

Luxembourg, 23.02.2024

Public

Environmental and Social Data Sheet¹

Overview

Project Name:	PROJECT PRIME SOLAR PV
Project Number:	2023-0499
Country:	Spain
Project Description:	<i>The Project includes the design, construction and operation of 5 solar PV plants (total 240MWp) located in Castilla and Leon and Extremadura (Spain).</i>

EIA required: yes

Invest EU sustainability proofing required: yes

Project included in Carbon Footprint Exercise²: yes

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

Environmental and Social Assessment

Environmental Assessment

The Project consists of the development, construction and operation of 5 solar photovoltaic (PV) plants grouped in 3 clusters, for a total capacity of c.240 MWp. The plants are located in the Spanish regions of Castilla y León and Extremadura. All projects have an individual installed capacity of ca. 50 MWp. The Project includes the associated ancillary infrastructure for the interconnection to the grid.

All the PV plants and their relative ancillary infrastructures fall under Annex II of the Environmental Impact Assessment (EIA) Directive (Directive 2014/52/EU amending the EIA Directive 2011/92/EU) and have been screened in by the competent authority. All plants and associated infrastructure underwent an EIA process, including public consultation. The competent authorities considered all the comments presented during this process, in line with the relevant legal framework. General quality of the Environmental Impact Studies (EIS), in terms of the impact assessment methodology, desk studies and field work conducted, is considered to be acceptable. Environmental permits have been issued ("Declaración de Impacto Ambiental" - DIA) between September 2021 and December 2022.

In the EIAs potential environmental impacts have been analysed during the different phases of the PV plants (construction, operation and decommissioning). Potential negative impacts on the environment (air, water, soil), flora and fauna, cultural heritage, protected areas, landscape and socio-economic environment have been assessed, taking into account also the cumulative impacts together with nearby infrastructure and/or neighbouring plants. The assessments were carried out specifically for

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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each project, however, there are typical impacts common to all projects. During the construction phase the main impacts are associated with earth works and removal of the vegetation cover, such as destruction of habitats, fatalities of species, soil erosion, GHG emission increase, dust and noise due to construction-related activities, deterioration of ground and surface water quality or visual impact. Main impacts expected during the operation of the PV plants are related to the fragmentation of habitats, reduction of feeding and hunting grounds, collision and electrocution of birds or bats with the transmission lines, and visual impact.

The EIA studies propose preventive, corrective and compensatory measures to prevent, eliminate, minimise or compensate these negative impacts. Specific mitigation measures required to be implemented during construction and operation phases, vary per PV plant, but overall include:

- Minimisation/avoidance of dust, GHG and noise emission.
- Waste management, including collection and treatment of wastewater.
- Protection of fauna and implementation of fauna monitoring programmes for fauna preservation.
- In relation to the risk of collision for the transmission lines, enhanced visibility marks of power transformers and overhead lines to reduce avifauna and bat collision risk in line with law provision; and burial of sections of the overhead electrical lines.
- Layout adjustments of plant and evacuation line components to reduce impacts.
- Maintenance/restoration of existing roads and infrastructure, wherever possible.
- Use of specific fences to guarantee fauna permeability, mitigating barrier effects.
- Protection of the Historical and Archaeological Heritage.
- Implementation of restoration and revegetation plans.
- Soil protection and Landscape integration plans.
- Fire prevention: Compliance with fire prevention regulations.

Following the implementation of these measures, most of the impacts detected are assessed as negligible or minor.

Details on the key biodiversity assessment, impacts and mitigation measures are listed in the paragraphs below:

Grijiota cluster:

The Grijiota Cluster (Almendro and Retama Solar PV plants - 2x 52.28MWp for a total of 104.4MWp) and their interconnection infrastructure are located in the province of Palencia (region of Castilla y Leon), in the municipalities of Becerril de Campos, Villaumbrales, Husillos and Grijoita. The plants are adjacent to each other forming the cluster of Grijoita. The PV plants will occupy ca. 170 ha altogether.

Almendro and Retama:

The EIA and the DIA points out some Natura 2000 sites, Zonas de Especial Protección para las Aves (ZEPA) and Zonas Especiales de Conservación (ZEC) "Lagunas del Canal de Castilla" (ES0000205), located near the plant (interconnection line a few hundred meters from the border of the ZEC area), but they do not foresee direct/indirect impacts on Natura 2000 or other protected areas with the mitigation measures in place.

Herrera cluster:

The Herrera Cluster (Bombarda and Baluarte Solar PV plants - 2x 44.4MWp for a total of 88.8MWp) and their interconnection infrastructure are located in the province of Palencia (region of Castilla y Leon), in the municipalities of Calahorra de Boedo, Herrera de Pisuega and Páramo de Boedo. The plants are adjacent to each other forming the cluster of Herrera. The PV plants will occupy ca. 150 ha altogether.



