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Environmental and Social Data Sheet

Overview

Project Name:	Tanzania gender and blue economy facility GA
Project Number:	2022-0328
Country:	Tanzania
Project Description:	This Facility aims to provide financing to a number of financial institutions in Tanzania, for onward lending to private sector entities, mostly SMEs, with a particular focus on women owned or managed businesses and enterprises operating in the blue economy sectors.
EIA required:	EIA may be required for selected investments
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

This facility aims to support investments promoting gender equality and the blue economy sector, FIs will monitor and report on the adoption by loan recipients of practices, technologies and approaches related to these objectives.

Despite expected small size of sub-projects financed by the FIs, it cannot be excluded that, based on their technical characteristics, some underlying investment may require an Environmental and Social Impact Assessment (ESIA). For any investment subject to ESIA, according to national legislation or based on the application of the EIB Environmental and Social Standards, the Financial Intermediary (FI) will be required to ensure that the ESIA, including due public consultation, is conducted at a level that is in line with EU/international standards, and that the EIB is provided with a copy of the ESIA for publication on its website.

The selection process of FIs is still in progress and as part of the selection, EIB services will ensure that adequate Environmental and Social Management Systems (ESMS) are in place to address environmental and social risks that are typical for SME and Mid-Cap investments in the sector. Technical Assistance will be provided and if required, it will support FIs in improvement of existing ESMS to EIB requirements.

The ESMS system will ensure that selected FIs follow, in their respective business processes and operations, a systematic approach to the identification and management of relevant environmental and social issues, and the risks inherent to the sub-projects to be financed. Sub-projects with significant negative environmental impacts, among others on areas with high

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.



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biodiversity value, nature conservation areas, including bird migration routes, will not be financed.

Social Assessment, where applicable

The facility will require FIs signing sub-loan for the gender components to achieve a minimum of 30 % of the overall funding to be directed towards reaching gender goals in line with the 2X challenge criteria (entrepreneurship, leadership, employment or consumption).

Application of EIB standards will be required for investments in value chains identified as carrying specific social risks.

Conclusions and Recommendations

Participating FIs will be required to apply the EIB Environmental and Social Standards and related reporting requirements.

In addition, FIs will submit, to the satisfaction of the Bank, an ESMS:

- Integrating E&S considerations in compliance with: (i) national legislation and EIB E&S Standards; (ii) ILO Core Labour Standards; (iii) the FAO Voluntary Guidelines on the Responsible Governance of Tenure; and (iv) EIB lists of excluded and restricted activities as well as sector requirements; into their respective credit and investment decision-making processes,
- Including a Grievance Redress Mechanism and Climate Risk Vulnerability Assessment, and
- Including the organisational structure (roles and responsibilities) for the implementation of the ESMS.

TA could provide support to FIs for developing their ESMS capabilities, including the required establishment of acceptable grievance redress mechanisms (and related reporting), to the extent that they are not already in place. The FIs shall ensure that adequate financial and human resources required for the implementation of the ESMS are available.

With the above-mentioned conditions to be included in financial contract, the operation is acceptable to the EIB in environmental and social terms.