

Environmental and Social Information Summary for the Public

Screening: The Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because it involves greenfield construction of over 2,500 residential units.

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 Performance Standards:

PS 1: Social and Environmental Assessment and Management Systems.

PS 2: Labor and Working Conditions.

PS 3: Pollution Prevention and Abatement.

PS 4: Community Health, Safety and Security.

PS 6: Biodiversity Conservation and Sustainable Natural Resource Management.

PS 8: Cultural Heritage

The Project does not involve new land acquisition or resettlement or impacts on Indigenous Peoples. Therefore, P.S.'s 5, 7 are not triggered by this Project.

Consistent with the requirements of PS 3 (Pollution Prevention and Abatement) the project is required to meet applicable provisions of the IFC General Environmental Health and Safety Guidelines

Environmental and Social Risks: The primary environmental and social issues associated with the Project are during the construction phase and include the assurance that appropriate occupational health and safety measures are in place and appropriate means for controlling erosion are being implemented. Once occupied, the Project must have access to potable water and appropriate means of sewage and solid waste disposal. The Project has in place a comprehensive Social and Environmental Management System that addresses and provides measures for mitigating the above risks. An Environmental Control Officer has been appointed by the Project Developer whose primary responsibility is the implementation and enforcement of safe working conditions for workers and to assure the environmental requirements in the Social and Environmental Management Plans are being properly implemented. The Project will be connected to a municipal sewage system, has access to a certified municipal land fill site for solid waste disposal, and will be provided with electricity from the local utility, all reducing project risks. Additionally, studies have shown no presence of endangered or sensitive species on site or the presence of culturally significant sites.

Risks to the neighboring community are primarily nuisance impacts including noise, dust and traffic. These are being controlled by watering to control dust, upgrades to area roads and intersections where traffic is impacted and the restriction of construction during the daytime hours.

The Project does not require any resettlement. Land required for the project is owned by the City of Johannesburg.

Risk Mitigation: The Project has received approval from the Department of Agriculture and Rural Development of Gauteng Province (the permitting agency) for Parcels A through C and K. OPIC will require the Project to submit the documentation for Parcel D for its review and approval prior to construction. The Project has established an environmental and social management system that is consistent with the requirements of the IFC Performance Standards. OPIC will require that the Project supplement its Social and Environmental Management Plans with formal procedures for community engagement and a grievance mechanism.

OPIC Site Visit: OPIC staff undertook an environmental and social due diligence site visit from January 23 through 27, 2012. Meetings were held with the City of Johannesburg and representatives from the surrounding community.

Community Consultations: A public meeting was held on November 30, 2008 as well as public meetings with the Local Authority Councillors and the City of Johannesburg on October 29, 2008. Notice of all meetings was posted on site and in local newspapers. The Department of Agriculture and Rural Development of Gauteng Province confirmed all public participation requirements were met in its order. Additionally, OPIC disclosed the Project's SEIA on its web site for a period of 60 days, from February 23, 2012 to April 23, 2012.