



Project Summary Information

Date of Document Preparation: December 12, 2023	
Project Name	eWTP Arabia Fund II
Document Code	000734
Country	Multicountry
Sector/Subsector	Multi-sector (Digital infrastructure, Industrial and logistics technology-enabled infrastructure, OPS)
Status of Financing	Proposed
Project Description	eWTP Arabia Technology Innovation Fund II is a private equity fund with a focus on growth stage technology and technology-enabled investments in the Gulf Community Countries ("GCC") region.
Objective	To improve connectivity, digital services, and trade in the GCC region through the Fund's targeted investments into digital infrastructure, industrial and logistics infrastructure, and manufacturing
Expected Results	<p>It is expected that the results may be measured by several indicators, including:</p> <ul style="list-style-type: none"> • Percentage of investment volume in Technology-enabled Infrastructure or Digital • Percentage of investment volume in Green Infrastructure • Number of investments into companies with operations in one or more AIIB members • Amount of investments into companies with operations in one or more AIIB members • Aggregate amount of private capital mobilized
Environmental & Social Category	FI
Environmental and Social Information	<p>AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL) and Environmental and Social Standards (ESSs), is applicable to this Project. The Project is categorized as a Financial Intermediary (FI) operation, as the financing structure involves the investment of funds in eWTP Arabia Technology Innovation Fund II for onward investment in sub-projects that meet eligibility criteria to be agreed with AIIB. This will include the selection, appraisal, approval and monitoring of sub-projects in accordance with AIIB's ESP requirements. The environmental and social (E&S) instrument will be eWTP Arabia's E&S Management System (ESMS), to be enhanced as required to be consistent with AIIB's ESP.</p> <p>Based on the Bank's ESP, eWTP Arabia's ESMS which has to be further enhanced, includes an ESG Policy designed to (i) assign an E&S risk categorization, (ii) review E&S aspect to assess any material</p>

issues, (iii) monitor E&S risks and impacts of the investee companies and (v) report to its investment committee accordingly. A responsible officer has been appointed by the client to integrate the E&S consideration into investment process. The client is ready to hire an environmental consultant to help them revise the fund's ESG policy and the operational tool to align with AIIB ESP requirement.

The Fund's indicative pipeline presents a variety in the level of E&S risks. Given the early stage of the client's ESMS, category A subprojects will be excluded. The client has a high level of climate commitment but has not expressed this commitment in a concrete strategy or action plan. The Project Team intends to follow the Paris Alignment BB1 transaction-based approach, to exclude subprojects that are not considered universally aligned with Paris Agreement goals and not in line with AIIB Energy Sector Strategy.

As the client is still at the early stage of ESMS, it has not disclosed the ESMS related information yet. The Project Team will discuss with eWTPA to publish on its website a summarized version of its enhanced ESG policy and ESMS overview in a timely manner. eWTPA will be required to disclose the name, location and sectors of the sub-projects, within 12 months following financial close. For all Higher Risk sub-projects, eWTPA will be required to disclose annual E&S documentation during the preceding 12 months, unless such disclosure is subject to the host country's regulatory requirements, market sensitivities or consent of the sponsor. E&S documentation will be written in local language(s) and at least a summarized version in English, disclosed in a timely, accessible, gender sensitive and inclusive and culturally appropriate manner.

During Project implementation, AIIB will conduct prior review of the first three higher risk subprojects to expedite the client's compliance with AIIB's E&S requirements and adequate in-house E&S capacity. AIIB will excuse itself from any higher risk subproject that do not align with AIIB's ESS requirements. AIIB will require the submission of project appraisal forms, relevant E&S documentation, and semi-annual E&S monitoring reports from the Fund in an agreed format providing an update on the implementation of the enhanced ESMS, and a summary of the E&S performance of each subproject. AIIB will conduct post-reviews of the selection and implementation of subprojects as part of its regular supervision, comprising engagement with the Fund, potential site visits and detailed review of the E&S documentation of selected sub-projects.

The Project Team is working with eWTPA to enhance its External Communication Mechanism (ECM) as the project level Grievance Redress Mechanism (GRM). The ECM will be made available to all stakeholders and will also provide information on AIIB's Project-affected People's Mechanism (PPM).

	In addition, under its enhanced E&S Policy, eWTPA will require each one of sub-projects to establish its GRM to receive and facilitate resolution of the concerns and complaints. Provision will also be made to inform Project-affected people and Project workers of their availability.
Cost and Financing Plan	Fund commitment of up to USD 50 million
Fund Manager	eWTP Arabia Technology Innovation Fund GP II Limited
Estimated date of First Disbursement	Q2, 2024

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Estimated Date of Final Review Decision	Q1, 2024	
Estimated Date of Financing Approval	Q2, 2024	

Independent Accountability Mechanism	<p>The Policy on the Project-affected People’s Mechanism (PPM) applies to the project. The PPM has been established by the Bank to provide an opportunity for an independent and impartial review of submissions from project-affected people who believe they have been or are likely to be adversely affected by AIIB’s failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or the processes of AIIB’s Management. Information on the PPM is available at:</p> <p>Policy on the Project-affected People’s Mechanism – Operational Policies and Directives – AIIB. https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</p>
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