

Environmental and Social Data Sheet

Overview

Project Name: *Forestry and Coastal Management*
 Project Number: *2012-0141*
 Country: *Spain*
 Project Description: Financing of investments in the rehabilitation of coastal areas, recovery of areas affected by forest fires and other investments targeted at environmental protection in Spain.

EIA required: yes for selected investments

Project included in Carbon Footprint Exercise¹: yes

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The operation will finance forest protection (54% of costs) and improved coastal management (46% of costs). Forest protection works will entail rehabilitation of areas burned during 2012 including emergency infrastructure repairs; soil protection; removal of burned material; and forest regeneration. For the remaining three years of the project, works will depend on area and location of future fires, and will be further defined on an annual basis. In addition, two forest fire-fighting aircraft will be purchased, replacing obsolete aircraft in the State-owned fleet. Coastal works will include erosion protection, dune rehabilitation, shoreline reconstruction and seafront improvements. Each of these two areas of work will deliver multiple environmental benefits.

The project is in line with the relevant European and national programmes and strategies on forests and coastal management.

According to the Environmental Impact Assessment Directive (97/11/EC) Annex II 1(d), forestry activities only require assessment where they involve a change in land use. Therefore, the forestry activities to be conducted within this programme do not require an EIA. All actions within conservation areas are covered by the management plans for those areas.

With regard to the coastal investments, some activities may require an EIA subject to the judgement of the competent authority, in accordance with Annex II of the Environmental Impact Assessment Directive (2011-92/EU). Where an action may affect a Natura 2000 site (designated according to the Habitats Directive 92/43/EEC or Birds Directive 79/409/EEC), the Bank requires the promoter to follow the Directives' procedures as transposed into national law. Those activities that require an EIA are only eligible to Bank financing after submission of all relevant information to the Bank. In this regard, specific undertaking has been included in the Finance Contract.

The project is acceptable for Bank financing.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

Environmental and Social Assessment

Forest protection

A principal aim of the operation's forest protection works is post-fire erosion control, which delivers important benefits in terms of soil protection, reducing siltation of rivers, and habitat protection. The works also seek to promote natural regeneration of the burned areas or prepare them for replanting as appropriate. These works mitigate greenhouse gas emissions through regrowth and reestablishment of the forests (which act as a carbon sink); and by safeguarding what is also an important source of biomass for renewable energy. The purchase of fire-fighting aircraft support the country's capacity to respond to forest fires, the risk of which is increasing linked to climate change; therefore, the operation also contributes to climate adaptation.

Spain's fleet of fire-fighting aircraft are a valuable resource at international level. The new aircraft will contribute to Spain's ability to support emergency fire-fighting efforts in other countries.

Activities in support of forest protection and rehabilitation are expected to support the following programmes and strategies:

- The EU's Forest Strategy
- The EU's Forest Action Plan
- The Spanish Forestry Strategy
- The Spanish Forestry Plan

Coastal management

The coastal investments are expected to deliver a range of environmental benefits, both to the natural and the built coastal environment. In particular the project includes restoration of coastal wetlands; the protection of dunes; development of improved public access including walkways, cycle paths and signage.

The project includes several activities at national level including coastal risk analysis, flood risk planning, emergency response planning and invasive species analysis.

Spain's new Coastal Law², issued April 2013, introduces a differentiated regime for urbanised and natural areas of coast. For natural sites, the law imposes a higher level of protection to that which was previously in place. It also requires that climate adaptation be explicitly taken into account in the planning of coastal investments. To strengthen coastal protection mechanisms, the Central Government shall have power to suspend administrative actions and decisions taken by local authorities affecting the integrity of the maritime-terrestrial public domain, or which are in breach of management plans in designated areas. This is intended to prevent illegal building and other works.

The project is therefore positive in terms of environmental impact and it is expected to contribute to EU environmental policy objectives in the fields of climate change (both mitigation and adaptation), soil and habitat management. The project's focus on improved management and protection of natural resources – both inland in forests, and in coastal areas – are in support of the EU's resource efficiency agenda.

² May 2013: Proyecto de Ley de protección y uso sostenible del litoral y de modificación de la Ley 22/1988, de 28 de julio, de Costas.

Carbon footprint exercise

24,800 ha of forest is being rehabilitated during 2013. Growth rates can be conservatively estimated to be 5 m³/ha/y. It is likely that a similar area of forest will be rehabilitated during the remaining 3 years of the programme; conservative estimate of 20,000 ha/y is assumed. Therefore, the forest rehabilitation component of the operation is expected to result in the sequestration of approximately 424,000 t CO₂ eq.

Public Consultation

Where an EIA is required subject to the judgement of the competent authority, public consultation is a compulsory element of the process under Spanish and EU law. In addition to this regulatory requirement, it has been observed that the local and regional authorities have undertaken a range of public information and outreach activities in relation to certain coastal sub-schemes, aiming to involve and inform residents, businesses and other interested citizens. Examples include architect competitions for innovative proposals; and information boards are placed on-site to present future plans to residents and visitors.

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