

Luxembourg, 18.10.2023

Public

Environmental and Social Data Sheet¹

Overview

Project Name:	<i>SOUTH-WEST EUROPE RENEWABLE ENERGY PF ENVELOPE</i>
Project Number:	<i>2023-0366</i>
Country:	<i>Regional – EU Countries</i>
Project Description:	<i>Lending Envelope for utility-scale on-shore wind and solar PV energy plants project financing, mainly in Spain, Portugal, Italy, Ireland and France.</i>
EIA required:	<i>To be determined on a case-by-case basis for each sub-operation.</i>
Invest EU sustainability proofing required	<i>To be determined on a case-by-case basis for each sub-operation.</i>
Project included in Carbon Footprint Exercise ² :	<i>To be determined on a case-by-case basis for each sub-operation.</i>

Environmental and Social Assessment

Environmental Assessment

The Lending Envelope (LE) will be used to finance utility-scale onshore wind and solar PV projects in the EU.

The operation will contribute to EU energy objectives by supporting investments in new renewable energy generation capacity. The investments will generate environmental benefits in terms of reduction of air pollutants and GHG emissions, ultimately helping to mitigate climate change. The sub-operations to be financed under the LE will be consistent with the Main Policy Priority Areas of the Sustainable Infrastructure Window – General Debit (InvestEU-SIW) .

Due to their technical characteristics, most of the investments are expected to fall under Annex II of the EIA Directive 2011/92/EU, as amended by Directive 2014/52/EU, leaving it to the competent authority to determine based on the criteria listed in Annex III whether an environmental impact assessment report is required. Some associated transmission lines could fall under Annex I.

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation, and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary.

² 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.



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Given the nature and technical characteristics of the schemes, environmental impacts are expected to mainly include noise and traffic disruption during construction, visual impacts, and impacts on cultural heritage, landscape and biodiversity. Cumulative impacts with other projects and associated facilities will be taken into consideration. For wind farms in particular, impacts on avifauna, shadow flickering and noise emissions are expected during the operation phase. During this phase, impacts on avifauna are also expected by the high voltage equipment (mainly overhead, high voltage electricity lines) connecting the plants to the grid.

Overall mitigation measures are expected to include, amongst others, construction procedures to minimise damage and disturbance, measures to reduce potential soil and water contamination, minimisation of use of plant protection products, preservation of watersheds within the project site as possible, standard waste management procedures in line with national legislation, top soil restoration as needed, transit of machinery via authorised routes, measures to reduce impact on archaeological heritage and on landscape, measures to protect the flora and fauna e.g. some works to be carried out outside of certain periods, etc. The studies prepared during the EIA process typically conclude that projects do not have significant negative environmental impacts post mitigation.

Compliance of each individual project with the relevant EU directives (including the Habitats Directive 92/43/EEC and/or Birds Directive 2009/147/EC) will be assessed at the appraisal of the corresponding sub-operation.

Climate Assessment

A Climate assessment will be carried out at sub-operation level, including aspects related to climate mitigation and adaptation, as well as the Carbon footprint calculation. The sub-operations will also be assessed for Paris alignment, and against the policies set out in the EIB Climate Bank Roadmap.

EIB Paris Alignment for Counterparties (PATH) Framework

The Promoter of each sub-operation supported by the LE will be assessed using the EIB's Paris Alignment for Counterparties (PATH) Framework.

Social Assessment

The sub-operations to be financed under this LE will concern investments that are expected to be carried out in eligible territories according to InvestEU, in compliance with applicable labour and social legislation and with international conventions and charters.

Regarding the solar PV plants, recent reports are pointing out the possibility of use of forced labour in the supply chain of solar PV panels. The solar supply chain risk will be assessed for each of the sub-operations. The Bank will seek to obtain satisfactory evidence including through supply chain mapping and certifications.

Conclusions and Recommendations

Each sub-operation will be subject to individual appraisal and approval, and the EIB will ensure that all the sub-operations under this LE are acceptable for EIB financing from an environmental and social perspective. Environmental documentation, including an Environmental and Social Data Sheet (ESDS) will be prepared for each sub-operation, in accordance with EIB appraisal procedures. Additional E&S loan conditions will be defined at sub-operation level, if and where required.

The environmental, climate and social screening of the Project against the InvestEU sustainability proofing requirements will be carried out for each sub-operation. Legal compliance will be verified for each scheme prior to disbursement.

Under these conditions, the lending envelope (LE) is acceptable for EIB financing in environmental and social terms.