

Luxembourg, 12.11.2024

Environmental and Social Data Sheet

Overview

Project Name:	CAIXABANK RISK SHARING EUROPE CLIMATE ACTION II
Project Number:	2024-0334
Country:	Italy, Spain and other EU Countries
Project Description:	Funded/Unfunded delinked risk sharing operation in respect of an existing portfolio of Project Finance loans in the renewable energy and infrastructure sectors. With the resources made available by the Bank, new loans will be granted to eligible renewable energy and storage transactions.
EIA required:	Some schemes may require an EIA under the relevant legislation
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The operation consists of a portfolio of new renewable energy schemes (solar PV, onshore wind, batteries, and potentially other renewable energy projects) in Italy, Spain and other EU countries, in return for an EIB risk sharing in an existing portfolio of CAIXABANK (the Financial Intermediary, FI).

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.

The Financial Intermediary, which is known to the EIB from previous operations, will be required to ensure the compliance of all schemes with relevant EU Directives as transposed into national legislation. Due to their technical characteristics, some of the investments are expected to fall under Annex II of Directive 2011/92/EU as amended by EIA Directive 2014/52/EU, leaving it to the national competent authority to determine, according to Annex III of 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, which are expected to be mitigated appropriately.

In case an EIA is required, the Bank will require the 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

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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the compliance with the EIA Directive and national environmental regulations, and to promptly deliver such documents to the Bank upon request.

The FI will be required to verify that none of the schemes has 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). Schemes with significant negative impacts on areas with high biodiversity value, nature conservation areas, including bird migration routes, shall not be eligible.

EIB Paris Alignment for Counterparties (PATH) Framework

The Counterparty, Caixabank, is in scope and screened in. The counterparty already meets the requirements of the EIB PATH framework.

Other Environmental and Social Aspects

The FI has significant experience in financing renewable energy projects in the targeted Countries 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, making available to the public annual reporting on sustainable activities. The FI will be required to undertake reasonable efforts in case of concern to mitigate against the risk of forced labour in the solar PV supply chain. This will include enhanced due diligence where practically achievable, and ensuring that relevant obligations are passed on in supplier contracts.

Most of the schemes under this operation are expected to be operations with a project cost above 80 MEUR and subject to EIB ex ante due diligence and approval on Environmental and social matters.

Conclusions and Recommendations

The FI is considered to have the expertise and the capabilities to verify the environmental procedures carried out for individual schemes, appropriately addressing environmental issues and ensuring that the schemes to be part-financed under this framework loan comply with national and EU legislation.

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. 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.

Projects that have significant negative social impacts, require resettlement that cannot be mitigated to the Bank's satisfaction, or have significant negative impacts on areas with high biodiversity value, including nature conservation areas and migration routes for birds or fish, shall not be eligible.

The FI will be required to undertake, on a best effort basis, to perform enhanced due diligence of the supply chain of the solar PV module manufacturers (supply chain mapping of the solar 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 sub-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.

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