

Environmental and Social Data Sheet

Overview

Project Name:	DEVELOPMENT BANK ENERGY AND ENVIRONMENT LOAN
Project Number:	2014-0301
Country:	TURKEY
Project Description:	The loan will finance small to medium sized investments in Turkey in the fields of Renewable Energy, Energy Efficiency and projects that substantially increase the environmental performance of industrial processes.
EIA required:	Some of the sub-schemes may require an EIA
Project included in Carbon Footprint Exercise ¹ :	no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

This operation intends to bring about environmental benefits through the part-financing of projects that contribute to reducing environmental pollution and mitigating climate change. The individual schemes to be financed will typically be small and are expected to have limited negative environmental impacts. Nevertheless, for all the projects financed by the Bank, adherence to the principles and standards of EU Directives, including those on environment and waste, shall be ensured. Depending on their technical characteristics the investments may be categorised as projects falling under Annex I of the EU EIA Directive, requiring an EIA, or under Annex II of the same Directive leaving it to the competent authority to determine whether or not an EIA is required. In all cases where a formal EIA is required, a copy of the non-technical summary of the environmental impact assessment will be provided to the Bank for publication prior to the Bank's approval of the allocation. Public consultation will be conducted as required by the Turkish regulations, EU environmental requirements and EIB environmental and social standards. These will be verified by the financial intermediary (FI) and reviewed by the Bank. The Borrower will also be required to verify that none of the schemes submitted for part-financing by the Bank have a significant negative impact on any sites of nature conservation importance.

As part of its standard due diligence work, the financial intermediary already screens environmental and social aspects of its projects, including for compliance with relevant national and EU environmental and social legislation. The FI and the Bank will make use of external consultants to support the E&S due diligence and to ensure that the EIB's requirements are met. The Bank will review the eligibility of each project before allocation of funds. In addition, an undertaking is applied to confirm that all projects supported, in particular those hydro projects that have already received development consent from Turkish authorities, have been previously subject, where required, to full EIAs conducted in full compliance with the Directive 2011/92/EU, and not only in compliance with the applicable Turkish legislation (e.g. By-law on EIA 26939/2008).

Under these terms, it is considered that the environmental procedures carried out for individual schemes, verified by the FI and reviewed by the Bank will appropriately address environmental issues and ensure that the schemes to be part-financed under this Loan meet the Bank's requirements.

¹ Only projects that meet or exceed the thresholds, as defined in the EIB Carbon Footprint Methodologies, are included: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

Luxembourg, 21 October 2014

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