Early Warning System

EIB-20210639

SBI CLIMATE ACTION FL

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Quick Facts

Countries	India
Financial Institutions	European Investment Bank (EIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2022-12-31
Borrower	STATE BANK OF INDIA
Sectors	Energy, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 200.00 million
Loan Amount (USD)	$ 200.00 million
Project Cost (USD)	$ 400.00 million

Project Description

According to EIB, this project consists of a framework loan to support climate action investments in India. The facility will finance renewable energy generation projects (small to medium size), electric mobility or green hydrogen production, as well as potentially other eligible climate action investments such as renewable energy equipment manufacturing or low carbon transport, promoted by private sector companies.

The Promoter has to ensure that implementation of the project will be done in accordance with the EIB's Guide to Procurement.

ENVIRONMENT ASSESSMENT

If the schemes were located within the EU, most of them would fall under Annex II of the Environmental Impact Assessment (EIA) Directive (2014/52/EU amending the EIA Directive 2011/92/EU), with the competent authorities assessing the need for an EIA. The inclusion of certain interconnection infrastructure, falling under Annex I, would require a mandatory EIA.

In India, environmental and social regulations include some of the elements present in the EU Directives, although there is traditionally certain lack of enforcement. In particular, national regulation requires an Environmental and Social Standards Assessment (ESIA) for these type of projects. Compliance with ESIA at the Framework Loan and allocation levels will be verified during the appraisal of the schemes, in particular the Promoters' environmental and social capabilities and procedures, public consultation process, vulnerable groups and land tenure issues.

Onshore wind and Solar PV projects are not required to conduct ESIA processes. However, the Bank has defined a set of criteria, based on which the promoter is required to either conduct a full ESIA or a Rapid Environmental and Social Assessment (REA). The Bank services will ensure the assessment is carried out by the Financial Intermediary or with local consultants.

According to bank's criteria, criteria, any project that fulfils at least one of the following criteria will be required by the Bank to conduct a full ESIA: (i) total project area of 100 ha or more, (ii) including a high voltage connection line of more than 15km, (iii) proximity to protected habitat where significant negative impacts cannot be excluded, (iv) physical or economic resettlement, or (v) no satisfactory REA or risk factors identified in the REA. The Financial Intermediary will be required to provide confirmation that none of the schemes submitted for part-financing by the Bank have a significant negative impact on any site of nature conservation importance, including sites protected under national legislation and international agreements to which India has subscribed.

Investment Description

- European Investment Bank (EIB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- State Bank of India (Financial Intermediary)

Contact Information

No contact information provided at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm

ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address: complaints@eib.org, by completing the online complaint form available at the following address: http://www.eib.org/complaints/form via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check: http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces

Bank Documents

- Environmental and Social Data Sheet [Original Source]