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Bombarda and Baluarte:

The EIA and the DIA points out a Natura 2000 site (Zonas Especiales de Conservación (ZEC ES4140082): “*Riberas del Río Pisuerga y afluentes*”, located near the plant (a few kilometres from the ZEC/ZEPA area borders) but they do not foresee direct/indirect impacts on Natura 2000 or other protected areas with the mitigation measures in place. The EIA and the DIA identified a potential significant impact caused by: (i) the cumulative impact of the two solar plants for direct and indirect loss of feeding and/or reproductive habitat of raptor species/birds, and (ii) the evacuation due to the possible collision of raptors/birds in flight as well as their electrocution when perching on the supports. The Promoter will incorporate the preventive measures described in the EIA and DIA, planned against electrocution and/or collision and direct and indirect loss of habitat for birds, and direct and indirect impacts on protected HICs, including (i) plantation of trees or shrub species and installation of shelters and nest boxes of different types within the premises of the plant to serve as refuge area for the relevant bird species, and (ii) burial of sections of the overhead electrical lines.

Arco Solar PV Plant:

The Arco Solar PV plant (45.9MWp) and its interconnection infrastructure is located in the province of Badajoz (region of Extremadura), in the municipalities of Burguillos de Cerro and Jerez de Los Caballeros. The PV plant will occupy ca. 71 ha.

The EIA and the DIA do not foresee direct/indirect impacts on Natura 2000 or other protected areas.

Climate Assessment

The project is expected to contribute to climate change mitigation and pollution prevention and control. The project has been assessed for Paris alignment and is considered to be aligned both against low carbon and resilience goals against the policies set out in the Climate Bank Roadmap and the Bank's Energy Lending Policy. The EIA reports include a Climate Vulnerability Assessment based on the projects' preliminary design, with no significant vulnerability identified for any of the PV plants. Residual risks from physical climate hazards are deemed low.

EIB Carbon Footprint Exercise

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 (combined margin for intermittent generation), the total relative effect of the project is a net reduction in CO₂ equivalent emissions of ca. 150 kt CO₂-eq/yr.

For the annual accounting purposes, 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 Promoter has engaged with the landowners and, for the vast majority of the plots, has reached voluntary agreements for the Project infrastructures in the form of leases and/or surface rights or rights of way. For the pieces of land where a voluntary agreement cannot be reached, the Promoter intends to require expropriation, in line with Spanish legislation. In Spain, all projects required for the implementation of different activities within the electric sector, including generation, promoted by public or private companies, are considered public utility, and are subject to urgent forced expropriation to be carried out by the authority in the interest of the Promoters. The Bank will request the Promoter to provide confirmation that all land rights have been successfully secured, together with all legal rights for the installation of all project components.

Recent reports are pointing out the possibility of the use of forced labour in the supply chain of solar PV panels. The Promoter has a traceability system and a Human Rights Policy and a Suppliers' Code of Conduct in place, rejecting the use of any form of forced or compulsory labour. The Promoter confirmed that each PV module's supply contract contains a specific obligation for the relevant supplier



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to comply with this Code of Conduct. The Promoter has already performed a supply chain mapping exercise with its selected suppliers, concluding that it did not find evidence that any of the factories involved in this project are using forced labour. In addition, the project will have to comply with the EIB E&S Standards, which foresee a zero tolerance of forced labour, and require Promoters to make reasonable efforts to assess if there are labour risks associated with the primary suppliers of goods and materials essential to the core functions of the project.

Public Consultation and Stakeholder Engagement

For all projects, public consultations were carried out as part of the EIA process as required by EU, national and regional legislation. Lists of consulted stakeholders are attached to the DIAs, including local and regional authorities concerned, NGOs and the public. Comments and objections have been considered in the DIA. The Promoter has not developed further stakeholder engagement activities. The Promoter has a communication channel to which both employees and third parties can address any kind of complaint, claim, or inform any violations of laws or regulations and/or Promoter's policies and procedures on ethics, compliance and Environmental Social and Governance matters (ESG). The Promoter has reported no complaint so far for the project.

Other Environmental and Social Aspects

The environmental capacity of the Promoter is deemed to be adequate. It has the experience and the capacity to appropriately manage this project. The Promoter has experience in the construction and operation of solar PV plants in Spain.

Conclusions and Recommendations

The Bank has reviewed the environmental and social capacity of the Promoter, including its organisation, processes and procedures, and considers them to be satisfactory. Based on the information available, and with appropriate conditions and monitoring, the programme is expected to be acceptable in environmental and social terms for the Bank's financing:

Undertakings

- The Promoter shall publish the related EIA studies on its website or provide a website link to the location where the EIA study is published.
- The Promoter will have to demonstrate that the measures foreseen in the EISs and the permits, including measures to avoid, reduce and mitigate the impacts, as well as monitoring indicators, were put in place during the construction and operational phases.
- The Promoter will undertake to provide a full and updated plan for the mitigation and corrective measures with related budget.
- The project shall comply with the EIB Environmental and Social (E&S) Standards.
- The Promoter shall provide confirmation that all land rights have been successfully secured together with all legal rights for the installation of all project components.
The Promoter shall give evidence of favourable and positive relevant permits of the buried sections of the evacuation line.
- The Promoter shall ensure that the supply chain of the solar PV panels used in the project is compliant with the applicable provisions of the relevant labour standard of the Bank, and avoids the use of forced labour. For this purpose, the Bank will require the Promoter to make reasonable efforts to keep implementing the appropriate due diligence throughout its supply chain, with the aim of avoiding the use of forced labour in the supply chains of the solar panels that will be used for this project.

Under these conditions, the operation is acceptable in E&S terms.