

## Environmental and Social Data Sheet

### Overview

Project Name:	ENI RENEWABLE ENERGY GENERATION PHASE II
Project Number:	20170037
Country:	Italy
Project Description:	The project concerns a Framework Loan (FL) for the implementation of a number of renewable energy (RE) plants (solar PV and onshore wind) schemes in Italy.
EIA required:	Some of the underlying schemes may require an EIA
Project included in Carbon Footprint Exercise <sup>1</sup> :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

### Environmental and Social Assessment

#### Environmental Assessment

This operation is a Framework Loan (FL) that will support the investment plan of the Promoter in renewable energy (RE) projects in Italy (onshore wind farms and solar PV plants). The FL is expected to support ca. 149 MW of new RE capacity (with ca. 23% of the investment for on-shore wind farms, and 77% for solar PV plants).

The individual renewable energy schemes to be financed are likely to be predominantly small/medium-scale renewable energy plants. One solar PV plant is already fully authorised. Only projects that receive environmental authorisations (where applicable) including opinion from the Competent Authority of no negative impact on any Natura 2000 site, as well as all necessary licences (including building permits) and are in compliance with relevant EU Directives, can receive financing and thus be implemented.

This operation intends to bring environmental benefits by supporting projects that reduce energy consumption, increase the use of renewable energies and help to mitigate climate change.

Due to their technical characteristics, most of the investments are expected to fall under Annex II of Directive 2014/52/EU amending EIA Directive 2011/92/EU, leaving it to the national competent authority to determine according to Annex III of the said Directive whether an environmental impact assessment is required. Aerial power lines for the interconnection to the grid included in the Annex I of the EIA Directive, if any, will be subject in all cases to an EIA process. The EIA processes will end with a decision of the competent authorities to grant

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

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an environmental permit and further a Framework Authorisation, the Autorizzazione Unica (AU). Autorizzazione Unica is a single authorisation which must be filed with the local authority where the RE project is located, demonstrating that the work will be undertaken in compliance with existing zoning laws and plans, and with safety, health and environmental protection regulations, along with supporting documentation. Should any of the conditions required for the approval of the Autorizzazione Unica be missing then the local authority must ask the applicant for the completion of necessary documentation. The applicant may deliver the missing documents to the local authority by the due date and a further evaluation will be undertaken, otherwise the AU will be denied. In the case where an EIA is needed, the Autorizzazione Unica process is suspended until the resolution of the EIA. In any such cases the EIA report will be provided by the Promoter to the Bank for publication as well as appropriate assessment report on impacts on Natura 2000 sites (if not part of EIA report), the expert study relating to impacts on protected sites (Valutazione di Incidenza or VINCA, which is part of EIA or EIA screening process). Only projects that receive environmental authorisations (where applicable) including opinion from the Competent Authority of no negative impact on any Natura 2000 site, as well as licences (including building permits) and are in compliance with EIB's E&S Standards, can receive financing and thus be implemented.

With regard to schemes subject to the requirements of the Habitats Directive 92/43/EEC and/or Birds Directive 2009/147/EC, the Promoter will be required to verify that none of the schemes have a significant adverse impact on any site of nature conservation importance. The promoter will be required to obtain and provide to the Bank the written confirmation to this effect from the competent authority, or an equivalent confirmation satisfactory to the Bank.

The Bank will assess EIAs and all permitting documentation (including EIA screening decisions) when reviewing the documentation for the allocations, including the compliance with applicable EU Directives. Whenever an EIA process is required, the environmental impact study (EIS) and the non-technical summary of the EIS report will be provided in copy to the Bank prior to the Bank's approval of the allocation, and will be published. In particular, the Bank will verify that cumulative impacts were correctly considered in screening and/or EIA procedures carried out under the EIA Directive for the windfarms subject of this EIB loan.

The Promoter is known to the Bank from previous operation ENI RENEWABLE ENERGY GENERATION (2016-0506), under which the Bank appraised its EIA documentation. The Bank's impression of its E&S and OHS standards when visiting the previously financed solar PV projects sites of the Assemini and Porto Torres was good. In addition, promoter's corporate E&S organization and procedures confirm that it and has sufficient E&S capacity to implement the project. The promoter obtained the quality certificates of OHSAS 180001, ISO 9001 and ISO 14001.

