

## **Environmental and Social Data Sheet**

### **Overview**

Project Name:	NIGERIA TELECOM EXPANSION
Project Number:	20200725
Country:	Nigeria
Project Description:	The project concerns capacity and coverage expansion of the promoter's 4G mobile broadband access network to address the high growth expected in mobile data applications as well as the necessary upgrades in terms of capacity and functionality of the core network and business support systems
EIA required:	no
Project included in Carbon Footprint Exercise <sup>1</sup> :	no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

### **Environmental and Social Assessment**

#### **Environmental Assessment**

The project relates to investments in mobile network equipment and their installation mainly on existing mast sites, but also on a small number of newly built mast sites. The construction of these new mast sites is not included in the scope of the project, as the promoter does not own the sites and therefore does not manage the construction of the new masts, but has outsourced these activities since 2015 to a reputable tower construction company with a high implementation capacity and expertise. The promoter's suppliers commit to promoter's environmental and social standards as defined in their supplier's code of conduct, which is satisfactorily meeting the EIB's environmental and social safeguards.

If the project were located within the EU, the project activities would not fall under Annexes I or II of the EIA Directive 2014/52/EU amending the Directive 2011/92/EU. On the other hand, the approval for the construction of new mast sites requires a mandatory EIA in Nigeria, in accordance with the relevant Nigerian environmental legislation (EIA Act of 1992, National EIA Procedure of 1995 and National Environmental Standards for Telecommunications and Broadcast Facilities Regulations, 2011). This obligation would not apply to the installation of additional mobile network equipment at existing mast sites based on current technology (such as the 4G included in the project). The promoter's mast site supplier will be responsible for

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<sup>1</sup> Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

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the compliance with the EIA requirements related to the project, which will be subject to the promoter's audits as per the promoter's supplier's code of conduct.

During the operations phase, the main potential environmental impact of the mobile network is related to the exposure to EMF (electromagnetic field) emissions by RAN (radio access network) equipment. Studies continue to be conducted to further assess the potential long-term effects of exposure to EMF emissions on human health. As a mitigation measure, Nigeria has adopted exposure limits aligned with the ICNIRP (International Commission on Non-Ionizing Radiation Protection) guidelines. The Nigerian National Environmental Standards and Regulations Enforcement Agency (NESREA) is responsible for ensuring the compliance of operators with the aforementioned standards, and conducts audits on an annual basis. During 2020, the Agency audited 3,977 mast sites and verified that 100% were compliant with the regulated exposure limits.

### **Social Assessment, where applicable**

The project is not expected to have any relevant negative social impact. The promoter is part of a listed multinational telecommunications group and operates under satisfactory labour policies and standards. As confirmed by the promoter, recent disputes with unions were resolved after mediation of the competent government body. The promoter undertakes to inform the EIB of any new and ongoing as well as resolved labour related issues on a regular basis. The project will have significant positive social impact thanks to the improvement in the availability and quality of mobile broadband services in the covered areas. The access to the digital economy for the broader population has emerged as a critical point for the private sector development and the closing of economic inclusion and inequality gaps.

### **Contribution to gender equality**

The Project is expected to significantly contribute to Gender equality in Nigeria, a country that still suffers a 7% digital gender gap.

Lower awareness of mobile internet among women is one of the most important contributors to the gender gap in mobile internet use in low- and middle-income countries. In Nigeria, women's awareness of mobile internet remains much lower than men's (76% vs 85%) even if it greatly increased in the last years as a result of the telecom operators' investments (45% among women in 2017). The Promoter's commitments to make access to mobile high-speed broadband networks more widely available in Nigeria will contribute to increase mobile internet awareness.

In Nigeria, 20% of women identify credit cost as an important barrier to owning a mobile phone and 14% of women identify credit cost as an important barrier to using mobile internet. Increased affordability through the Promoter's network expansion will enable digital technologies' to contribute to increased gender equality in Nigeria.

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Moreover, the ability for the Bank to provide a sizeable hard currency loan with a relatively long maturity and grace period will support a promoter that conducts corporate and social responsibility activities supporting mother and child health. According to the Nigeria Demographic Health Survey (NDHS, 2018), 1 in 8 Nigerian children never reach the age of five. One Nigerian woman dies in childbirth every 10 minutes. The main causes of these latter deaths are common ailments such as malaria, typhoid and diarrhea, which are preventable and treatable. The Promoter contributes to the reduction of Nigeria's high maternal and infant mortality rate by creating awareness about the causes and by implementing various projects and interventions towards improving the health of mothers and children in Nigeria.

More broadly, the Project will support Nigeria's transition to a digital economy. Digital technologies increase women's inclusion in socioeconomic life through first-time access to legal identity, financial inclusion, information and dedicated services delivered through innovative business models. As information and communication technologies are tools through which gender equality and women's empowerment can be advanced, and are integral to the creation of societies in which both women and men can substantively contribute and participate, SDG5 (achieve gender equality and empower all women and girls) is pursued by this operation.

### **Other Environmental and Social Aspects**

The promoter's group is a signatory of the UN Global Compact and prepares an annual sustainability report including disclosures guided by the GRI standards ('Core' option).

## **Conclusions and Recommendations**

The project consists mostly of installation of new equipment on existing mobile sites. Therefore, potential environmental impact during implementation is expected to be limited. The environmental impact of mobile networks during operations is mainly related to electromagnetic field (EMF) emissions that are mitigated by operation under the exposure limits determined by the international best practice and based on the best science currently available.

Therefore, the project is acceptable in environmental and social terms for the Bank's financing.