

**U.S. Position on AfDB's Loan to the National Industrial and Mining Company (SNIM) in Mauritania**

**November 22, 2017**

The United States would like to be recorded as abstaining on this project due to disclosure issues and concern about its weak development impact.

With respect to disclosure, the summary environment and social impact assessment (ESIA) was not disclosed 120 days prior to this Board date, which is considered good practice in transparency. Given the project's significant expected environmental impact, U.S. legislation requires an abstention.

In addition, the United States questions the value that the Bank is providing in this operation (other than long-term financing with a generous, two-year grace period). SNIM's record in carrying out earlier AfDB operations is mixed. The 2009 investment in a new iron ore processing facility in Guelb experienced significant delays and cost overruns.

It is also not clear the degree to which this project will have broader development impact in the community by benefiting small and medium enterprises (SMEs) as it does not have any deep community linkages to enable longer-term job creation.

Finally, the United States questions why AfDB is making a \$50 million loan for a project that is not directly consistent with the Mauritania's Country Strategy Paper (CSP).