

Public

Environmental and Social Data Sheet

Overview

Project Name: DIGITAL AFRICA ENVELOPE
Project Number: 20200763
Country: REGIONAL - AFRICA
Project Description: The envelope aims at accelerating the deployment of digital infrastructures and solutions in Sub-Saharan Africa in particular the ones being used now to build resilience in response to COVID-19 crisis. The envelope aims at financing operators of telecom infrastructures (international connectivity, backbones, access networks, cores, datacentres and the modernisation of energy supply infrastructure of cellular tower sites). The envelope also aims at financing service companies offering digital solutions, which could notably include the R&D and the implementation of IT systems in the field of mobile services, digitalisation, process optimisation, business model evolution, regulatory requirements, risk management and cyber-security protection.

EIA required: to be evaluated at time of appraisal

Project included in Carbon Footprint Exercise¹: no

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

Environmental and Social Assessment

The proposed envelope covers different sub-operations that will be carried out in order to support the development of a digital economy in the Sub-Saharan Africa region, notably regarding the rollout of network and adoption of digital solutions.

More specifically, the envelope aims at financing operators of telecom infrastructures (international connectivity, backbones, access networks, cores, datacentres and the modernisation of energy supply infrastructure of cellular tower sites). The Programme also aims at financing service companies offering digital solutions, which could notably include the R&D and the implementation of IT systems in the field of mobile services, digitalisation, process optimisation, business model evolution, regulatory requirements, risk management and cyber-security protection.

¹ 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 CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

Luxembourg, 16 December 2020

Environmental Assessment

The rollout of telecommunication networks have limited environmental and social negative effects, apart from short duration disturbances during network deployment, whenever civil works are required, which can be mitigated by appropriate measures. If located within the EU, such investments would not require a mandatory Environmental Impact Assessment, as it does not fall under Annex I or II of the EIA Directive 2014/52/EU amending the Directive 2011/92/EU.

Datacentre project components might be considered to fall under the Annexes of the mentioned EIA Directive.

Concerning Energy Service Company projects, the individual installations to be financed are likely to be very small and are expected to have very limited negative environmental impacts. Notwithstanding, the Promoter shall be contractually obliged to implement the works and carry out the maintenance activities in compliance with the relevant national law and the principles of the EU directives. The cumulated impact could instead generate important environmental benefits. An EIA, as defined under the EIA Directive 2014/52/EU, amending the 2011/92/EU, will not be required

Full environmental details and the final appropriate level of environmental approval will be assessed during appraisal.

Social Assessment, where applicable

The global COVID-19 pandemic has brought the world's digital divide into focus. The Internet is a vital communications tool for people and communities affected by the pandemic. The ICT industry will support all other industries to adapt to this new situation, mitigate risks that were often unforeseen before and secure resilience. However, in the Africa, 900m people remain offline. Those populations are not able to receive timely information, be educated on prevention measures or benefit from telemedicine services.

As the world seek to build resilience, the limitations of today's technological infrastructure and under investment become apparent. In Africa, for large corporates those issues include ensuring internet access to staff members, having sufficient capacity on virtual private networks, which enable secured teleworking, and protecting from cyber-attacks at a time of high confusion and even panic. Likewise, SMEs seek to improve supply, operations and distribution through the use of digital technologies. Finally, public administrations need to gain in operational efficiency, notably with minimum human interactions.

This transition across the Sub-Saharan region will be heavily dependent on access to digital technologies and solutions supported by the envelope.

Conclusions and Recommendations

During the appraisal of sub-operations, the Environmental & Social impact as well as the processes and procedures of individual beneficiaries will be assessed. The Bank will require the promoters to ensure that implementation of the sub-projects will be done in accordance with the Bank's environmental and social policy and standards.

Under these conditions, the operation is considered acceptable for EIB financing in E&S terms.