

## Environmental and Social Data Sheet

### Overview

Project Name:	Central America Climate Change FL II
Project Number:	2013-0043
Country:	Regional - Central America
Project Description:	The Framework Loan will support renewable energy and energy efficiency projects in Honduras, Nicaragua, El Salvador, Guatemala, Costa Rica and Panama. The majority of the projects are expected to be hydropower, wind, geothermal and photovoltaic.
EIA:	Some projects might require an EIA
Project included in Carbon Footprint Exercise <sup>1</sup> :	no
(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 environmental and social impacts of the investments eligible for financing under the operation are expected to be acceptable and limited - minor social impacts, local disturbances to flora and fauna and temporary impacts during construction with no significant negative residual effects. The projects will generally have positive environmental benefits, notably the avoidance of GHG emissions and airborne pollutants from alternative fossil energy. Due to their technical characteristics the investments, if located in the EU, could fall under Annex I or Annex II of the EIA Directive. Annex I type projects will be subject to a mandatory EIA. Annex II type projects may be subject to an EIA under national legislation or upon the decision of the competent authority. Projects with significant residual environmental or social impacts are not eligible for the Bank's financing.

The Financial Intermediary systematically reviews the environmental and social impacts of the schemes as part of its due diligence process. Supervision and monitoring is generally undertaken by specialised consultants employed by the Financial Intermediary. In all cases, each project will be analysed for compliance with the Bank's social and environmental Standards and Principles. Appropriate safeguards and monitoring procedures shall be put in place to ensure that project implementation is satisfactory and complies with the requirements of the Bank.

In all cases where an EIA is required by the Bank, national law or the competent authority, a copy of the Environmental Impact Statement (EIS) of the EIA report and the environmental permit reflecting public consultation shall be obtained. The Financial Intermediary will be required to verify that the projects do not have a significant negative impact on sites of nature conservation, including sites protected under national legislation or international agreements. When appropriate, written confirmation by the relevant national authorities shall be obtained.

The legal documentation associated with the Finance Contract will include an obligation to ensure that the projects are in compliance with national legislation and the principles of European legislation as defined by the EIB's Environmental and Social Standards and Principles.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

## **Environmental and Social Assessment**

### **EIB Carbon Footprint Exercise**

Intermediated lending through Framework Loans is not currently included in the carbon footprint exercise, except for large allocations which are subject to individual appraisal by the Bank. For such allocations, if emissions are above the thresholds, these projects will be included in the footprint exercise for the year that the allocation is approved by the Bank.