



*ANNUAL ENVIRONMENTAL MONITORING REPORT  
2009*

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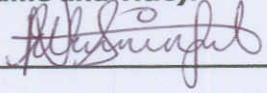
**FI Name:** Fidelity Capital Partners Limited **Country:** Ghana

**Report Period:** January – December 2009

**Report Date:** May 4<sup>th</sup> 2010

**Prepared by (Name and Title):**

Elsie Enniful Adu, Environmental Co-ordinator

Signature: 

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Name of CEO: Stephen Antwi-Asimeng

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CEO Signature: 

1. Environmental Management System (EMS)

Do the individuals below, identified in the commitment letter you submitted to FMO, still hold responsibility for environmental issues in your organization? Please update if necessary.

| Responsibility       | Name and Title                              | Attended IFC Environmental Management Workshop?<br>(When? Where?) | Attended other Environmental Management Training?<br>(What? When? Where? Sponsored by Whom?) | Contact Details<br>(Phone/Fax/E-mail)  |
|----------------------|---|---|--|--|
| Senior Officer       | Stephen Antwi-Asimeng<br>Managing Director  | Dakar, Senegal<br>June 2006                                       | n/a  | +233 21 782625<br>+233 21 782627<br><a href="mailto:steve@fidelitycapitalpartners.com">steve@fidelitycapitalpartners.com</a> |
| Environ. Coordinator | Elsie Enniful Adu<br>General Manager        | Dakar, Senegal<br>June 2006                                       | n/a  | +233 21 782625<br>+233 21 782627<br><a href="mailto:elsie@fidelitycapitalpartners.com">elsie@fidelitycapitalpartners.com</a> |
| Others?              | Christian Opoku Biney<br>Investment Manager | The Hague, The Netherlands<br>September 2007                      | n/a  | +233 21 782625<br>+233 21 782627<br><a href="mailto:chris@fidelitycapitalpartners.com">chris@fidelitycapitalpartners.com</a> |

Does your institution have a written environmental and social policy and procedure, approved by senior management? Yes  No  Unsure

If yes, please attach a copy, and explain any changes since the last reporting period.

No changes have been made to the policy since its revision in January 2008.

*What difficulties, if any, have you encountered in implementing your institution's EMS? What kind of assistance (from FMO or others) would be most useful to improve implementation (for example, support for in-house training, knowledge of what other financial institutions are doing, etc.)?*

At present, no difficulties have been encountered in implementing the EMS. FCPL however has recruited two new investment officers in the last 24 months, who could benefit from training in EMS.

*Please list any other organizations for whom you produce annual environmental reports.*

Annual environmental reports are produced for interested shareholders of Fidelity Equity Funds. At present, interested parties are:

- FMO
- SIFEM
- Oikocredit
- Finnfund
- SOVEC

## **2. General Update**

*Please provide a short update on the general status of the Fund. Include the following:*

- *Fund Status (e.g. early first closing; fully invested, etc.)*

**FEFII:** The second closing of the Fund took place in May 2008. This brought the total fund size to US\$23.2 million, from US\$16.6million at the first closing in July 2007. Six investments have been approved at the end of April 2010, and disbursements have been made to six companies.

FEFI: The Fund is fully invested.

- *Investment strategy (any changes?)*

The Fund's investment strategy remains the same. The focus is to invest in SMEs in Ghana, Liberia and Sierra Leone.

- *Details of any divestitures (what, when and why).*

The Fund is currently working on a full exit of most investments in this company.

- *Any major changes at the Fund Management Company*

One new staff (one investment officer) was recruited during the year.

- *Any major changes with respect to Limited Partners*

No changes.

