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Public

Environmental and Social Data Sheet

Overview

Project Name:	*Renovables de la Ribera Wind Farm*
Project Number:	*2019-0097*
Country:	*Spain*
Project Description:	*The project consists of the financing of a 111-megawatt (MW) wind farm and its associated infrastructure, located in the Spanish region of Navarra.*
EIA required:	yes
Project included in Carbon Footprint Exercise[1]:	yes

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

Environmental and Social Assessment

Environmental Assessment

The Project is expected to contribute to achieving the Spanish renewable energy targets of 20% final energy consumption coming from renewable sources by 2020. It will also support the EU-wide 2030 target of 32% of renewables and the Spanish renewables targets of 74% in the power sector by 2030 that has been recently included in their National Climate and Energy Plan (NECP).

The Project consists of the construction and operation of a ~111 MW wind farm with 32 Wind Turbine Generators (WTG) and the associated infrastructure, such as access roads, substation, a 66kV transmission line (~13 km overhead and ~3 km underground), and other ancillary facilities. It is located in the Spanish region of Navarra, in the municipalities of Cadreita,Valtierra, Castejon and Tudela. The overhead section of the transmission line has been designed as a bi-circuit for 66kV and 220kV and will be a shared facility with another project from another promoter. The Renovables de la Ribera Project will use the 66kV circuit, while the other project will use the 220 kV circuit.. The 66 kV line of the Project will connect to a new 66/220/400 kV substation "La Cantera", which will gather the energy from different projects in the area (as a shared facility belonging to the different promoters). La Cantera will connect directly into the existing 400 kV substation "La Serna", property of REE (the Transmission System Operator), which will be the Point of Injection into the grid.

The project is included in Annex II of the EIA Directive 2011/92/EU and, based on national and regional environmental regulations, has been screened in by the competent authority, requiring full EIA, including public consultation. The environmental authority received in March 2015 the Environmental Impact Studies (EIS) for evaluation, one for the plant and one for the

[1] Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB draft 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.

transmission line. The EISs were submitted together for public consultation in July 2015. The EISs were based on a larger initial project, using 54 WTGs. Such proposal was declared environmentally inviable by the competent authority, considering the large footprint of the project in an area of high importance for the conservation of threatened species, with an important risk of incidence and a barrier effect on their displacements, and negative consequences on the natural conservation objective of the Bardenas Reales SCI. However, the western part of the initial project, with 32 WTGs, was declared environmentally viable. The Project received its environmental permit for those 32 WTGs in November 2016, covering both the plant and the transmission line.

The closest Special Protection Areas (SPAs) for birds is more than 5 kms away from any of the project component (ES0000171 "El Plano-Blanca alta"), and the second nearest is at about 13kms (ES0000172 "Rincón del Bu-La Nasa-Tripazul"). Two Sites of Community Importance (SCIs) are located closer to the wind farm, the ES2200039 "Badina Escudera", at about 3km from the western part of the plant, and the ES2200037 "Bardenas Reales", which is adjacent to the northern part of the wind farm, at a distance of about 70m to the closest WTG. This SCI "Bardenas Reales" corresponds broadly to the Important Bird Area (IBA) "Bardenas Reales" (ES090), which includes also the two SPAs mentioned above. The Bardenas Reales IBA is a large area of 55900 ha of steppe with a high importance for the conservation of steppic birds, including four of the 20 species in Europe that are restricted to the Mediterranean biome (when breeding). It is one of the main area in Navarra for the Dupont's Lark and the Pin-tailed Sandgrouse, and one of the most important for the Lesser Short-toed Lark. It is also an area frequented by raptors, like the Golden Eagle and the Egyptian Vulture (an Endangered species as per the IUCN Red List).

While the wind farm is not located within any Natura 2000 site, the transmission line is crossing the river Ebro through the SCI "Rio Ebro" (ES2200040). The crossing zone was chosen to have the minimum impact on the flora of interest, being in the same ambit of other infrastructure (highway, railway, high voltage electric lines, etc), and mitigations and corrective measures are proposed by the Promoter to minimize the risk of impact on the fauna.

