IFC Sustainable Infrastructure Advisory: Offering Guidance on Community Engagement and Local Benefits

Across the infrastructure sector, companies are facing increasing demands for corporate transparency and stakeholder engagement. Institutional investors and shareholders are aware of the connection between stronger environmental, social, and governance standards and reduced project risks. Leading companies are exploring new ways to ensure that local communities share in the benefits of their projects. Many companies also ensure that operations remain sustainable for the long term.

Our approach

Sustainable Infrastructure (SI) Advisory supports businesses in building environmental, social, and governance credibility. We help companies avoid greenwashing through proven solutions that bring shared benefits and help communities thrive in the new, green, digital, and resilient economy.

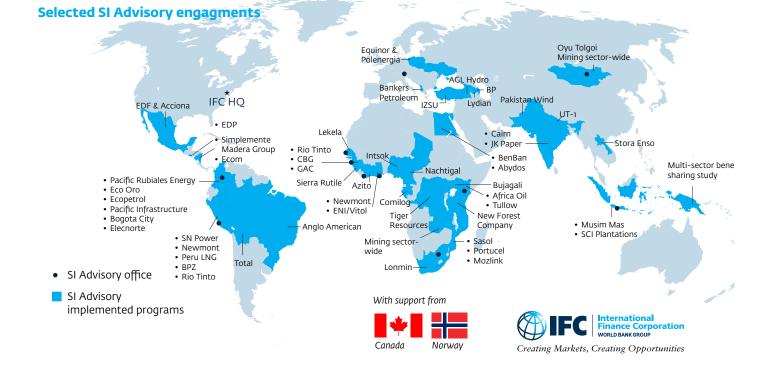
The IFC difference

- SI Advisory experts support clients on several aspects of community engagement:
 - Local Benefit Sharing: Build social license to operate related to local economic development, local content, community investment strategy, and government capacity building.
 - **Sustainability-Linked Financing Coordinator:** Support clients in developing climate and social strategies, setting key performance indicators (KPIs) and targets, and meeting sustainability goals.
 - **Gender:** Strengthen capacity of clients and communities in designing gender-smart solutions and increasing gender equality.
 - **Climate Advisory:** Support decarbonization pathways, risk and resilience roadmaps, and just transition process and plans.
 - **Digital Inclusion:** Build capacity of companies and government agencies on using digital technologies and data for inclusive development.
 - **Voice & Accountability:** Enable multi-stakeholder dialogue and information sharing to improve transparent decision making.
- <u>CommDev.org</u>, an online platform for best practices and community-industry links, features multimedia content by the World Bank Group and partners.



About IFC

- Largest multilateral source of debt and equity financing for the private sector in developing countries
- AAA-rated by S&P and Moody's
- Loans, equity, quasi-equity, local currency and risk management products, capital markets access, and mobilization
- Advisory services to help develop priority projects, structure and tender PPPs, and improve financial management
- Social, environmental, and corporate governance standards and risk mitigation



Anglo American, South Africa | Sustainability-Linked **Financing Coordinator**

As sustainability coordinators for Anglo AngloAmerican American, IFC's SI Advisory team developed a sustainability-linked financing framework in association with a sustainability-linked loan agreement to benefit rural communities close to Anglo American's mining operations. The work involved identifying KPIs and setting targets, all of which hinge on social metrics such as improving educational outcomes for 74,000 learners. Other KPIs focus on enhancing livelihoods and creating sustainable employment, especially for women and youth, through initiatives such as mentorship, capacity building, skills development, and access to finance for entrepreneurs and MSMEs.

City of Bogota, Colombia | Gender Inclusion & Data, Voice, and Accountability



IFC's SI Advisory helps roll out the City Care System, a new social support program that primarily targets women. IFC's support focuses on providing data and information about the difficulties faced by unpaid

caregivers, to relieve their burdens, rebalance caregiving responsibilities, and change cultural norms to elevate the value of the work. The team conduced a social listening study by analyzing public social media conversations and conducted surveys to understand stresses faced by women caregivers during the COVID-19 pandemic, helping the city gain data for more effective policymaking.

Nepal Water and Energy Development Company Strategic Community Investment

The SI Advisory team developed a 10 percent local shares allocation plan for up to 60,000 community members impacted by the project. This represents the first time that a private company in Nepal has made use of the local shares mechanism as part of its benefit sharing with local communities.

Moquegua, Peru | Stakeholder Engagement

In Peru, IFC's SI Advisory team is collaborating with diverse stakeholders as part of the "Moquegua Crece" (Moquegua Grows)

initiative. This coordinated approach brings together IFC, Anglo American, Mitsubishi Corporation, M.C. Inversiones Peru and the Moquegua regional government to ensure that mining creates economic and social opportunities for surrounding communities and the region. The initiative's goal is to strengthen institutional capacity for public investment, improve natural resources management, and develop strategic value chains to generate income and employment.

Compagnie des Bauxites de Guinée, Guinea

Local Economic Development, Gender, and Youth Inclusion



IFC's SI Advisory partnered with CBG to build the capacity of 12 local women- and youthowned MSMEs, increasing their potential to supply Guinea's large mining corporations. The

work involved launching a series of trainings focused on business planning, financial management, marketing, human resources, and contract management. After completing the training, companies reported tangible improvements: They won new contracts, hired new employees, and experienced reduced turnover.

Nachtigal Hydro Power Company, Cameroon Strategic Community Investment

IFC's SI Advisory team strengthens NHPC Nachtigal's community engagement efforts, particularly with women. Focus is on building the capacity of local partners to deliver effective community programs. The work strengthens local and national content strategy, paving the way for increased domestic sourcing, including from womenowned businesses. The effort also involves promoting a workplace environment supportive of male and female employees alike.

Knowledge and thought leadership

- A Sustainable Future for Infrastructure Finance
- Net Zero Roadmap for Copper and Nickel Value Chains
- Gender-Responsive Training Methods: A Guidance Note
- Using Open Data to Support Mining Communities; From Disclosure to Development 'D2D' Sierra Leone Project
- Virtual Sustainability Exchange 2022: Sustainable Finance for Climate and Social Impact



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