



European Investment Bank (EIB)

Luxembourg, 11/12/2019

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	YAPI KREDI CLIMATE CHANGE FACILITY II
Project Number:	2012-0398
Country:	Turkey
Project Description:	This facility was a Framework Loan to finance renewable energy and energy efficiency projects in Turkey.

Summary of Environmental and Social Assessment at Completion

EIB notes the following key Environmental and Social outcomes at Project Completion.

The framework loan includes fourteen underlying projects, as follows: five hydropower projects with a cumulative installed capacity of 81 MW varying between 9 MW and 25 MW, eight solar photovoltaic plants with 97 MW of total capacity, ranging from 18 MW to 25 MW, and one on-shore wind farm of 2.4 MW installed capacity, ranging from 18 MW to 25 MW approximately.

The Bank deemed it necessary to assess the underlying projects including the environmental and social (E&S) aspects and to ensure that the projects comply with the Bank's E&S Standards. 3

During the allocation process, the Bank ensured that individual sub-projects submitted by the promoter complied with the EIB's environmental and social requirements. Moreover, none of the projects under this operation faced any particular environmental risk and none of them was located in a nature conservation area including sites protected under national legislation and international agreements to which Turkey is party. It should be noted that an initially proposed allocation request concerning the financing of a hydropower project was cancelled by the promoter due to legal issues related to environmental and social aspects.

Thirteen of the fourteen projects were screened out from a full EIA by the competent authorities in Turkey and obtained the necessary permits for the construction and the operational phase. However, despite this, the promoters engaged an external consultant to carry out an environmental and social assessment study beyond what is required by the national legislation to ensure full compliance with the EIB's standards. For one of the hydropower projects a full EIA was required by the competent authority. An Environmental Impact Assessment Report was therefore prepared and submitted to the competent authorities, which issued the relevant permit.

None of the renewable energy projects approved for financing under this framework loan involved the physical resettlement of any of the local population. Where expropriation was required, the procedures as per the applicable regulation were followed to the satisfaction of the EIB. In addition, no health and safety or labour issues were identified or reported.



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Despite being an intermediate loan, this framework loan is included in the EIB Carbon Footprint Exercise. Based on the EIB's carbon footprint methodology, the CO₂ emission reduction as a result of renewable energy generation has been calculated to be in the amount of 143 ktCO₂ per year. The alternative to the renewable projects (with zero or minor absolute emissions) is generation from a combination of existing power plants and a combination of new gas-fired CCGT (combined cycle gas turbine) plants with corresponding emission factors for Turkey of 387 tCO₂/GWh and 354 tCO₂/GWh.

Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion that based on reports from the promoter and the consultant, the underlying projects of this framework loan have been implemented in line with the EIB Environmental and Social Standards, applicable at the time of appraisal.