



Luxembourg, 12 December 2023

Environmental and Social Data Sheet

Overview

Project Name:	<i>VGP PV Green Loan</i>
Project Number:	<i>2022-0401</i>
Country:	<i>Regional - EU countries</i>
Project Description:	<i>Roll-out of rooftop photovoltaic installations on the promoter's logistic centres across EU countries</i>

EIA required: no

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The Project is a Framework Loan (FL) that will fund the Promoter's investments in rooftop photovoltaic (PV) installations on its logistic centres across the EU, with a focus on Central and Eastern Europe. The underlying schemes are expected to be of small capacity, depending on the rooftop size available to install the PV panels.

The environmental and social due diligence has focused on the Promoter's capacity and capability to implement the programme in line with the EIB Environmental and Social Standards, as well as on the environmental and social impacts of the underlying schemes. The Bank has assessed that the schemes will comply with the Bank's standards, in particular with regard to health, safety and security, and resource efficiency and pollution prevention. Based on this assessment, the environmental capacity of the Promoter is deemed good.

Given the small size of the schemes, their location on built-up areas, and the lack of transformation of additional land, it is unlikely that there would be any schemes where an EIA would be required.

In the unlikely case that an Environmental Impact Assessment (EIA) is required, the Promoter is required to store and keep relevant project documents providing evidence of compliance with the EIA Directive and national environmental regulations (such as EIA screening decisions, environmental studies, environmental monitoring reports or equivalent documents), and shall upon request promptly deliver such documents to the Bank.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty (VGP NV) is in scope and screened out of the PATH framework, because it is neither considered high emitting nor high vulnerability.

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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Other Environmental and Social Aspects

Independent reports have pointed out the possibility of the use of forced labour in the supply chain of solar PV panels. The Promoter undertakes reasonable efforts in case of concern to mitigate against the risk of forced labour in the solar PV supply chain, including enhanced due diligence where practically achievable. The Promoter ensures that relevant obligations are passed on in supplier contracts. In addition, the Promoter has established a Supplier Code of Ethics that covers Human Rights, including supplier obligations to ensure rejection of the use of any form of forced or compulsory labour.

Although the Project – an intermediated operation – is not included in the Carbon Footprint Exercise, the Bank has estimated that the Project will save around 122 000 tonnes of CO₂ equivalent per year.

Conclusions and Recommendations

The Bank has reviewed the environmental and social capacity of the Promoter, including its organisation, processes and procedures, and deemed them to be acceptable. Based on the information available at this stage, the Project is not expected to have negative impacts that cannot be adequately mitigated, provided that the Promoter fulfils the conditions for the relevant permits.

The Promoter will fulfil the following undertakings:

1. The Promoter shall 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), and shall upon request promptly deliver such documents to the Bank.
2. The Promoter will retain appropriate records evidencing the fact that, for all projects financed with the proceeds of the loan requiring an EIA, the competent authorities made the related EIA studies accessible to the public.
3. Only projects that receive environmental authorisations, including opinion from the Competent Authority of no negative impact on any Natura 2000 site (as applicable), and which are in compliance with relevant EU Environmental Directives and EIB E&S Standards (where applicable), are eligible for EIB financing.
4. The Promoter undertakes to perform supply chain due diligence to mitigate the risk of forced labour in the PV supply chain of the projects. As part of this due diligence, the Promoter shall aim to obtain a complete mapping of the supply chain of the PV module manufacturers reaching the level of silicon/polysilicon suppliers. In any case, the Promoter shall obtain signed declarations by the PV module manufacturers concerning the origin of the components used in the PV modules. The Promoter shall pass down to its suppliers the requirement to avoid forced labour.

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