



Luxembourg, MC decision 21.12.2022

## Environmental and Social Data Sheet

### Overview

Project Name: ASJA WIND REPOWERING AND NEW PROJECTS  
 Project Number: 2021-0653  
 Country: Italy  
 Project Description: Financing a number of new wind and solar photovoltaic farms and repowering one existing wind farm in in cohesion regions in Italy.

EIA required: Some of the underlying schemes may require an EIA

Invest EU sustainability proofing required yes

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

The proposed operation is a Framework Loan (FL) to ASJA (the Promoter), an Italian energy efficiency, renewable energy developer and independent power producer. The loan will finance the development and construction of several renewable energy (RE) projects and the repowering of one existing wind farm in in cohesion regions in Italy. The investment cost of the individual schemes will be up to EUR 50m.

#### Environmental Assessment

The Promoter will be required to ensure compliance of all schemes with relevant EU Directives as transposed in the national legislation. 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.

Most of the individual schemes to be financed are likely to have limited negative environmental impacts and are expected to be mitigated appropriately. In all cases, for projects that require an EIA, the Promoter shall undertake to provide the EIB with a website link to the location where the EIA study is published.

In Italy, the construction of the types of projects to be financed by this operation requires the project to be granted a Framework Authorisation called Autorizzazione Unica ("AU"). The Environmental Impact decision is part of the administrative AU required by the national regulation. The AU is a single authorisation which must be filed with the provincial authority where the 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. The Promoter shall undertake to provide the EIB with a website link to the location where the AU is published.

<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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Two wind farms included in the pipeline (one concerning the repowering and one concerning a change in the original design to reduce the number of wind turbines) have already been permitted. The Promoter has submitted new and updated environmental documentation to the Ministry for Ecological Transition (MiTE) for a screening decision on whether an EIA is required or not. This is still pending and will be assessed during the allocation period.

The Promoter will be required to verify that none of the schemes has a significant adverse impact on any site forming part of the EU Natura 2000 network (falling under Habitats Directive 92/43/EEC or Birds Directive 2009/147/EC). For each sub-scheme that may have an impact on a nature conservation site, written confirmation from the competent nature conservation authority, or an equivalent confirmation satisfactory to the Bank that the mentioned scheme does not have a significant negative impact on any site of nature conservation importance should be presented, as a condition of disbursement. Schemes with significant negative impacts on areas with high biodiversity value, nature conservation areas, including bird migration routes, shall not be eligible.

### **EIB Carbon Footprint Exercise**

Intermediated lending through Framework Loans is not currently included in the carbon footprint exercise. Nonetheless, based on the pipeline of potential nine projects, the CO<sub>2</sub> emission reduction is estimated to be in the order of 158 CO<sub>2</sub>-eq/year. The actual reduction of CO<sub>2</sub> emissions will be calculated during the allocation period.

### **Social Assessment**

All schemes need to comply with the Bank's requirements, including applicable provisions of the relevant labour standard of the Bank. The Promoter will be required to undertake reasonable efforts to mitigate risks of forced labour in the supply chain. This will include, on a best effort basis, enhanced due diligence also guided by the Promoter's human rights commitment, ensuring that appropriate contractual provisions are cascaded to contractors/suppliers of the sub-projects.

Concerning land acquisition, the Promoter's procedure envisages bilateral discussions with private owners ensuring mutual benefit to both parties. In all cases, the land acquisition will be conducted in accordance with the legislation. The relevant legislation also includes processes related to expropriation (when necessary).

### **Public Consultation Stakeholder Engagement**

For projects subject to an environmental impact assessment as defined by national legislation, the Promoter shall ensure that an E&S assessment is carried out and that public consultation is undertaken in accordance with national legislation and the EIA Directive

### **Other Environmental and Social Aspects**

The Promoter has been assessed by the Bank to possess sufficient E&S capacity to assess and manage environmental and social risks related to its projects. ASJA has a solid organisational structure, with an Integrated Quality, Environment and Safety Management System and is an ISO 9001 and ISO 14001 company. The Promoter has adopted a number of internal procedures related to E&S aspects for the implementation of its Quality, Environmental and Safety policy, and has created a Quality, Environment and Safety Department consisting of five qualified employees including the head of the department.



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## Conclusions and Recommendations

The investments targeted by the operation are expected to have limited social and environmental impacts, if all mitigation measures, assessed by the Bank at scheme level as part of the allocation approval process, are implemented.

Depending on their size, underlying sub-projects will be reviewed and approved ex-ante or ex-post by the Bank. In all cases, the Bank will review the E&S aspects of the sub-projects.

- As part of the allocation process and for the Bank's review, the Promoter shall provide a copy of either screening decisions or Environmental Impact Studies (EIS) of the related authorisations (EIA and Autorizzazione Unica).
- The Promoter shall not commit EIB funds to schemes that require an EIA or biodiversity assessment according to EU and national law prior to receiving consent from the competent authority.
- 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.
- The Promoter will be required to undertake reasonable efforts in case of concern to mitigate against the risk of forced labour in the supply chain. This will include enhanced due diligence where practically achievable and ensuring that relevant obligations are passed on in supplier contracts.
- The Promoter will ensure that there is a grievance mechanism at the company level to address potential questions, concerns and/or complaints from third parties.

It is considered that the procedures carried out for individual schemes, verified by the Promoter, will appropriately address environmental and social issues, and ensure that the schemes to be part-financed under this framework loan meet the Bank's requirements and the Sustainability proofing requirements of the Invest EU Regulation (recital 13 and Article 8(5)).

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