

Case Study: Environmental and Social Due Diligence

Who

Helios Investment Partners (Helios) is the largest Africa-focused private investment firm, investing in start-ups, growth equity investments, listed companies and large scale leveraged acquisitions across the continent. Their sectors of focus include telecommunications, media, financial services, power, utilities, travel, leisure, distribution, fast-moving consumer goods, logistics and Agro-allied sectors. Helios is also the largest emerging markets-focused Private Equity firm globally to receive B Corp certification.

What

Helios invested \$100 million for a 12.4% stake in Africa Oil Corp. (AOC), a Canadian oil and gas company with assets in Kenya and Ethiopia. As part of the investment decision-making process, Helios required an independent environmental and social (E&S) due diligence of AOC's activities.

Kina was engaged to carry out an independent E&S review based on AOC's compliance with the international Finance Corporation's (IFC) Environmental and Social Performance Standards, in time for a decision by Helios' Investment Committee. The purpose of the E&S review was to determine whether AOC had effective procedures, systems and processes in place for identifying, assessing and managing E&S risks and impacts.

How

The E&S due diligence included a detailed review of documents relating to AOC's policies, procedures, management plans and activities. It also accounted for the E&S impacts of the company's operations in Kenya and Ethiopia based on Kina's detailed knowledge and experience of AOC's assets in these areas. Kina had a number of discussions with AOC and reviewed a report of an E&S assessment carried out separately by IFC.

The findings, conclusions and recommendations were presented to Helios in an executive summary and a comprehensive supporting report.

Result

The outcome of the E&S review was an important factor in providing Helios with the necessary assurances to make a significant investment decision regarding AOC.

"The Kina team carried out a thorough environmental and social due diligence review of AOC, demonstrating a deep knowledge of the issues relevant to the oil and gas industry in Kenya and Ethiopia. We were impressed by the quality of their work."

Ogbemi Ofuya, Vice President, Helios.

How to engage us

To discuss your requirements, please contact us by sending an email to Elizabeth Arthur at elizabeth@kinaadvisory.com or to info@kinaadvisory.com

For more information about Kina Advisory, please visit our website [Kina Advisory](https://www.kinaadvisory.com).