



Luxembourg, 21.09.2022

## Environmental and Social Data Sheet

### Overview

Project Name:	ENEL LATAM - PERU GENERATION
Project Number:	2021-0588
Country:	Peru
Project Description:	The operation is an allocation under the FWL ENEL ENERGY EFFICIENCY & RENEWABLES FL (LATAM) (2020-0823) approved by the Board of Directors on 17.11.2021 (CA/548/21).
EIA required:	yes
Project included in Carbon Footprint Exercise <sup>1</sup> :	yes

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

### Environmental and Social Assessment

The project comprises the implementation of the Wayra Extension wind farm (165 MW).

The Peruvian authorities are committed to increasing the share of renewable energy in electricity supply, making energy supply cheaper, more secure and sustainable, and reducing greenhouse gas emissions. The project, which provides renewable electricity capacity partially replacing the existing use of fossil-fuel based capacity, is also in line with the EU objectives of sustainable development and the Nationally Determined Contributions (NDC) under the Paris agreement on climate change.

The national legislation regarding environmental assessments is based on law 27446 (*National Environmental Impact Assessment System*) and its Regulations (approved by Supreme Decree N° 019-2009-MINAM), which establish several competent authorities, such as the Bureau of Energy and Environmental Affairs of the Ministry of Energy and Mines – DGAAE and the National Authority of Environmental Certification for Sustainable Investments – SENACE. The Peruvian regulatory system has not undergone major changes in the last years. The regulations that have emerged are complementary (rather updates) but not structural in terms of the main permits to be obtained.

#### Environmental Assessment

This renewable energy plant is required to undergo an ESIA process under the relevant national legislation in Peru. Wayra Extension, being an extension of Wayra Wind Farm, classified under category III, required a Modification to the Detailed Environmental Impact Study (*Estudio de Impacto Ambiental detallado*), which was approved in January 2020.

The project has obtained the necessary permits and/or authorisations. However, the detailed design of the project underwent changes that required amendment of the environmental permit, which has been obtained. A technological upgrade of the wind turbines allowed the planned

<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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installed capacity to increase from 108 to 165 MW. The modification was approved on 17 January 2022. The current permitting status allows the start of the project construction phase.

The ESIA for the project has assessed environmental, health, safety and social impacts, having considered specific impacts for each type of activity, for the construction and operation phases. Mitigation measures for each identified impact are also established in the environmental and social management plan (ESMP) as part of the ESIA.

The Project underwent a detailed ESIA, which requires a fairly high level of specificity according to Peruvian regulations. A risk and impact assessment has thus been carried out, including the associated facilities (extension of the substation and internal access roads), which confirmed that the risks and impacts typical of this type of project (generation of dust and noise, erosion, water depletion and landscape) will not be significant, due to the fact that there are no sensitive receptors (inhabited dwellings and/or populations) nearby. The cumulative impacts of the existing Wayra Wind Farm and Wayra Extension have also been considered and no significant impact was identified.

In relation to Biodiversity, the Project does not affect protected natural areas or buffer zones. Although it is located near the buffer zone of the San Fernando National Reserve, the Promoter has carried out a biodiversity assessment concluding that the Project is not threatening the integrity of the neighbouring nature conservations area. The baseline studies consider the main biological groups and are complemented by previous studies carried out for the initial Wayra Wind Farm. The species' sensitivity and their habitats have been assessed and are not negatively impacted by the project. However, it is necessary to confirm this by means of an updated flora and fauna monitoring plan for the operational phase.

On site, specific management measures have been considered to mitigate impacts such as fauna scaring away and flora rescue, as well as fauna monitoring and follow-up programmes. Since the Guanaco is an endangered species, presumably present in the region, monitoring and management programmes for this species have been updated.

Based on the above, the impact assessment process for the Wayra Extension wind farm is compatible with the requirements of the relevant EIB safeguards.

### **EIB Carbon Footprint Exercise**

The project is expected to have an electricity production of ca. 594 GWh/y and will not generate absolute CO<sub>2</sub> emissions. In accordance with the Bank's current Carbon Footprint methodology, the total relative effect of the projects is a net reduction in CO<sub>2</sub> equivalent emissions by 232 kt CO<sub>2</sub>e/year. For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of the project cost.

### **Social Assessment**

The project does not entail involuntary resettlement nor economic displacement. The Wayra Extension project has no direct social area of influence, as the nearest population is the Justo Pastor Ramirez Legua Association comprising 17 families living approximately 8 km from the plant. Nevertheless, through its Shared Value Creation policy (equivalent to Corporate Social Responsibility), EGP carries out productive projects with the Justo Pastor Association.



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No indigenous population is identified in the project. The members of the Justo Pastor Association do not meet the criteria to be considered an indigenous population. It is formally registered as private association.

## **Public Consultation and Stakeholder Engagement**

The public consultation and participation process for the project was carried out as part of the ESIA. The ESIA study was made available to the general public and the competent authorities, as well as published in national and local newspapers, and in the offices of local and regional municipalities. The public participation process included public hearings with the people affected by the project, the results of which indicated a positive perception of the company and a general acceptance of the project.

EGP is expected to periodically update the information concerning stakeholders, citizen participation activities (including participatory environmental monitoring), social responsibility, as well as the complaints mechanism in a Stakeholder Engagement Plan (SEP) during all project stages. In addition, a formal grievance redress mechanism during construction and operation will be available.

## **Other Environmental and Social Aspects**

The Promoter has an integrated management system where the proper implementation of the ENEL Group's E&S Policy and of the relevant management systems is audited by external bodies. The Group has thus obtained and maintained the ISO 9001, ISO 14001 and ISO 45001 certifications. According to the Promoter, the project will be managed under the framework of the acquired certifications.

The Promoter currently employs a diverse group of professionals to manage the technical, environmental, safety, health and social issues of the project. The team will be complemented by EHS professionals, who will be hired for the construction and operation stages. It should be noted that the EIB has previously approved the financing of the initial Wayra project.

## **Conclusions and Recommendations**

For the project, it is confirmed that the main risks, cumulative impacts and main negative residual impacts resulting from the ESIA process are deemed acceptable to the Bank.

The Promoter undertakes to:

- Provide, within 60 calendar days after the issuance date of the Allocation Letter, the final Environmental and Social Management Plan (ESMP) for the wind farm to the satisfaction of the Bank. The ESMP shall contain all applicable measures in accordance with local regulations and EIB environmental, health, safety and security, occupational and social standards applicable to the construction and operation stages. The ESMPs shall contain an updated flora and fauna monitoring plan for the operational phase.
- Provide, within 60 calendar days after the issuance date of the Allocation Letter, the Stakeholder Engagement Plan (SEP) for the wind farm to the satisfaction of the Bank.

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