

Environmental and Social Data Sheet

Overview

Project Name: GEF LATAM CLIMATE SOLUTIONS FUND III
Project Number: 2021-0184
Country: Brazil
Project Description: Equity participation in a private equity fund investing in SMEs that promote climate action and environmental sustainability in Latin America, with a focus on Brazil.

EIA required: It is expected that some investments may require an environmental and social impact assessment.

Project included in Carbon Footprint Exercise¹: no

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

Environmental and Social Assessment

ENVIRONMENTAL ASSESSMENT

The Fund's strategy is focused on supporting SMEs that provide a broad range of environmental products and services. The pipeline so far includes companies specialising in clean energy and energy efficiency (e.g. installation of solar PV, LED lighting solutions), (ii) sustainable agriculture and food, and (iii) sustainable urban solutions (e.g. waste and recycling, water efficiency, circular economy), and to a limited extent also medical equipment for the health sector. The operation is expected to contribute to the Bank's Climate Action and Environmental Sustainability targets outside the EU, therefore it is proposed under the Climate Action and Environment Facility ('CAEF') or any successor facility. Although the projects associated with the Fund investments (SMEs) are expected to bring about environmental benefits, some projects may have some limited negative social or environmental impacts due to their location, size, nature, and cumulative impact.

The Fund manager will be required to ensure that the companies in which it invests perform appropriate environmental and social impact assessment for any project required by national legislation to undertake an ESIA, or for any project subject to a mandatory environmental and social impact assessment according to the application of the EIB Environmental and Social Standards.

SOCIAL ASSESSMENT

¹ 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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Any investments associated with projects that have potentially significant social impacts and risks, such as those related to labour standards, land use, involuntary resettlement, vulnerable groups, and/or cultural heritage, shall undergo adequate assessments and ensure compliance with the EIB Social Standards

Conclusions and Recommendations

Considering the above results of the analysis, it is concluded that this operation is acceptable to the Bank from an environmental and social point of view.