

Luxembourg, 23.06.2023

## Environmental and Social Data Sheet

### Overview

Project Name:	<i>LBP ACTION POUR LE CLIMAT</i>
Project Number:	<i>2022-0847</i>
Country:	<i>France, Ireland and other EU</i>
Project Description:	<i>Framework Loan to finance small and medium scale Renewable Energy projects (solar PV, onshore wind).</i>
EIA required:	Some schemes may require an EIA under the relevant legislation.

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 operation is a Framework Loan (FL) with the Financial Intermediary (FI) La Banque Postale (LBP) to finance small and medium scale renewable energy projects (solar PV and onshore wind farms) in France (estimated at 40%), Ireland (c. 40%) and other EU countries (~26%).

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

#### Environmental Assessment

Most of the projects are expected to fall under Annex II of the Environmental Impact Assessment ("EIA") Directive 2014/52/EU amending Directive 2011/92/EU, requiring the competent authorities to determine whether an ESIA is required or not. For projects that require an EIA, the Bank will require the Financial Intermediary (FI) to store and keep updated any documents that may be relevant for the project (including EIA screening decisions, environmental studies, environmental monitoring reports or equivalent documents) supporting the compliance with the EIA Directive and national environmental regulations. The Financial Intermediary shall upon request promptly deliver such documents to the Bank and/or officially publish the website link of the location where the EIA is published.

The FI will be required to verify that none of the projects have 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 project 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 project does not have a significant negative impact on any site of nature conservation importance should be presented, as a condition of allocation of the funds. Projects with significant negative impacts on areas with high biodiversity value, nature conservation areas, including bird migration routes, shall not be

<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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eligible.

The operation is fully aligned with the goals and principles of the Paris Agreement as set out in the Bank's Climate Bank Roadmap and the Energy Lending Policy.

### **EIB Paris Alignment for Counterparties (PATH) Framework**

The counterparty is a FI in-scope and screened into the PATH framework. The counterparty discloses climate-related matters based on the Task Force on Climate-related Financial Disclosures (TCFD) in its non-financial report for the first time in 2023. Therefore, the FI already meets the requirements of the EIB PATH framework with its existing alignment plans.

### **Social Assessment**

The FI has an ESMS which includes a Human Rights Policy and a Code of Ethics in place, rejecting the use of any form of forced or compulsory labour, applicable inter alia to the supply chain of solar PV projects, in compliance with the applicable provisions of the relevant E&S standards of the Bank (including Standard 8 - Labour - of EIB E&S Standards).

The FI or the underlying promoters upon request of the FI will be required to undertake, on a best effort basis, enhanced due diligence (supply chain mapping of the PV module manufacturers reaching the level of silicon/polysilicon suppliers and/or declarations by the PV module manufacturers concerning the origin of the components used in the PV modules, per project) also guided by the FI's human rights commitment, and ensuring that appropriate contractual provisions are cascaded to contractors/suppliers of the sub projects.

### **Public Consultation Stakeholder Engagement**

For projects subject to an environmental impact assessment as defined by national legislation, the FI 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 FI applies a comprehensive ESG policy, including reporting and monitoring. It has in place policies and procedures, included in the ESMS, 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. The Bank has assessed the FI, and deems it to have adequate capacity to ensure compliance with the Bank's E&S 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 92/43/EEC, and Birds Directive 2009/147/EC amending 79/409/EEC) and the EIB's Environmental and Social Standards, as well as the E&S national laws and regulations.

## **Conclusions and Recommendations**

The investments targeted by the operation are expected to have limited social and environmental impacts, provided that all mitigation measures are implemented.

The FI's E&S policies and management capacity are considered adequate and commensurate with the E&S risk of the underlying projects. The following loan undertakings will be included in the legal documentation:

- The FI will be contractually obliged to incorporate the EIB's environmental and social requirements into its legal documentation.
- For projects that may have an impact on a nature conservation site, the FI shall obtain confirmation from the competent nature conservation authority, or an



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equivalent confirmation satisfactory to the Bank, that the project does not have a significant negative impact on any such site.

- If a scheme falls under Annex I or Annex II of the EIA Directive, the FI shall ensure that the sub-project's promoters comply with the provisions of the EIA Directive as transposed into national law. When relevant, the FI shall deliver to the Bank the EIA report and other relevant environmental documents and/or officially publish the website link of the location where the EIA is published.
- The FI shall undertake, on a best effort basis, to mitigate against the risk of forced labour in the solar PV supply chain. This will include enhanced due diligence (supply chain mapping of the PV module manufacturers reaching the level of silicon/polysilicon suppliers and/or declarations by the PV module manufacturers concerning the origin of the components used in the PV modules, per project) and ensuring that appropriate contractual provisions are cascaded to final beneficiaries and their contractors/suppliers.

Under these conditions, the operation is considered satisfactory from an environmental and social compliance perspective.