



Luxembourg, 24.01.2023

Environmental and Social Data Sheet

Overview

Project Name: BPCE ACTION POUR LE CLIMAT III
 Project Number: 2022-0286
 Country: France
 Project Description: Framework loan to support small to mid-sized renewable energy projects.

EIA required: Some of the projects might require an EIA

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 operation is a framework loan with BPCE to finance small/medium scale renewable energy projects (primarily solar PV and onshore wind, and potentially geothermal, small hydropower, biomass and biogas projects) in France.

The operation will contribute to EU energy objectives by supporting investments in new renewable energy generation capacity and energy efficiency. The investments will generate environmental benefits in terms of reduction of air pollutants and GHG emissions, ultimately helping to mitigate climate change.

The FI is known to the EIB through two recent operations of similar characteristics and is familiar with the Bank’s Environmental and Social requirements.

The FI will be contractually obliged to ensure that all investments comply with the relevant EU Environmental Directives (e.g. EIA Directive 2014/52/EU amending Directive 2011/92/EU, Habitats Directive 92/43/EEC and Birds Directive 2009/147/EC amending Directive 79/409/EEC) and the EIB’s Environmental and Social Standards (where applicable).

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 where a formal EIA is required by the competent authority, the FI shall publish the Environmental Impact Study, or shall require the promoter of the individual scheme to do so.

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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Should any scheme have a potentially significant negative impact on an area forming part of the EU Natura 2000 network (falling under Habitats Directive 92/43/EEC or Birds Directive 2009/147/EC), the FI will be required to verify that none of the schemes has a significant adverse impact on any of these sites of nature conservation importance. 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.

For biofuels, bioliquids and biomass fuels used for the Fund's operations will be sustainably produced and comply with the EU sustainability criteria of the revised Directive (EU) 2018/2001 and EU Taxonomy Delegated Act.

The FI shall be required to retain appropriate records evidencing that the schemes are in line with the Bank's environmental and social standards and EU legislation. Such documents shall be provided to the Bank upon request.

Social assessment

All schemes need to comply with the Bank's requirements, including applicable provisions of the relevant labour standard of the Bank. The FI 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 FI's human rights commitment, ensuring that appropriate contractual provisions are cascaded to contractors/suppliers of the sub projects.

Other Environmental and Social Aspects

The FI has significant experience in financing renewable energy installations in France and other Member States, especially in the onshore wind and solar PV sectors, and is deemed to have adequate capacity to ensure compliance with the Bank's environmental and social requirements.

The FI applies a comprehensive ESG policy, including reporting and monitoring, following the Equator Principles and making available to the public annual reporting on sustainable activities. It has policies and procedures in place to assess environmental and social (E&S) risks in the operations it finances, and has a dedicated team to assess and monitor E&S matters.

EIB Paris Alignment for Counterparties (PATH) Framework

BPCE is in scope of the PATH procedure for financial intermediaries. It already publishes dedicated reporting in line with TCFD recommendations (the 2021 report is available at the following [link](#)), and has completed the relevant questionnaire. It is hence considered to meet the PATH requirements. No additional contractual undertakings or advisory services will be required. Furthermore, BPCE supports the targets of the Paris Agreement and committed to achieving net-zero carbon emission by 2050.

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

Conclusions and Recommendations

The Bank has reviewed the E&S risks associated with the operation as well as the E&S capacity of the FI. It is considered that the environmental procedures carried out for individual schemes,



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verified by the FI, will appropriately address environmental issues and ensure that the schemes to be part-financed under this framework loan meet the Bank's requirements.

The operation is considered acceptable for Bank financing from a social and environmental point of view, with the following environmental and social disbursement conditions and undertakings for the finance contract:

- The Financial Intermediary shall undertake to provide the EIB with a website link to the location where the AU and the EIA studies (where applicable) are published.
- The Financial Intermediary will ensure that the project promoter will implement best available techniques to prevent methane leakage from biomethane production units.
- For each scheme that may have an impact on a nature conservation site, the Financial Intermediary shall obtain confirmation from the competent nature conservation authority, or an equivalent assessment satisfactory to the Bank, that the scheme does not have a significant negative impact on any site of nature conservation importance.

Under the allocation procedures, all underlying sub-projects including their compliance with EIB standards will be reviewed by the EIB, either ex-post for solar PV and onshore wind sub-projects with an investment cost below EUR 25m, or ex ante for any project above EUR 25m project cost.

- For schemes in Hydropower technology, the allocation will follow the requirements set in the EIB's Hydropower guidelines, and ex-ante approval will be required before allocating the funds to the final beneficiaries.
- For schemes in geothermal, biomass and biogas technologies, ex-ante approval will be required before allocating the funds to the final beneficiaries.