The EISs included the appropriate identification of the impacts (such as visual and noise impacts, impacts on biodiversity and ecosystems – mainly collisions and disturbance of avifauna, loss of habitats, and impact on cultural and archaeological patrimony), the determination of their qualitative significance, as well as the measures to avoid, reduce, mitigate and compensate the impacts. The EIS of the wind farm was complemented by a one-year avifauna study (survey in selected vantage points and transects relevant to the project site), dated 2010. The construction sequence of the wind farm and the transmission line will avoid critical periods for the breeding of bird species. Bird-flight diverters, including light signals, will be installed on the overhead connection line conductors and on the ground cables to minimise the risk of bird collision. The EISs included the preliminary Environmental Management Plans ("Plan de Vigilancia Ambiental") for the construction and operational phases. The authorities specified additional measures as a condition to the permit, in particular the approval of the Environmental Management Plan for the construction phase and the operational phase, including:

- An avifauna study covering one year before the start of construction which was carried over in 2018-2019, and approved by the authority in May 2019, and 5 years thereafter.
- The definition of a protocol for continuous monitoring of the presence of avifauna in the area of the wind farm, including the identification of collision risks and the consequential shutdown of the WTGs involved.

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The authorization procedure and compliance with EU EIA, Birds and Habitats directives is deemed satisfactory following the Bank's review of individual EIA documentation and the environmental permit. The authority explicitly declared that, following an appropriate assessment, the project will not have significant effects on a site of nature conservation importance, including on the Natura 2000 sites (Form A Part II).

The Promoter is a joint venture of two companies. One of them is well known to the bank from previous operations in the energy sector having experience in the construction, acquisition and operation of a large portfolio power generation, with a combined installed capacity of about 47 GW globally and 26 GW is in Spain. The shareholders of the Promoter will appoint an experienced project manager for the joint venture, who will be supported by an Owner Engineer team for the supervision and coordination of the Project implementation. Regular meetings will be held between the project team and the shareholders. The Promoter's shareholders will provide the adequate support as and when needed (engineering; E&S, etc), ensuring that the Promoter will have access to sufficient E&S capacity to implement the project.

EIB Carbon Footprint Exercise

The plant is expected to have an average electricity production of ~321 GWh/year (P75) and will not generate any absolute CO_2 emissions. In accordance with the Bank's current Carbon Footprint methodology, it is calculated that based on the avoidance of electricity generation from a combination of existing and new power plants in Spain (75% operating margin and 25% build margin), the total relative effect of the project is a net reduction in CO_2 equivalent emissions by 124 kt CO_2-e/year.

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.

Social Assessment

The project requires the acquisition or lease of 36 plots of land for the wind farm. The transmission line will require the acquisition, lease or rights of way over 114 plots of land and several infrastructure. The Promoter has been engaging with the landowners in order to reach voluntary agreements for all project infrastructures, in the form of either sales, leases with annual payments and surface rights/rights of way with single payments.

For the pieces of land where a voluntary agreement could not be reached, the Promoter required expropriation, in line with the Spanish legislation. In Spain, all projects required for the implementation of the different activities within the electricity sector, including generation, promoted by public or private companies, are considered public utility, and subject to urgent forced expropriation, to be carried out by the authority, in the interest of the Promoters. For the wind farm, all lands have been leased through bilateral agreements with landowners and no expropriation has been required. For the transmission line, 32 plots of land have been subjected to expropriation, out of the 114 plots needed.

Most of the land has now been secured. The Bank will require the Promoter to provide notice of any new expropriation process to be initiated on the lands that are not yet covered by a land agreement/titling and to review to its satisfaction the related documentation, as a project undertaking.

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Public Consultation and Stakeholder Engagement

For both the wind farm and the transmission line, the public consultation was carried out under the EIA process, as required by the EU, and as transposed by the national and regional law. The promoter has not developed further stakeholder engagement activities.

Conclusions and Recommendations

Conditions to disbursement:

Disbursement will be conditional upon satisfactory review by the Bank of:

- The Environmental Management Plan for the construction phase and its approval by the authorities, as required under the permit.

Undertakings

The Promoter undertakes to provide, to the satisfaction of the Bank, as soon as available:

- The copy of the environmental reporting as required by the permits, with the annual reporting, including the detailed study of bird populations to be performed during construction and operation
- The protocol approved by the authority for the continuous monitoring of the avifauna, including the identification of collision risks and the consequential shutdown of the WTGs involved.
- A report detailing, for each parcel of the wind farm and of the transmission line, location, surface, status type and specifics of the ownership agreement/land titling reached, ownership and use of the land prior to such agreement/land titling.
- For each project component (i.e. site and accessory infrastructure), notice of any new expropriation process to be initiated on the lands that are not yet covered by a land agreement/land titling, together with the related documentation.

With the satisfactory implementation of the conditions set in the Environmental Permit and the specific conditions mentioned above, the EIA processes and their results are acceptable to the Bank.

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