

Public Information Summary

Host Country	Kenya
Name of Borrower	BasiGo Limited, Kenya
Project Description	BasiGo Limited procures, finances, services, and charges electric buses that service the private public transport service vehicle market in Nairobi, Kenya, the city’s primary mode of public transportation (the “Project”).
Proposed DFC Loan	\$10,000,000 7-year direct loan
All-Source Funding Total	\$35,000,000
Policy Review	
Developmental Objectives	The Project is expected to have a positive development impact in Kenya by introducing electric buses to the public transportation market as an affordable alternative to diesel buses. More specifically, the Project will help BasiGo increase its fleet of electric buses from the 19 currently in service to a total of up to 2,075 electric buses on the road by 2028. The Project will also reduce greenhouse gas emissions in line with Kenya’s National Climate Change Action Plan by substituting diesel buses with an electric alternative, avoiding up to 50,000 tCO ₂ by 2028. The introduction of electric buses will also have health benefits by reducing the concentration of toxic air particles emitted from diesel exhaust, improving overall air quality and decreasing the risk of pulmonary and cardiovascular diseases.
Environment and Social Assessment	<p>SCREENING: The Project has been reviewed against DFC’s 2020 Environmental and Social Policy Procedures (“ESPP”) and has been determined to be categorically eligible. The Project has been screened as Category B because impacts are site specific and readily mitigated. The Project is subject to a climate change resiliency screening as per Executive Order 13677.</p> <p>APPLICABLE STANDARDS: Under DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance. DFC’s environmental and social due diligence indicates that the Project will have impacts which must be managed in a manner consistent with the following International Finance Corporation’s (IFC) 2012 Performance Standards (PS):</p>

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Pollution Prevention and Abatement; and
- PS 4: Community Health, Safety, and Security.

RISKS AND IMPACTS: Key environmental and social risks associated with the Project include those related to occupational and community health and safety, supply chain management, and labor management.

The Project company's board has recently approved an overarching E&S policy and is now in the process of establishing an ESMS to be acceptable to DFC.

The Project has developed occupational health and safety procedures including an occupational health and safety policy, safety rules for its service depots and charging stations, and general safety standard operating procedures, commensurate with the risk and nature conducted by workers. Environmental contamination resulting from unsafe disposal of lithium ion batteries is a key risk. In accordance with the Lender ESAP, BasiGo will be required to establish a waste management system to manage e-waste (batteries) to ensure recycle batteries and potentially reuse components where economically and technically feasible.

The Project has also mitigated potential community health and safety risks by sourcing only EV batteries using lithium-iron phosphate (LFP) electrochemistry, which is the safest and most stable chemistry currently available for electric vehicles. In addition, BasiGo requires all battery and powertrain systems in their buses to be certified to UN ECE 100R, the European safety standard for Electric Vehicle batteries.

The Project will be required to take certain actions to align its human resources policies and procedures with the requirements of PS 1 and PS 2, including development of an external grievance mechanism, expansion of GBVH protection, development of an internal grievance mechanism for non-sexual harassment complaints, and development of a supply chain management system.