**3. Sub project Portfolio**

Please complete the following information about all **NEW INVESTMENTS** approved during this reporting period.

|   |  |
|---|--|
| <b>COMPANY NAME:</b>  | <b>SWEDEN GHANA MEDICAL CENTRE LIMITED</b>   |
| Project location:   | Katamanso, Accra, Ghana  |
| Company business <sup>1</sup> :   | Healthcare, provision on cancer care services  |
| Investment type and amount:   | Equity - US\$190,000 Convertible Loans – US\$760,000   |
| Environmental Category:   | B-   |
| <p>Elaborate on the following:</p> <ul style="list-style-type: none"> <li>• What environmental due diligence has been undertaken, and by whom?</li> <li>• Main environmental<sup>2</sup> issues associated with this project and how they were dealt with. (i.e. outcome of due diligence)</li> </ul>   | <p>Environmental due diligence was undertaken by Environmental Co-ordinator.</p> <p>Based on the due diligence, minimal environmental and social impacts were expected from the business. Key issues were:</p> <ul style="list-style-type: none"> <li>• Disposal of waste – this will be effectively addressed through the use of an external waste collector</li> <li>• On completion, health and safety of workers during provision of radiotherapy service will be relevant. Radiotherapy operations will be monitored by evaluations from the Ghana Atomic Energy Board’s Radiation Protection Agency, in line with IAEA guidelines.</li> <li>• Health and safety issues of the workers – during construction, the area was declared hard hat zone. At present, construction is on-going.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Environmental conditions of investment.</li> <li>• Any environmental studies commissioned during this period (e.g. audits/EIAs etc.)</li> <li>• Compliance of investee with relevant host country laws</li> <li>• Compliance of investee with IFC policies and guidelines (if applicable)</li> <li>• Any public consultation or disclosure of environmental/social information that has occurred during this period</li> </ul> | <p>Proper conditions for health workers</p> <p>No</p> <p>Yes</p> <p>n/a</p> <p>n/a</p>   |

<sup>1</sup> Brief description, e.g. distributor of food and beverages, brokerage house, international transport company, etc.

<sup>2</sup> Remember, the term 'environmental' includes environment, health, safety, human, social and cultural issues.

|   |   |
|---|---|
| <b>COMPANY NAME:</b>  | <b>DIAGNOSTIC CENTRE LIMITED</b>  |
| Project location:   | Accra, Ghana  |
| Company business <sup>3</sup> :   | Healthcare, diagnostic services   |
| Investment type and amount:   | Equity – US\$1,249,500 Convertible Loans – US\$527,000<br>Bridge Loan - US\$486,000<br>*undisbursed commitments remain, and actual amount will be based on prevailing Euro/USD rates at time of disbursement.   |
| Environmental Category:   | B-  |
| Elaborate on the following:<br><ul style="list-style-type: none"> <li>• What environmental due diligence has been undertaken, and by whom?</li> <li>• Main environmental<sup>4</sup> issues associated with this project and how they were dealt with. (i.e. outcome of due diligence)</li> </ul> | <p>Environmental due diligence was undertaken by Environmental Co-ordinator.</p> <p>Based on the due diligence, minimal environmental and social impacts were expected from the business. Key issues were:</p> <ul style="list-style-type: none"> <li>• Disposal of waste – this will be effectively addressed through the use of an external waste collector</li> <li>• On completion, health and safety of workers during provision of radiology services will be relevant. This will be monitored by evaluations from the Ghana Atomic Energy Board’s Radiation Protection Agency, in line with IAEA guidelines.</li> <li>• Health and safety issues of the workers – during construction, the area was declared hard hat zone. At present, construction is on-going.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Environmental conditions of investment.</li> </ul>   | Proper conditions for health workers  |
| <ul style="list-style-type: none"> <li>• Any environmental studies commissioned during this period (e.g. audits/EIAs etc.)</li> </ul>   | No  |
| <ul style="list-style-type: none"> <li>• Compliance of investee with relevant host country laws</li> </ul>  | Yes   |
| <ul style="list-style-type: none"> <li>• Compliance of investee with IFC policies and guidelines (if applicable)</li> </ul>   | n/a   |
| <ul style="list-style-type: none"> <li>• Any public consultation or disclosure of environmental/social information that has occurred during this period</li> </ul>  | n/a   |

<sup>3</sup> Brief description, e.g. distributor of food and beverages, brokerage house, international transport company, etc.

<sup>4</sup> Remember, the term 'environmental' includes environment, health, safety, human, social and cultural issues.

