



Overseas Private Investment Cooperation: Greenhouse Gas Policy

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Abstract: OPIC has instituted an aggressive greenhouse gas reduction policy that commits to reducing direct greenhouse gases in its portfolio by 30 percent over ten years and 50 percent in fifteen years. Along with the aggressive greenhouse gas reductions, OPIC has committed to promote energy efficiency and conservation, the use of low and no-carbon fuels, and to encourage carbon sequestration in land use and forestry practices.

To assist in tracking greenhouse gas reductions and to provide greater transparency, OPIC also reports annually, on an individual project basis, the annual emissions associated with projects within the active portfolio with direct emissions that exceed 25,000 metric tonnes CO₂eq per year. These annual estimates are subject to third party verification. OPIC also annually reports on investments in renewable energy and environmentally beneficial projects and services.

To address OPIC's changing policies, requirements for information to be provided within Environmental and Social Impact Assessments, associated environmental information for smaller projects, and annual reporting requirements have changed. Project applicants are now required to estimate greenhouse gas emissions for their projects and in some cases to provide mitigation measures for these emissions. Additionally, under OPIC's new policies, a project is only considered a renewable fuel project if it demonstrates life cycle greenhouse gas emissions reductions between 20 and 50 percent. Similarly clean technology projects must annually demonstrate through an independent third party audit either a greater than 20 percent reduction in Greenhouse Gas emissions from the base case or greater than 20 percent reduction in the intensity of energy usage from the base.

This presentation will review OPIC's greenhouse gas reduction policy and discuss the changes in the portfolio that have been observed, so far, as a result of this change in policy. It will also discuss how EIA's submitted to OPIC for reviews have changed to address these new policies.

Summary: OPIC has initiated an aggressive greenhouse gas policy that requires reduction of direct greenhouse gas emissions in its portfolio. The presentation will review OPIC's greenhouse gas reduction policy, discuss changes in the EIA's being received to reflect these policy changes, and changes being observed that will address new policies.

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