Similar to the previous operation, the majority of the solar PV projects are planned at the promoter's own facilities. Risks from the contaminated water or land on the project are deemed low, as technical choices have been made (superficial foundations, avoidance/minimisation of digging, driven-in fencing, delimitation of contaminated hotspots) to avoid interaction with contaminated materials. These technical choices also minimise the environmental impact of the project on soil and water drainage.

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### Appraisal of schemes together with the FL

The allocation to one project below has been assessed together with the FL:

Project	Region	Type	Size	MW
Volpiano	Turin	SOLAR PV	32 ha	18.0

Solar PV plant Volpiano, is located near Turin in Northern Italy, for a total power 18 MWp. The project will use established technologies and fixed structures (no trackers). The project scope includes the power plant and the associated infrastructure required to make the project operational, such as access roads, substations, grid connections, transmission lines and other ancillary facilities. The Volpiano solar PV plant is built on an industrial area owned by the promoter of approximately 32 hectares and will generate over 27 GWh/y.

The project is included in Annex II of the EIA Directive (2011/92/EU or EIA directive 2014/52/EU depending on their screening date): the project did not require a full EIA, but in all the environmental consents, in particular, as a result of the EIA screening, EIA was evaluated not to be necessary. The preliminary environmental impact studies (PES) confirmed that no negative impact on the environment is expected. The PES included an adequate identification of the individual and cumulative impacts of the project (such as visual and noise impacts, impacts on biodiversity and ecosystems and impact on cultural and archaeological patrimony), the determination of their significance, as well as the measures to avoid, reduce, mitigate and compensate the impacts.

### **Social Assessment**

The majority of the schemes to be implemented under the FL are expected to be located at promoter's own facilities, and will not require the acquisition, lease or easements of land for the installation of the projects' components. For the rest, the promoter is engaging with the land owners in order to secure voluntary agreements for the lands required by all project infrastructures. It is expected that the implementation of the schemes under this FL will not lead to involuntary physical or economic displacement or resettlement.

### **Public Consultation and Stakeholder Engagement**

Public consultation is part of the EIA process, whereby all permitting authorities and relevant stakeholders' gather and express their opinion on the project in what is called a Services Conference (Conferenza dei Servizi).

Stakeholder engagement activities will be conducted in compliance with the national and regional applicable Italian legislation and with the promoter guidelines on Stakeholders Engagement which is considered satisfactory by the Bank.

### **Conclusions and Recommendations**

The Promoter shall not commit any EIB funds against schemes that require an EIA or biodiversity assessment according to EU and national law without, prior to commitment, receiving consent from the competent authority, and the EIA having been made available to the public.

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Under the allocation procedures, all underlying subprojects including their compliance with EIB standards will be reviewed by the EIB either ex-post for subprojects with an investment cost below EUR 25m or ex ante for any project above MEUR 25 project cost.

For schemes falling under Annex II of the EIA Directive and not requiring an EIA, the promoter shall ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision can be common for several schemes. A copy of this decision might be requested by the EIB.

The Promoter shall store and maintain updated the relevant documents (including EIA screening decisions, environmental studies related to the EIA, the Non-Technical Summaries of the EIAs, and Nature/Biodiversity Assessments or equivalent documents supporting the compliance with the EU Habitats and Birds Directives – Form A/B or equivalents) to be provided to the Bank upon request. In case the EIB requires such documentation, the promoter shall provide all documents requested promptly.

For schemes subject to an EIA, the Promoter should deliver the EIA studies, the non-technical summary and the environmental consent to the Bank before the funds are allocated.

For schemes that may have an impact on a nature conservation site, the promoter shall obtain confirmation from the competent nature conservation authority, or an equivalent confirmation satisfactory to the Bank, that the scheme does not have a significant negative impact on any such site. Such confirmation should be delivered to the Bank before the funds are allocated.

Schemes with significant negative impacts on areas with a high biodiversity value, nature conservation areas, including birds' migration routes, shall not be eligible.

Schemes (i) with significant negative social impacts or (ii) requiring resettlement, which cannot be mitigated satisfactorily to the Bank, shall not be eligible.

For one scheme preliminary appraised for allocation together with the FL (Volpiano), the main negative impacts of all project components have been evaluated to be compatible, and will mainly be concentrated during construction. They will be mitigated with the help of detailed project control mechanisms, as defined in the environmental documents.

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