

Environmental and Social Data Sheet

Overview

Project Name: *MERIDIAM INFRASTRUCTURE AFRICA FUND*
 Project Number: *2014-0518*
 Country: *Regional Africa*
 Project Description: *The Fund will finance primarily greenfield infrastructure projects in the energy and power, transportation, environmental infrastructure, social infrastructure and telecommunications sectors across Africa.*
 EIA required: Yes: It is expected that all investments will require an environmental and social impact assessment.

Project included in Carbon Footprint Exercise¹: No: Intermediated operations are not covered by the Carbon Footprint Exercise.

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

Given that the Fund will target equity investments in large scale infrastructure in Africa and investments may include projects in (i) transportation and logistics (roads, airports, ports) (ii) energy (including wind, hydro and solar); (iii) water and waste; (iv) and education and health, the Fund's portfolio includes activities with potentially significant adverse environmental and social (E&S) risks and impacts.

The Fund manager will be required to ensure compliance of the investments with the EIB Excluded and Restricted Lists of activities, the EIB E&S Standards and core E&S requirements, the E&S national laws and regulations.

The mitigation of key risks and impacts derive from the Fund's capacity to identify and manage the potential environmental and social risk and impacts associated to projects in the pipeline and to maintain and operate an appropriate environmental and social management system. Risks may include but are not limited to: (i) environmental impacts such as air emissions, waste management, hazardous materials, (ii) OHS (occupational health and safety) risks such as process safety, gas releases, chemical hazards and fire and explosions, (iii) community issues such as land acquisition, involuntary resettlement, health, safety and security; potential impacts on indigenous and other vulnerable communities, (iv) biodiversity conservation and stakeholder engagement.

The Fund has developed an E&S Risk Management System (ESMS) which describes the process for managing the environmental and social risks and impacts. In order to meet EIB's requirements, the Fund will be required to enhance its ESMS (to reflect the application of the EIB E&S Standards) including the development of an external grievance mechanism as well as its E&S capacity, hiring a senior dedicated ESG officer into the core team to support its investment decision making process and monitoring activities for the Fund. Additional sector-specific capacity building may also be required to support the implementation of the ESMS. In addition, the Fund needs to develop an implementation and training plan for any new team.

Given the high E&S risk profile of the portfolio and to ensure adequate ESMS implementation, the EIB will review the first three environmental and social due diligences undertaken by the Fund, after commitment, prior to the Fund's investment.

With these conditions in place, the Fund is considered acceptable for Bank investment in environmental and social terms.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.