



European Investment Bank (EIB)

Luxembourg, 19/01/2023

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	ISBANK CLIMATE CHANGE FACILITY II
Project Number:	2016-0262
Country:	Turkey
Project Description:	Framework loan to finance small and medium-sized renewable energy and energy efficiency projects in Turkey.

Summary of Environmental and Social Assessment at Completion

EIB notes the following key Environmental and Social outcomes at Project Completion.

The framework loan includes five underlying projects consisting of three solar photovoltaic (PV) plants with a cumulative installed capacity of 61.1 MW (10.9 MW, 24.2 MW, and 26 MW) and two wind farms of 53.6 MW total installed capacity (21.60 MW and 32 MW).

Each project was appraised and monitored by the independent technical consultant hired under the Mid-Size Sustainable Energy Financing Facility (MidSEFF) in Turkey, with EIB and EBRD oversight. The MidSEFF independent consultant – acting as the Lenders' engineer – had the responsibility to support Isbank in identifying allocations eligible for EIB financing, and subsequently to appraise and monitor the implementation of the projects according to the MidSEFF policy requirements. As part of the due diligence process, the projects were cleared in terms of compliance with national legislation and with the MidSEFF policy, which is based on the EBRD's Environmental and Social policy. The independent consultant and the EIB reviewed the eligibility and E&S compliance of each project prior to allocating the related funds.

Regarding the permitting process, two solar PV plants and two wind farms were screened in for a full Environmental Social Impact Assessment (ESIA) by the competent authorities in Turkey. The third solar PV plant, with a capacity of 10.9 MW, was screened out from the obligation of a full ESIA, but its environmental and social (E&S) aspects were still thoroughly reviewed by the MidSEFF consultant. Based on project information, the MidSEFF consultant prepared a Stakeholder Engagement Plan (SEP), an Environmental and Social Gap Analysis Report (ESGA) and an Environmental and Social Action Plan (ESAP) aimed at identifying the actions to be implemented by the project sponsor/promoter to provide an adequate level of public disclosure and implement suitable E&S measures where and if needed. The consultant prepared all these documents including a Non-Technical Summary (NTS) for all projects with or without an ESIA report.

None of the projects was located in or had any significant impact on sites of nature conservation importance as per the consultants' reports, which took into consideration relevant information and studies (ESIA, Project Information Reports etc).

The EIAs for the two solar PV plants, "Gülbahar Elektrik"(24.2 MW), "Polat Elektrik" (26MW) and the two wind farms "Göktepe RES" (21.6 mw) and "Sertavul" (23 MW) were carried out, the relevant reports were issued and public consultation was conducted. The independent



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consultant verified and confirmed that projects obtained all necessary environmental authorisations and permits for the start of construction and for the operational phase. All EIA studies were published on EIB website and the website of the Ministry of Environment, Urbanisation, and Climate Change for public consultation.

The MidSEFF independent consultants monitored the environmental and social actions included in the ESAP across the entire project portfolio. Any identified gaps were addressed through supplementary studies and analyses, which were reviewed by the MidSEFF technical consultants.

According to the reports received by the independent consultant, none of the projects approved for financing under the FL involved physical resettlement or economic displacement of local population. In addition, no health and safety or labour issues were identified or reported.

Based on the EIB's carbon footprint methodology, the CO₂ emission reduction resulting from the renewable energy generated has been calculated to be in the amount of 97.5 ktCO₂ per year. For the renewable energy projects, the combined margin for intermittent electricity generation (solar and wind projects) was used to calculate the baseline emissions, which are 351 tCO₂/GWh for Turkey, as per the EIB carbon footprint methodology (version 11.2, February 2022).

Summary opinion of Environmental and Social aspects at completion:

Based on reports provided by the promoter and by the technical consultants involved in the monitoring process, the EIB is of the opinion that the project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.