

Environmental and Social Data Sheet

Overview

Project Name:	AKUO MULTI-COUNTRIES RENEWABLE ENERGY PROGRAMME
Project Number:	20160982
Country:	Multiple EU countries
Project Description:	<i>The operation is an intermediated framework loan to support the investment programme of an independent renewable power producer, consisting in the construction and operation of several small-scale, mature RE technologies such as wind, solar PV, hydropower and biomass, within the EU, up to a total capacity of around 300 MW.</i>
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

(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 operation is a Framework Loan, which will comprise several small-scale, mature RE technologies sub-schemes: wind farms (54% of total capacity), solar PV plants (31%), hydropower (3%) and biomass plants (12%), mainly in France as well as in Poland and Croatia. The sub-schemes are at an early stage of development.

All of the sub-schemes fall under Annex II of the Environmental Impact Assessment (EIA) Directive 2011/92/EU which means that they can be subject to an EIA on a case by case basis decision or defined criteria set by the competent authority.

It is proposed that final Environmental Impact Studies satisfactory to the Bank, including Non-Technical Summaries, are presented to the Bank prior to disbursement to any of the schemes that has been screened in for an EIA procedure. Additionally, for each sub-scheme that may have an impact on a nature conservation site, written confirmation from the competent nature conservation authority, or an equivalent confirmation satisfactory to the Bank, that the mentioned sub-scheme does not have a significant negative impact on any site of nature conservation importance should be presented, as a condition of disbursement.

Schemes with significant negative impacts on areas with high biodiversity value, nature conservation areas, including bird or fish migration routes shall not be eligible.

It is also proposed that the promoter shall present, prior to disbursement to any biomass sub-scheme, a biomass sustainability policy, satisfactory to the Bank, with terms imposed on forest biomass sourcing and ensuring that best practices are followed in forest management of the sourcing areas.

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.

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The Financial Intermediaries (FIs) will ensure the application of the Bank's environmental policy: as part of their standard due diligence work, FIs will screen environmental and social aspects of its projects, including for compliance with relevant national and EU environmental and social legislation.

Having reviewed both, the project selection processes of the promoter and the project due diligence processes of the FIs, and in view of the conditions proposed, the operation is considered acceptable for Bank financing from a social and environmental point of view.

Environmental and Social Assessment

EIB Carbon Footprint Exercise

Intermediated lending through Framework Loans is not currently included in the carbon footprint exercise, except for large allocations which are subject to individual appraisal by the Bank. If any, these will be included in the footprint exercise if emissions are above the thresholds, in the year the allocation is approved by the Bank.

Other Environmental and Social Aspects

All schemes under this operation undergo a due diligence by the financial intermediaries (FIs), including an environmental and social appraisal. In this context the FIs will verify respect the relevant EU Directives and national laws for each scheme.

The promoter is signatory to the Equator Principle, has an HSE policy in place and complies with the relevant law.

Conclusions and Recommendations

On the basis of the above, the Bank will require the following environmental and social disbursement conditions and undertakings in its finance contract:

Disbursement conditions

- For loan allocations for which the underlying project is subject to an EIA according to EU or national legislation, the financial intermediary shall collect and publish the Non-Technical Summary (NTS) of a project's EIA, retain on file a copy of the NTS and provide a digital copy to the Bank, and confirm that the project incorporates all mitigating measures recommended as a result of the EIA, in order to ensure compliance with the EIB's Public Disclosure Policy.
- For each sub-scheme that may have an impact on a nature conservation site, the financial intermediary shall obtain confirmation from the competent nature conservation authority, or an equivalent assessment satisfactory to the Bank, that the scheme does not have a significant negative impact on any site of nature conservation importance.
- For each biomass scheme, presentation of a biomass sustainability policy, satisfactory to the Bank, with terms imposed on forest biomass sourcing, ensuring that best practices are followed in forest management of the sourcing areas. Examples of acceptable internationally accredited certification systems are Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC).

Undertakings

- Biomass sub-schemes:
 - shall be based on forest biomass from forests that are certified by internationally accredited forest certification systems, such as FSC and PEFC. The sourcing areas that are not yet certified, have to comply with the same standards so as to be certifiable.

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- shall exclude sourcing of biomass from areas with natural forest conversion and logging of primary moist and tropical forests.
- concerning sourcing of biomass, that shall comply with the EU Forest Law Enforcement Governance and Trade (FLEGT) Regulation (if applicable).
- concerning not yet certified biomass sourcing areas, an independent external audit report on compliance with the best practices is to be submitted to the Bank annually. The best practices are defined by the existing forest management and chain of custody standards of internationally accredited forest management certification schemes. The report is subject to the satisfaction of the Bank's Services.