



**Overseas Private Investment Corporation**  
**1100 New York Avenue, N.W.**  
**Washington, D.C. 20527**  
**(202) 336-8400**  
**FAX (202) 408-9859**

May 14, 2012

Minister TMG Sexwale  
Govan Mbeki House  
240 Walker Street  
Sunnyside  
Pretoria

Dear Minister TMG Sexwale:

The Overseas Private Investment Corporation (OPIC) is considering providing consent to a South Africa Workforce Housing Fund (SAWHF) investment in the Jabilani Village Project, a 4,141 unit integrated housing project. The Project will be developed by Calgro M3 Land Limited (or "Calgro") and is located adjacent to the Jabilani mall, about 20 km west of the Central Business District of the City of Johannesburg.

OPIC is an agency of the United States Government with a mandate to encourage and support U.S. private sector investments in developing countries and emerging economies. All OPIC-supported projects must be economically and environmentally sound. OPIC is required by U.S. law to notify appropriate governmental authorities of investments under consideration for OPIC assistance that have the potential to pose significant consequences for the environment.

OPIC also is required by U.S. law to provide your government with information about standards and guidelines that have been developed by international organizations and by federal environmental regulatory authorities of the United States and that are applicable to such investments. OPIC applies guidelines and standards established by the World Bank Group and other similar international organizations. The web site links to these relevant guidelines are attached to this letter.

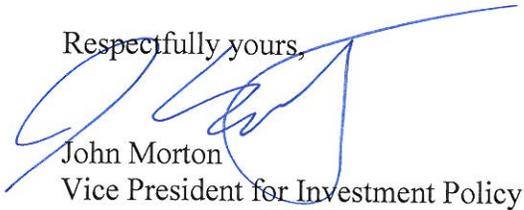
According to the documentation submitted by Calgro, the key areas of concern are primarily construction related such as noise and potential for erosion and runoff. Once the units are occupied, other issues such as appropriate means of disposal of solid and sanitary waste are at issue. Our analysis confirms that the project has been designed to minimize impacts on the environment. The facility will use internationally accepted

environmental management practices to mitigate potential impacts to acceptable levels. Based on information provided by SAWF and Calgro, the Project does not appear to pose significant hazards to the environment, public health, and safety.

We understand, of course, that the project will be subject to the laws of South Africa with regard to protection of the environment, public health and safety.

If you have any questions about OPIC's environmental assessment of this project, you may contact OPIC's Director of Environmental Affairs at the above address.

Respectfully yours,



John Morton  
Vice President for Investment Policy

Direct: 202.336.8676

Fax: 202.408.0193

[john.morton@opic.gov](mailto:john.morton@opic.gov)

## **Applicable International Standards and Guidelines**

- (1) International Finance Corporation's General Environmental, Health and Safety Guidelines:  
[http://www1.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+sustainability/sustainability+framework/environmental%2C+health%2C+and+safety+guidelines/ehsguidelines](http://www1.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/sustainability+framework/environmental%2C+health%2C+and+safety+guidelines/ehsguidelines)
  
- (2) International Finance Corporation's Performance Standards:  
[http://www1.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+sustainability/sustainability+framework/safeguards+-+pre2006/safeguards+-+pre2006](http://www1.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/sustainability+framework/safeguards+-+pre2006/safeguards+-+pre2006)