



April 4, 2019

Honorable Mr. Levan Davitashvili, Minister of Environmental Protection and Agriculture
Ministry of Environmental Protection and Agriculture
Tbilisi, G. Gulua str. 6
Georgia

Dear Mr. Davitashvili:

The Overseas Private Investment Corporation (OPIC) is proposing to issue financing to the Poti Port Project to support the refurbishment, modernization, and deepening of the north inner harbor of the Poti Port in Poti, Georgia (the “Project”). Specifically, the OPIC funds will be used for:

1. Demolition, renovation, and upgrade of ~260 m of the quay wall along Berth 1;
2. Renovation of Piers 1 and 2 that enclose the North Inner Harbor;
3. Purchase of equipment for ship offloading (cranes); and
4. Dredging the north inner harbor to a depth of 13 meters.

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 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 the Project, the key areas of environmental and social concern are characterization and disposal of dredged material, water quality, occupational health and safety, and emergency preparedness and response.

Our analysis confirms that the Poti Port Project has been designed to minimize social and environmental impacts. The facility will use internationally accepted environmental management practices to mitigate potential impacts to acceptable levels. Based on information provided to OPIC, the Project does not appear to pose significant hazards to the environment, public health, or safety.



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

If you have any questions about OPIC's environmental and social assessment of this project, you may contact Mary Boomgard, Managing Director, Environmental Impact Analysis Group, at the above address or at Mary.Boomgard@opic.gov.

Respectfully yours,

Anne Lesser
Acting Deputy Vice President for Investment Policy, OPIC

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Applicable U.S. and International Standards and Guidelines

- (1) The International Finance Corporation's 2012 Performance Standards on Environmental and Social Sustainability:
http://www.ifc.org/wps/wcm/connect/c8f524004a73daeca09afd998895a12/IFC_Performance_Standards.pdf?MOD=AJPERES
- (2) The International Finance Corporation's Environmental, Health, and Safety General Guidelines (April 30, 2007):
<http://www.ifc.org/wps/wcm/connect/554e8d80488658e4b76af76a6515bb18/Final%2B-%2BGeneral%2BEHS%2BGuidelines.pdf?MOD=AJPERES>
- (3) The International Finance Corporation's Environmental, Health, and Safety Guidelines for Ports, Harbors, and Terminals (April 30, 2007):
<http://www.ifc.org/wps/wcm/connect/9e558c00488556ebbf4fa6a6515bb18/Final%2B-%2BPorts%252C%2BHarbors%2Band%2BTerminals.pdf?MOD=AJPERES&id=1323152828015>
- (4) U.S. Environmental Protection Agency's Evaluation of Dredged Material Proposed for Ocean Disposal:
https://www.epa.gov/sites/production/files/2015-10/documents/green_book.pdf
- (5) U.S. Environmental Protection Agency's National Pollutant Discharge Elimination System (NPDES): <https://www.epa.gov/npdes>
- (6) Clean Air Act: <https://www.epa.gov/laws-regulations/summary-clean-air-act>