Please complete the following information about all **PREVIOUS/ONGOING INVESTMENTS**. Use as many rows as required.  
**Fund: FEFI**

| Company Name                   | Location          | Business Activity                     | Investment type and amount   | Environmental Category | Environmental issues at approval | Current environmental status/any changes since last report  |
|--------------------------------|-------------------|---------------------------------------|--|------------------------|----------------------------------|---|
| Ningo Salt                     | Accra, Ghana      | Salt production and refinery          | Equity, Convertible Loans<br>US\$600,000   | B-                     | Health and safety                | This has been effectively addressed   |
| Sun Ridge                      | Accra, Ghana      | Mineral water production and bottling | Equity<br>US\$1,415,652<br>(conversion of all convertible loans into equity in 2009) | B-                     | Health and safety                | Implementation completed in 2009  |
| International Community School | Accra, Ghana      | Education                             | Convertible Loans<br>US\$600,000   | C                      | n/a                              | n/a   |
| Premier Milling                | Monrovia, Liberia | Flour milling                         | Convertible Loans<br>US\$700,000   | B-                     | Disposal of waste                | This has been effectively addressed. Additional recommendations received for implementation in 2010 |
| Rising Data Solutions          | Accra, Ghana      | Business process Outsourcing          | Convertible Loans<br>US\$800,000   | C                      | n/a                              | n/a   |
| BusyInternet                   | Accra, Ghana      | Information Technology                | Equity, Convertible Loans<br>US\$489,474   | C                      | n/a                              | n/a   |
| Softtribe                      | Accra, Ghana      | Information Technology                | Equity, Convertible Loans<br>US\$500,000   | C                      | n/a                              | n/a   |

|           |              |                           |  |    |                   |                                     |
|-----------|--------------|---------------------------|--|----|-------------------|-------------------------------------|
| Isopanel  | Accra, Ghana | Polystyrene manufacturing | Equity, Convertible Loans<br>US\$600,000 | B- | Disposal of waste | This has been effectively addressed |
| Adehyeman | Accra, Ghana | Savings and Loans         | Equity, Preference shares<br>US\$700,000 | C  | n/a               | n/a                                 |

**Fund: FEFII**

| Company Name            | Location      | Business Activity                            | Investment type and amount                 | Environmental Category | Environmental issues at approval    | Current environmental status/any changes since last report |
|-------------------------|---------------|--|--|------------------------|-------------------------------------|--|
| Adehyeman               | Accra, Ghana  | Savings and Loans                            | Equity, Preference shares<br>US\$800,000   | C                      | n/a                                 | n/a  |
| Eihental                | Accra, Ghana  | Real estate development, Property management | Equity, Convertible Loans<br>US\$1,500,000 | B-                     | Health and safety Disposal of waste | This has been effectively addressed                        |
| LaGray Chemical Company | Nsawam, Ghana | Pharmaceuticals manufacture                  | Equity, Convertible Loans<br>US\$2,000,000 | B-                     | Health and safety Disposal of waste | This has been effectively addressed                        |
| Sunripe Food Processing | Hebron, Ghana | Fruit juice processing                       | Equity, Convertible Loans<br>US\$1,600,000 | B-                     | Health and safety Disposal of waste | This has been effectively addressed                        |

**3. Project Environmental and Social Compliance**

*How do you know whether your portfolio companies comply with the relevant environmental, health and safety regulations of your country?*

FCPL undertakes annual audits of the portfolio companies. In addition, attention is paid to environmental issues at periodic visits to the companies, and any anomalies or slippages detected is pointed out to the company for rectification.

*Please provide details on any known instances of non-compliance with IFC's requirements and the measures taken by FCPL and/ or portfolio company to remedy the situation.*

n/a

*In the past year, did your institution make any loans for specific environmentally and/or socially beneficial projects (for example, a manufacturer that produces solar panels, or an agribusiness that produces organic produce)?*

Yes  No

*If yes, please provide details:*

FCPL made investments into the healthcare sector – a cancer centre and a diagnostic centre. These companies will be the first fully private companies offering unique services in Ghana in the health sector. The cancer centre is expected to create and develop skilled jobs in the medical sector in Ghana. In addition, it will produce high quality treatment for cancer patients, and diagnostic services for patients in general at reasonable prices.

**Please describe any instances where FCPL has added value to a project(s) with respect to environmental and social risks and opportunities.**