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. Many leading companies are exploring new ways to ensure that local communities share in the benefits of their projects and that their operations remain sustainable for the long term.

Our approach
The Sustainable Infrastructure (SI) Advisory team helps increase benefits to local communities and address sustainability challenges. We offer a range of solutions to social and environmental risks while ensuring that development benefits are shared locally, specifically with women and youth.

The IFC difference
• SI Advisory experts support clients on several aspects of community engagement:
  o Sustainability-Linked Financing Coordination: Help clients develop a Sustainability-linked Framework, including setting KPIs and sustainability performance targets, monitoring performance, liaising with donors, and informing lenders.
  o Strategic Community Investment: Help clients design tailored benefit-sharing strategies that build social license to operate.
  o Local Economic Development: Strengthen supply chains and raise capacity of local SMEs to improve livelihoods.
  o Community Climate Resilience: Support for clients as they develop plans for net-zero pathways and the just transition, along with guidance on climate risk diagnostics and community resilience-building.
  o Gender and Youth Inclusion: Increase gender equality and youth empowerment by strengthening the capacity of clients, communities, and project teams to implement solutions that benefit all local stakeholders.
  o Data, Voice, and Accountability: Enable multi-stakeholder dialogue and info-sharing to improve transparent decision making.
  o Government Capacity Building: Enhance capacity of municipalities, and local and national leaders to manage resources and deliver services.
• CommDev.org, 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

Selected SI Advisory engagements

• SI Advisory office
• SI Advisory implemented programs

With support from Canada Norway

Creating Markets, Creating Opportunities
Selected SI Advisory projects

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 conducted 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.

IZSU, Turkey | Sustainability-Linked Financing Coordinator
IFC’s SI Advisory team is providing support for IZSU, a municipal water utility in Turkey, serving as the utility’s sustainability coordinator. The engagement is related to IFC’s sustainability-linked loan to IZSU, which hinges on gender targets and a gender KPI. The team is also exploring capacity-building opportunities with IZSU to develop a gender strategy and an action plan that would include communications campaigns and trainings to attract more women for technical roles.

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.

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.

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 youth-owned 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 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 women-owned businesses. The effort also involves promoting a workplace environment supportive of male and female employees alike.

Knowledge and thought leadership
• In Bogotá, Impact Mapping Shows Covid-19’s Strain on Women Caregivers
• The Business Case for Gender-Responsive Climate-Smart Mining
• Smart Cities 4.0: Engaging Citizens; Transforming Urban Infrastructure through Infratech and Open Data
• Capturing Hydropower’s Promise: Report Series
• Gender-Responsive Training Methods: A Guidance Note
• Virtual Sustainability Exchange 2021: Online Event with Industry, Government, Community, Artists and Academia

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