

 Early Warning System

IFC-49849

Axian Comoros II & Tanzania



Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2024-12-17
Borrower	Telecom Comores SA; Honora Tanzania Plc
Sectors	Communications
Investment Type(s)	Loan
Investment Amount (USD)	\$ 126.41 million
Project Cost (USD)	\$ 137.40 million



Project Description

According to the Bank's website, the proposed investment is for a senior secured loan of up to EUR25million (c.US\$27.2million) to Telecom Comores SA ("TelCo") and a senior secured loan of up to US\$100million (TZS linked) to Honora Tanzania Plc ("Honora" or "Tigo Tanzania"), two mobile network operators (MNO), subsidiaries of Axian Telecom, an existing IFC client. The proceeds of the proposed IFC financing would be used for (i) financing capital expenditure and refinancing existing loans for Honora; (ii) TelCo's mobile operations expansion program in Comoros through 2024-2026.



Early Warning System Project Analysis

This is a Category B project according to IFC's Policy on Environment and Social Sustainability (2012) because it has potential limited adverse E&S risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures. Key E&S aspects identified during the appraisal are: (i) the subsidiaries' ESMS to manage the network expansion process; (ii) ongoing implementation of the existing 'E&S risk screening' procedure, particularly regarding potential biodiversity impacts related to tower construction activities, (iii) implementation of fair and safe labor and working conditions for direct and contract workers; (iv) adequate monitoring and management of third-party service providers; (v) electronic waste management; (vi) stakeholder engagement and grievance management, and (vii) implementation of security management protocols and procedures.



Investment Description

- International Finance Corporation (IFC)

The total Project cost is estimated at US\$137.4 million, to be financed with a combination of debt and internal cash generation. The proposed IFC investment is in the form of debt consisting of (i) A Loan of up to EUR25 million (c.US\$27.2 million) to TelCo, and (ii) A Loan of to US\$100 million (TZS linked) to Honora.

IFC's Investment as Approved by the Board: Loan 126.41 million (USD)



Private Actors Description

TelCo is an MNO and mobile financial services provider that began commercial operations in Comoros in December 2016 as the second and only private MNO in Comoros.

Honora was acquired by Axian in 2022 and operates as an MNO and mobile financial services provider in Tanzania.

Axian Telecom is an established operator in the regional (Africa and Indian Ocean) telecoms industry since 2004, with operations in the mobile, mobile financial services, broadband (retail, wholesale and submarine cables) and tower infrastructure sharing services. Axian operates in nine countries, including La Reunion & Mayotte, Comoros, Senegal, Madagascar, Togo, Uganda, Tanzania and DRC. *Axian* holds a 100% ownership stake in *TelCo* and 78.4% of *Honora*, while Next Telco Ltd owns 19.6% and the Government of Zanzibar owns 2%.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Axian Telecom	Parent Company	-
-	-	-	-	Honora Tanzania Plc (TIGO)	Client	-
-	-	-	-	Telecom Comores SA	Client	-



Contact Information

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ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



Bank Documents

- [Environmental & Social Review Summary \(ESRS\)](#)