

## Environmental and Social Data Sheet

### Overview

Project Name:	BELFIUS SMART CITIES & SUSTAINABLE DEVELOPMENT
Project Number:	2013-0308
Country:	Belgium
Project Description:	The Project comprises a Framework Loan intermediated through the Belgian bank Belfius to co-finance a programme of investment schemes in the area of “Smart Cities and Sustainable Development”. The investments will be located throughout Belgium, and will mainly target municipalities and public utilities in the areas of sustainable urban development, energy efficiency and renewable energy, and sustainable mobility.
EIA required:	This is a multi-scheme operation. Some of the schemes may require an EIA under Annex I or II of the EIA Directive.
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 project will be implemented in Belgium and comprises investments in the areas of sustainable urban development, energy efficiency and renewable energy, and sustainable mobility.

The project is not subject to the provisions of the Strategic Environmental Assessment Directive (SEA).

The schemes will be implemented in cities and urbanised areas and most of the schemes are not likely to have negative environmental impacts. Some of the schemes may fall under Annex I or II of the EIA Directive 2011/92/EU; however most of them are not likely to fall under the scope of the EIA Directive. In addition, projects are not expected to be subject to a screening under the EU Habitats and Birds Directives (92/43/EEC and 2009/147/EC). Nevertheless the compliance with the above-mentioned directives will be reviewed for each individual scheme included in the project.

The project includes investments targeting sustainable communities and therefore it should have a positive effect on the environment, decreasing local traffic-related emissions. In addition, it is expected to contribute to creating awareness on energy efficiency, emphasizing the need for electricity generation from more sustainable/renewable sources, and enabling municipalities to meet targets under sustainable energy action plans where applicable.

The Financial Intermediary (FI) will be requested to ensure that the promoters act according to the relevant and applicable environmental rules of the EU, national and international legislation. The Financial Intermediary shall not commit the Bank's funds to such schemes until the relevant consent has been issued by the competent authorities (responsible for environmental and social assessment and for the monitoring of Natura 2000).

Belfius has the technical capacity to carry out environmental due diligence and given the nature of the operation and the fact that all procedures concerning EIA and protected sites

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<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.

are in place by the Belgian competent authorities, the FL is acceptable in environmental terms.

## **Environmental and Social Assessment**

### **Environmental Assessment**

The project comprises multiple schemes, structured in three different areas: i) sustainable urban development, ii) energy efficiency and renewable energy, and iii) sustainable mobility. At the appraisal stage, individual schemes are not confirmed; however a list of criteria to select eligible projects (sustainable and smart) has been agreed jointly by EIB and Belfius. Belfius shall require selected promoters to apply the necessary procedures regarding environmental and social issues.

All procedures concerning EIA and nature protection are in place by the competent authorities in Belgium (environmental and responsible for the monitoring of Natura 2000) and in line with EU requirements. The project comprises a Framework Loan to be implemented by the Financial Intermediary and is not subject to the provisions of the Strategic Environmental Assessment Directive.

The project includes investments targeting sustainable communities and therefore it should have a positive effect on the environment, through eco-quartier development, sustainable building refurbishment, and mobility measures decreasing local traffic-related emissions. In addition, it is expected to contribute to electricity generation from more sustainable/renewable sources, and energy efficiency improvements in lighting, buildings and urban districts.

The FI is a geographically diversified Belgian Bank with a broad base of municipal clients. It is experienced in municipal and regional projects and maintains teams with sectorial expertise. Belfius shall carry out environmental due diligence as part of its overall due diligence process before EIB funds are allocated to the schemes concerned. The FI will be tasked with ensuring that the Promoters act according to the relevant and applicable environmental rules of the EU, national and international legislation.

The appraisal confirmed the technical capacity of the FI to select, appraise and follow up projects to standards acceptable to the Bank and within a robust risk management framework. The FI shall not commit the Bank's funds to such investments until the relevant environmental consent has been issued by the competent authorities.

### **Social Assessment, where applicable**

According to the information provided by the FI, schemes to be financed are not likely to imply any new land acquisition process and all the land should already be available for construction and implementation.

In principle, there is no resettlement included in the project and the probability of raising any protest or making any complaint about the investment by non-governmental institutions (e.g. ecological, the protection of cultural heritage, protection of consumer rights etc.) may be considered minor.