

Environmental and Social Data Sheet

Overview

Project Name:	ENERGIEFONDS OVERIJSSSEL
Project Number:	2021-0427
Country:	Netherlands
Project Description:	Loan to the Energy Fund of the Province of Overijssel for investment in small-scale energy efficiency and renewable energy projects.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The present operation concerns a Framework Loan (FL) that will support the financing of small renewable energy and energy efficiency projects through a financial intermediary (FI) Energiefonds Overijssel (EFO), managed by an independent Fund Manager, CL Venture Partners BV/ Startgreen Capital (FM). The project will be implemented in the Overijssel province in the Netherlands over the period 2022-2026. The FL is expected to finance a large number of small-scale projects, mostly under EUR 10m project cost.

The investments will generate environmental benefits, and given the relatively small scale of the operations, the nature of the investments, and the expected locations in built-up urban areas, the investments are not likely to have a significant negative environmental or social impact. However, the subprojects will be required to comply with the provisions of the EU EIA Directive 2014/52/EU amending Directive 2011/92/EU as transposed into national law, and any other environmental legislation applicable to the sub-project. Should the relevant competent authority screen in an investment project, the Borrower will be required to publish all the environmental studies associated with the project (EIA, EIS, NTS, etc), or provide a website link to the EIB, to the location where they are published.

The legal documentation to be concluded between the Borrower and the Bank shall include an obligation on the Borrower to ensure that all projects are in compliance with national legislation transposing the relevant EU Directives.

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

Luxembourg, 25.11.2021

Temporary nuisance due to construction works (traffic, dust, noise) will be mitigated through appropriate site organisation and construction management. Emissions of pollutants from heating systems, industrial processes and waste management will be mitigated using proven technologies in compliance with national legislation.

Social Assessment

Given the characteristics of the projects, it is considered that there is a low risk of negative social impact. Social risks will be analysed and addressed as part of EFO's due diligence of each project.

EIB Carbon Footprint Exercise

Intermediated lending through Framework Loans is not currently included in the carbon footprint exercise.

Other Environmental and Social Aspects

The FI is new to the Bank. Through the due diligence it has been presented with the Bank's Environmental and Social requirements. The FI and the Fund Manager have substantial previous experience in financing the types of projects to be financed with this operation. The Bank has reviewed the Fund Manager's due diligence capabilities, finding them acceptable.

All schemes under this operation undergo due diligence by the Fund Manager, including environmental and social appraisal. The FI will be contractually obliged to ensure that all investments comply with national laws and the relevant EU Environmental Directives (e.g. EIA Directive 2014/52/EU amending Directive 2011/92/EU, Habitats 92/43/EEC, and Birds Directive 2009/147/EC amending 79/409/EEC), and the EIB's Environmental and Social Standards (where applicable). Particular attention will be necessary concerning the potential impact of the annulment of the PAS (Nitrogen Action Program) on the pipeline and projects implemented.

Under the allocation procedures, all underlying sub-projects will be reviewed by the EIB, either ex-post or ex-ante, depending on the investment cost. Only projects that receive environmental authorisations (where applicable), including an opinion from the Competent Authority of no negative impact on any Natura 2000 site, as well as licences (including building permits), and which are in compliance with relevant EU Environmental Directives and EIB E&S Standards (where applicable), are eligible for EIB financing.

Conclusions and Recommendations

During appraisal, the Borrower has been introduced to the Bank's E&S requirements, it is aware of the need to comply with them and committed to implement them. The due diligence process performed by EFO for each of the investments includes E&S matters. The Borrower relies on specialised external advisors to perform permitting (E&S) and legal due diligence and has designated staff who are responsible for those matters.

In view of the above findings and conditions, the operation is deemed acceptable from the perspective of environmental and social compliance.