with the installation of 3G equipment.</p> <p>Applicable Standards: OPIC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following International Finance Corporation's (IFC) Performance Standards (PS):</p> <p>PS1: Social and Environmental Assessment and Management Systems; PS2: Labor and Working Conditions; PS3: Pollution Prevention and Abatement; and PS4: Community Health, Safety and Security.</p> <p>Since the Project will install 3G telecom equipment at existing cell towers, PS 5 (Land Acquisition and Involuntary Resettlement) is not triggered. The cell towers are located at permitted sites and not near any sensitive ecosystems, therefore PS 6 (Biodiversity Conservation and Sustainable Natural Resource Management) is not triggered. There are no Indigenous Peoples that will be adversely impacted by the Project and there are no Cultural Heritage issues recorded to date. Thus, PS 7 and PS 8 are also not triggered.</p> <p>Consistent with the requirements of PS 3 (Pollution Prevention and Abatement), in addition to the Performance Standards listed above, the IFC's Environmental, Health, and Safety (EHS) Guidelines for Telecommunications and General EHS Guidelines (2007) are also applicable to this project.</p> <p>The greenhouse gas (carbon dioxide equivalent) emissions are estimated to be 1.14 tons CO₂eq per year for each of the 600 Project sites.</p> <p>Environmental and Social Risks: The Borrower will operate the 3G telecom equipment at each of the cell towers under its Corporate policies and in compliance with the local regulations. The Borrower has adopted detailed procedures relating to worker safety. In addition, employees and contractors also receive extensive orientation training as well as annual refresher training specific to their jobs. All solid wastes are stored in containers until transported off site and disposed at permitted facilities. The Project does not generate significant quantities of wastewaters.</p> <p>Risk Mitigation: The Borrower will be required to continue implementing its overarching policy statement of environmental and social objectives and principles that are used to guide the Project's environmental and social performance. The Borrower will also be required to continue implementing its grievance mechanism. In addition, the Borrower will also be required to ensure compliance with IFC's Performance Standards and Environmental, Health, and Safety (EHS) Guidelines for Telecommunications and General EHS Guidelines (2007).</p>
Worker Rights:	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age for employment, hours of work, the timely payment of wages, and hazardous work situations. The Project will also be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. Standard and supplemental contract language will be applied to all workers of the Project.</p>
Human Rights:	<p>OPIC issued a human rights clearance for the Project on July 25, 2011.</p>