

REPORT FROM OPIC PROJECT TEAM TO INVESTMENT COMMITTEE

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Countries:	India, Philippines, Sri Lanka, and Southeast Asia
Name of Borrower:	Renewable Energy Asia Fund L.P. (the “Fund”), registered in England
Sponsor:	Berkeley Partners LLP (“Berkeley”), a UK authorized and regulated company
Project Description:	The Fund will target renewable energy infrastructure projects in Asia, primarily India and the Philippines. The focus will be on pre-construction but post-permitted small hydro, wind, and other renewable energy projects with rights to a renewable resource, a resource study performed, and a customer identified with a long term power purchase agreement available. The Fund will seek to avoid technology risk and invest only in operationally and economically mature renewable technologies that will help close the electricity demand-supply gap in its target countries.
Total Fund Capitalization:	€130 million, or approximately \$187 million
Proposed OPIC Loan:	OPIC loan guarantee of up to \$62 million in principal plus accrued and accreted interest thereon
Term of Fund	Ten years
Selection Process	<p>During the December 2010 United Nations Climate Change Conference held in Cancun, Mexico, OPIC President & CEO Elizabeth Littlefield announced that OPIC would provide at least \$300 million in financing for new private equity investment funds that could ultimately invest more than \$1 billion in renewable resources projects in emerging markets.</p> <p>To deliver on this commitment, OPIC announced a Global Renewable Resources Funds call for proposals to help catalyze and facilitate private sector investments promoting renewable resources globally (the “Call”). The OPIC Evaluation Committee selected the Fund from among 56 respondents to the Call with the assistance of Cambridge Associates, as gatekeeper.</p> <p>This fund advances the objectives of the Call by providing additional capital to invest in climate solutions centered around renewable energy generation, specifically in India and Southeast Asia, areas of strategic interest and where OPIC's portfolio benefits from additional diversification.</p>
Developmental Effects:	The Fund will have a significant development impact in South and Southeast Asia, specifically India and the Philippines, as it will provide capital to projects and/or project developers that will deliver critical clean energy infrastructure to a region

	<p>characterized by a large unmet electricity demand. In addition to augmenting and diversifying the region's energy portfolio, the Fund will seek to contribute tangible value-adds to its portfolio company investments by assuming control positions, applying sector expertise, and leveraging its strategic in-country relationships with key industry leaders. The Fund's investment strategy will have a significant multiplier effect in its diffusion of industry best practices for clean technology project management, avoidance of CO2 emissions, and mobilization of the EPC and O&M workforces in the Fund's target geographies.</p>
Environment:	<p>The capitalization of a fund is screened as a Category D activity for the purposes of environmental and social assessment. Although no further assessment is warranted at this stage in the transaction, each and every downstream investment by the Fund will be screened at and subject to the full scope of OPIC's environmental and social assessment process, including public disclosure within the host country of Environmental Impact Assessments for Category A projects, conditionality and monitoring, as is warranted by the nature and scope of the downstream investments.</p> <p>Under OPIC's environmental and social policies, the Fund will be required to establish an Environmental Management System that will assess the environmental and social impact of their own operations as well as operations of their downstream investments and include the environmental and social objectives and principles that will be used to guide the Fund and downstream investments to implement measures that will eliminate risks, ameliorate damage, and enhance positive effects.</p>
U.S. Economic Impact:	<p>Since this clearance pertains to the capitalization of the Fund, there is no potential for an adverse impact on the U.S. economy at this time and an industry analysis is not necessary. However, the Fund's portfolio company investments will be analyzed individually for their impact on the U.S. economy and U.S. employment in accordance with OPIC guidelines.</p>
Workers Rights:	<p>Each of the Fund's subprojects will be evaluated separately with regard to specifics of operation and compliance with OPIC worker rights and human rights approval criteria. Standard and supplemental worker rights language for each subproject will be included in the subproject's Consent Notice.</p>
Human Rights:	<p>In consultation with the Department of State, the Fund received a Human Rights Clearance on May 12, 2011.</p>