

Luxembourg, 20.12.2023

Environmental and Social Data Sheet

Overview

Project Name: *EU FUNDS CO-FINANCING CASTILLA Y LEON 2021-27*
 Project Number: *2023-0267*
 Country: *Spain*
 Project Description: *Co-financing investment schemes supported by European Regional Development Fund, the European Social Fund Plus and the Just Transition Fund in the region of Castilla y Leon within the Spanish Partnership Agreement 2021-2027*

EIA required: *yes*

The Project is a multi-scheme Structural Programme Loan (a type of Framework Loan); some individual underlying schemes may require an EIA

Project included in Carbon Footprint Exercise¹: *no*

Environmental and Social Assessment

Environmental Assessment

The Project is a multi-sector investment Framework Loan in support of Castilla y León Autonomous Region (CACL), supported by the European Regional Development Fund (ERDF) Operational Programme (OP), the European Social Fund plus (ESF+) OP and the Just Transition Fund (JT) OP within the Spanish Partnership Agreement 2021-2027. The Project will comprise schemes originated under these two OPs with EIB supporting the contribution to these schemes of the regional budget of the CACL, alongside private and other public co-financing obligations.

The share of the planned investments should reach approximately 46% for innovation, digital and human capital, 30% in sustainable energy and natural resources 16% for Small and Medium Enterprises (SMEs) support, and 8% for sustainable cities and regions.

The Strategic Environmental Assessment of the CACL ERDF OP and the Strategic Environmental Assessment of the Spanish Programme for JT contain an assessment of the expected environmental effects arising from the implementation of the ERDF OP and the JT OP, as well as measures envisaged to prevent, reduce or compensate any possible negative effects on the environment. All schemes must be implemented in compliance with the EU and national environmental legislation. In accordance with Article 73 of Regulation (EU) 2021/10602, all planned investments falling within the scope of the EIA Directive will be subject to an environmental impact assessment or a screening procedure and due consideration will be given to the assessment of alternative solutions based on the requirements laid down in that Directive.

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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Furthermore, infrastructure investments under the Project, with an expected duration of at least five years, will be subject to climate proofing, which is a process aimed at avoiding the vulnerability of infrastructure to potential long-term climate impacts, while ensuring that the “energy efficiency first” principle is respected and that the level of greenhouse gas emissions from a project is consistent with the climate neutrality objective by 2050. The climate proofing is to be based on the Commission Notice 2021/C 373/01 on Technical Guidelines on the climate proofing of infrastructure in the period 2021-2027 and, where appropriate, further relevant guidance.

All schemes must be implemented in compliance with the EU and national environmental legislation. Some schemes may eventually fall under Annex I or Annex II of the EIA Directive and the Promoter would be required to act according to the Directive, with specific requirements towards the EIB noted below.

The Project has been assessed for Paris alignment and is considered to be aligned with both low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (Annex 2) and/or associated guidance and other relevant documents.

The DNSH (“do no significant harm”) principle is applied under the ERDF OP, as well as the JT as set out in the preamble to the Spanish Partnership Agreement 2021-2027.

Finally, the funded activities are consistent with the national and regional adaptation strategies.

Social Assessment, where applicable

The Charter of Fundamental Rights of the European Union and the United Nations Convention on Persons with Disabilities have been applied over all successive phases of the programming of the three OPs (ERDF, ESF+ and JT) and in setting up their management structure. They shall also be applied during implementation – project selection, award, and in the monitoring and control functions. In addition, the investment schemes supported under all specific objectives of these Operational Programmes shall comply with the principles of gender equality, inclusion, and non-discrimination.

In particular, schemes under the ESF+ foster education, training, and lifelong learning, and hence support implementation of the European Pillar of Social Rights. The schemes under the JTF will support inter alia retraining, upskilling and job counselling measures to enable the inhabitants of the provinces of Palencia and León to address the social, employment, economic and environmental impacts of the transition to a low-carbon economy in the provinces of León and Palencia, which have been hardest hit by the recent closure of the last coal mines and coal-fired power plants of the region.

Public Consultation and Stakeholder Engagement

The public consultation during the SEA process of the ERDF OP and of the Spanish JT Programme has been carried out in line with the SEA Directive. Public consultation of the EIAs of the relevant underlying schemes, if any, will be carried out in line with the EIA Directive and the relevant national law.

Conclusions and Recommendations

The following undertakings will be required for the Project:

- The Promoter (Castilla y León Autonomous Region) is required to act according to the provisions of the relevant EU legislation, mainly SEA Directive (2001/42/EC), EIA



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Directive (2011/92/EU, as amended by 2014/52/EU), Habitats Directive (92/43/EEC), Birds Directive (2009/147/EC) and Water Framework Directive (2000/60/EC), and national legislation.

- Schemes in relation to which a screening or appropriate assessment of impacts on Natura 2000 sites is carried out, are assessed in view of site-specific conservation objectives (SSCOs). For schemes subject to screening/appropriate assessment, the Promoter will inform the Bank about any changes/updates to the conclusions of the screening/ appropriate assessment, in view of the site-specific conservation objectives, as defined by the competent authority and reflected in their decision.
- In case a scheme of costs of over EUR 25m requires an EIA report and/or an appropriate assessment, the Promoter shall submit the EIA report and/or appropriate assessment to the Bank prior to allocation of the Bank's funds.

Considering the contractual undertakings associated with the Project, as well as the capacity of the Promoter and the systems in place to manage environmental and social impacts and risks, the Project is acceptable for the Bank's financing in environmental and social terms.