

PRESENTATION OF THE CSR SECTOR POLICY

Transport infrastructure

Preamble: this summary presentation of the sector policy is not intended to replace the official text of the Policy as presented on CACIB website:

[CSR Sector Policy – Transport infrastructure](#)

SCOPE OF THE POLICY:

The present policy applies to all forms of involvement of the Bank directly related to the construction, the expansion, the operation, the acquisition and/or the ownership of land, sea and air transport infrastructure: airports, harbors, waterway infrastructures, railway stations, railways, mass transit transport infrastructure (tramways, metros), highways, roads and road structures (bridges, tunnels...).

Operation of infrastructure is understood here as operating, servicing, maintaining operations of the infrastructure itself.

ISSUES:

Transport infrastructures allow vehicles, passengers and goods reception and management. They consist in installations necessary to make land, sea and air transport sectors viable and dynamic. They can play an important role in opening up certain territories and assure trade growth and economic development.

Transport infrastructure construction, expansion and operation activities have to take into account social and environmental considerations. They can trigger negative impacts in terms of biodiversity (ecosystems fragmentation, air and water pollution), human rights (economical and physical people displacements, labour force...). They can also cause pollution and nuisance, especially noise pollution.

REFERENCE FRAME:

In this sector, funding and investments are analyzed considering the identified issues and the works and standards emanating from the main conventions and initiatives of the sector (of which the standards of the World Bank group, the Ramsar convention, UNESCO World Heritage list...).

ANALYSIS CRITERIA:

The Bank will analyze every transaction linked to the construction, expansion, operation, acquisition or ownership of a transport infrastructure according to the following criteria:

- Capacity and commitment of the project or client to manage environmental and social risks and engage with stakeholders (safety of structures including geological surveys, seismic risk, materials quality, constructor's experience, quality of the environmental and social impacts assessment, quality of the management plans of these different impacts, quality of accident management plans, consultation of affected populations and, if necessary, consent from indigenous peoples, setting up of a grievance mechanism at the project level, inter-States consultations in the event of cross-borders impacts);

- Environmental commitment (potential impacts to biodiversity in particular ecosystems fragmentation, important access to natural environments, discharge of pollutants and in particular emission of greenhouse gas, management of water resources, soil erosion, noise pollution, impacts on landscapes);
- Social and human rights commitments (labor rights and working conditions including compliance with International Labor Organization core conventions, quality of the migrant workers influx management, community health and safety, impact on local communities including physical or economical displacement of population, rights of indigenous peoples over traditional lands, impact on cultural heritage).

EXCLUSION CASES:

The Bank will not participate in transactions directly linked to the construction, expansion, operation, acquisition and/or ownership in the following cases:

- Critical impact on a protected area or on wetlands of international importance covered by the Ramsar Convention;
- Location of the project within a site listed on the UNESCO World Heritage list.

These exclusions are adding up to cases where the Bank wouldn't receive, in its opinion, a satisfactory answer about the significant non-respect of standards relative to environment, health, or safety (in particular in terms of environmental and social management system, protection of fundamental rights of workers, displacement of population, protection of biodiversity, impacts on critical natural habitats, consent of indigenous peoples, and protection of cultural heritage) or the absence of public consultation, or, if appropriate, of consent of affected indigenous peoples, or the absence of inter-State consultation in the case of major cross-border impacts.

IMPLEMENTATION:

When the transaction is directly linked to the construction, expansion, operation, acquisition and/or ownership of a transport infrastructure, the project will be assessed against all the analysis criteria above and the Bank will seek to determine if an exclusion criterion exists. If an exclusion situation is identified or if the outcome of the general assessment is negative, the Bank will not participate in the transaction. Compliance with the environmental and social management plans and conditions will be monitored as part of the annual review process of the transaction.

When the transaction is not directly linked to a project, but the client has a significant activity in the sector, the Bank expects the client to develop a policy consistent with the principles set out above. The Bank will in particular take into account the proportion of the client's controversial activities, the possibilities of evolution and may, if appropriate, limit its interventions to particular transactions (financings dedicated to specific investments for example).

Transactions that present uncertainty with respect to compliance with the Policy shall be referred to the CERES committee (ad hoc Evaluation Committee for transactions involving an Environmental or Social Risk) for recommendation, before a final arbitration by the General management of Crédit Agricole CIB.

This Policy falls within the implementation of the CSR Policy of "Crédit Agricole CIB, a useful and responsible Corporate and Investment Bank".



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