

## **1. General Information of the Project and Overview of Scope of IDB Invest's Review**

This review focused on the PTI's proposed activities in Ecuador. IDB Invest Environmental and Social (E&S) officers held conference calls and exchanged documentation with representatives from PTI to assess current E&S performance, to identify gaps, and to develop the E&S Action Plan found at the end of this summary.

The proceeds of the proposed loan will primarily be put towards the acquisition of approximately 1,367 communication tower sites that are already operating. Civil works will be limited to the construction of approximately 100 new communication tower sites. The construction and the maintenance of all of PTI's infrastructure is done by third party contractors. Thus, IDB Invest's review focused heavily on PTI's contractor management system.

## **2. Environmental and Social Categorization and Rationale**

This operation has been classified as a Category B (Medium-Risk) operation according to IDB Invest's Environmental and Social Sustainability Policy. The operation will likely generate, among others, the following risks and impacts: (i) worker health and safety risks during work with cranes, work at heights, and work with electrical infrastructure; (ii) risks of pollution from PTI's tenants' activities related to storage of generator fuel at tower sites and disposal of used batteries; (iii) community-related risks related to perceived impacts from electromagnetic fields or perceived impacts on landscape aesthetics; (iv) risks related to the potential presence of armed security guards; and (v) risks to birds which may strike towers or support wires. These impacts are deemed to be of low to moderate intensity.

The Performance Standards (PS) triggered by the operation are:

PS1: Assessment and Management of Environmental and Social Risks and Impacts

PS2: Labor and Working Conditions

PS3: Resource Efficiency and Pollution Prevention

PS4: Community Health, Safety, and Security

PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

PS8: Cultural Heritage