Luxembourg, 2 October 2015

Environmental and Social Data Sheet

Overview

Project Name:	*PARC PHOTOVOLTAIQUE CESTAS*
Project Number:	*2014-0502*
Country:	*France*
Project Description:	*Construction and operation of 25 solar photovoltaic power plants totalling 300 MWp. The plants are located on adjacent parcels, 20 km south-west of Bordeaux (France) close to the village of Cestas.*

EIA required: yes

The Authorities did not require an EIA for the grid connection. The connection to the 225 kV network consists of 2 km underground cable and a new tie-line substation.

Project included in Carbon Footprint Exercise[1]: yes

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The Project aims at producing up to 355 GWh per year of solar photovoltaic electricity to be exported to the national high voltage network. It is located in a flat and sunny forestal area, 20 km south-west of Bordeaux close to the village of Cestas, on the border with the natural regional park of the Landes de Gascogne but far distant from any Natura 2000 site. It is divided in to 25 adjacent sub-projects of 12 MW each, away from any residential or urban areas thereby making visual and noise impacts of the power plant negligible.

The project site is ca. 265 ha in size which is significantly less than in other ground-based PV projects thanks to the specific project design. The project site benefits from existing road and grid infrastructure. The project site is mostly covered by forest that required deforestation prior to construction.

The Project falls under Annex II of the EIA directive and have been screened in under the national legislation thus requiring an EIA. An Environmental Impact study (EIS) has been commissioned by the promoter and approved by the Authorities. The EIS confirms that the power plant does not have any significant negative impacts if all mitigation measures are fully implemented. Deforested land has been compensated by the reforestation of an equivalent surface area nearby. Further mitigation measures comprise the creation of passages for small the EIA recommendations.

The connection to the 225 kV network consists of 2 km underground cable and a new substation. Due to the nature of the 225 kV tie-line substation, the Authorities have not required an EIA for the grid connection works.

The project is deemed acceptable for the Bank-financing under environmental and social aspects.

[1] Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

Environmental and Social Assessment

Environmental Assessment

The Project has been implemented in compliance with the French Decree 2009-1414 (19 November 2009) and the Order dated 18 December 2009 that define the approval process for ground mounted solar photovoltaic plants. The Project complies with the EIA Directive 2011/92/EU, the EU Habitats Directive 92/43/EEC, and the French Environmental Code (Ordonnance 2000/914).

The Project entails limited local impacts on the fauna and flora, the landscape, the soil and groundwater and has no substantial cumulative impact in Aquitaine's region. The EIA recommends preventive, corrective and compensatory measures during the construction and operation phases, notably i) an adequate construction schedule considering the breeding and nesting periods ii) a drainage system and adequate vegetation under the panels to preserve the soil, iii) the access for small animals to/from the site, iv) fire and lightning protection as well as water accessibility measures, and v) visual impact minimisation with hedgerows. The promoter will monitor the colonization of the flora and fauna on site during the first five years of operation and report annually to the Authorities as required in the building permit. The promoter's environmental and social capacities are deemed acceptable.

Finally, the EIA refers to the key recommendations of the impact assessment related to deforestation and drainage during Project preparation, i.e. i) the reforestation of ca. 226 ha, equivalent to the deforestation on site and ii) the preservation of a wet heath area (1.35 ha) and of a small flooded willow plantation of approximately 0.5 ha.

The promoter has successfully arranged the Project's public consultation in line with French regulation. Around 60 residents of the neighbouring municipalities participated to the public consultation. The promoter addressed all queries, noting that there has not been any material concern in relation to the Project.

The building permit no. PC 033 122 12V1061 was granted by the Prefet to the Promoter on 24 May 2013 to erect the solar plant in the commune of Cestas. Two modifying building permits were granted by the Prefet to authorise minor technical modifications in the construction works for the erection of the plant (e.g. position of cables and modules, position and dimensions of the technical premises and of the delivery point):

(i) PC 033 122 12V1061-M1 dated 3 December 2013; and

(ii) PC 033 122 12V1061-M2 dated 31 March 2014.

The permit requires the full implementation of mitigation measures identified in the EIS. The Bank is not aware of any past or current formal complaint in relation to the Project.

ErDF issued a DUP (Declaration d'Utilité Publique) for the construction of the 225 kV substation and connection to the network. EIA was not mandatory for the grid connection project. It is noted that ErDF successfully addressed all land owners' issue prior to start the works.

The Project will contribute to reducing the emissions of air pollutants and greenhouse gases, ultimately supporting climate change actions in the European energy sector.

EIB Carbon Footprint Exercise

- The emission savings are estimated at 226 400 tons of CO_2 equivalent per year, based on 338 GWh/a average annual generation over the Project life.
- The Project provides intermittent power generation. Following the Bank's Carbon Footprint methodology, it is assumed that 75% of the electricity generated by the Project is replacing power generation in existing French power plants and 25% of generated electricity is replacing power generation in new gas fired combined cycle power plants.

- For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.