



Environmental and Social Data Sheet

Overview

Project Name:	Atlas Iberia RE Green Loan – El Cuco
Project Number:	2020-0839
Country:	Spain
Project Description:	Project El Cuco, part of the financing of a portfolio of greenfield onshore wind and solar PV projects in Spain and Portugal

EIA required: yes (simplified)

Invest EU sustainability proofing required: yes

Project included in Carbon Footprint Exercise: yes

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

Environmental and Social Assessment

The Project named El Cuco consists of the construction and operation of a solar photovoltaic (PV) plant with a total capacity of 41.93 MWdc / 39.60 MWac located in Montealegre del Castillo, in the province of Albacete, region of Castilla-La Mancha. The project scope includes the associated infrastructure for the grid interconnection.

The Project’s point of interconnection to the grid is Campanario substation (400 kV) owned by Red Eléctrica de España, with a grid limitation of 32 MWac. The interconnection is established by a series of underground (4.7 km/30 kV, 5.7 km/132kV) and overhead lines (6 km/132 kV, 8.5 km/132 kV, 2.55 km/132 kV, 0.3 km/400kV), connecting 3 substations shared with other projects (La Herrada 132/30 kV, Derramador 132/30 kV and Campanario Renovables 400/132 kV) to the Campanario substation (400 kV). La Herrada substation still needs to be constructed, as well as a total of 10.4 km underground lines and 6 km of overhead lines.

Environmental Assessment

Since the installed capacity of the Project is below 50 MW, it is subject to the regional environmental procedure. According to Spanish law ‘Ley 4/2007 Evaluación Ambiental de Castilla-La Mancha’, the Project is subject to a simplified environmental assessment procedure, meaning that no screening decision by the Competent Authority in line with Directive 2014/52/EU amending the EIA Directive 2011/92/EU is required.

An Environmental Impact Study (including an avifauna and archaeological study) were performed in 2019, covering PV plant and interconnection infrastructure. The Project then obtained the environmental permit (Declaración de Impacto Ambiental - DIA) on May 5th, 2021, for the PV plant and its power evacuation infrastructure.

The general quality of the EIS report in terms of the impact assessment methodology, desk studies and field work conducted is considered acceptable. There is a section



dedicated to cumulative impact assessment considering neighbouring infrastructure, including other solar PV plants and transmission lines.

The EIS concludes that the project does not entail critical or severe impacts on the environment. The impact of the project is considered acceptable during both construction and operational phases, provided that the preventive and corrective measures defined are implemented.

The project entails limited negative impacts mainly on avifauna, flora and landscape, and also on soil, air quality, and the local population. During the construction phase the main impacts are associated to earth works and removal of the vegetation cover, implying deterioration or destruction of habitats, soil erosion, change in soil geomorphology, GHG emissions, dust and noise, deterioration of surface and ground water quality or visual impact. Main impacts expected during the operation of the PV plant are the fragmentation of habitats, reduction of feeding grounds, barrier effect on migratory routes, visual impact, and (to a lesser extent) collision and electrocution of avifauna with the transmission lines and displacement due to human disturbance.

The Project is located outside the limits of natural areas protected by national, autonomous and/or regional legislation. The closest Natura 2000 sites are located at 2 km to the west of the Project location (SPA Área esteparia del este de Albacete and SAC Lagunas saladas de Pétrola y Salobrejo y complejo lagunar de Corral Rubio). The EIS notes that impacts on habitats of community interest during construction works are moderate and are recoverable in the medium term through restoration efforts. The impact during operation is considered very low.

Mitigation measures defined in the EIS were further complemented by conditions of the environmental permit and can be summarised as follows:

- Habitat improvement and conditioning (planting of vegetation, applying crop rotation, installation of a vegetation screen along the site perimeter, artificial ponds).
- Installation of avifauna signalling and beacons, in relation to the risk of collision and electrocution of birds with the transmission line.
- Installation of mammal shelters.
- Landscape integration of the overhead lines to reduce impact on existing cattle road 'Cañada Real de los Serranos' by planting parallel lines of vegetation of ca 6 km.

The EIS report and environmental permit cover the entire lifecycle of the Project, including the decommissioning phase, with the aim to reinstate the Project area to its original state. All remaining materials, waste, or excess soil shall be managed by an authorized waste manager appropriate for the nature of each type of waste. Restoration shall include the attempt to maintain the terrain's original topography. The soil extracted during the construction phase will be stored for later use during restoration of degraded areas. The decommissioning shall not affect the implemented vegetation screen and the planting, nor other complementary measures for birdlife habitat improvement. Disposal of all waste generated during the project life, including the decommission phase, shall be subject to the relevant Spanish legislation.

The promoter shall present a decommissioning plan to the competent authority in advance of the planned end of the operational activities.

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 by ca. 26.2 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.

Climate Assessment

The Project substantially contributes to the climate change mitigation objective. 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. Residual risks from physical climate hazards are deemed low.

Social Assessment, where applicable

The promoter applied for the public utility declaration ("DUP / Declaración de Utilidad Pública") which is required for starting any expropriation procedure. This declaration was issued on 14/10/2022. According to the Promotor only power evacuation line expropriation was required and was done following the applicable legal procedure. In Spain, all projects considered of public utility, can be subject to expropriation, to be carried out by the relevant authorities in the interest of the promoters.

Public Consultation and Stakeholder Engagement

In February 2019, the public consultation process was initiated with the relevant stakeholder as part of the regional environmental procedure ('Ley 4/2007 Evaluación Ambiental de Castilla-La Mancha'). A list of stakeholders that participated in the consultation process and their questions with replies by the Promoter are included in the EIS.

Other Environmental and Social Aspects

Recent reports are pointing out the possibility of use of forced labour in the supply chain of solar PV panels. The promoter has robust human and labour rights policies in place, rejecting the use of any form of forced or compulsory labour. Such policies also put the same obligations on suppliers and sub-suppliers. The modules' supplier has also provided its human and labour rights policies which are considered sufficiently robust.

An enhanced forced labour due diligence was carried out by the promoter on the modules' supply chain up until polysilicon level, confirming that none of the components and sub-components are manufactured in a high forced labour risk area.

The project shall also comply with the EIB Environmental and Social Standards, which foresee a zero tolerance for the use of forced labour.

Conclusions and Recommendations



The El Cuco Project has obtained the required environmental and construction permits for the solar PV plant and its power evacuation infrastructure. The related Environmental Impact Study was carried out.

The El Cuco Project is expected to have limited social and environmental impact, provided that all mitigation measures, as included in the EIS and environmental permit, are implemented.