

Environmental and Social Data Sheet

Overview

Project Name: SAO PAULO POWER DISTRIBUTION - ELEKTRO
 Project Number: 20110552
 Country: Brazil
 Project Description: The project aims at the renewal and expansion of the promoter's distribution networks, reducing energy losses and enhancing the reliability and quality of electricity supply in the states of Sao Paulo and part of Mato Grosso do Sul. The project will connect some 116,000 customers to the network, of which more than 39,000 are low income.

EIA required: YES

Project included in Carbon Footprint Exercise¹: NO

(Details are provided in section: "Carbon Footprint")

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

This is a typical electricity distribution project applying proven technologies undertaken by an experienced promoter. The main impacts occur during construction, are temporary in nature, and are mitigated according to established practices in the sector.

If located in the EU, the project would fall under Annex II of the EIA Directive 85/337/EEC and its amendments. It consists primarily of small scale medium and low voltage reinforcements and extensions that are expected to have low environmental impacts, manifested mainly during the construction phase. Such impacts can usually be mitigated through suitable design and construction practices. Appraisal confirmed that one component requires an environmental study per national and state level legislation. This EIS has been completed and authorisation for the component has been received. The EIS was reviewed and its content and quality were assessed to be satisfactory. It is available on the EIB website.

Appraisal confirmed that the promoter is capable of addressing social impacts, and environmental and biodiversity issues in line with the Bank's requirements for such an investment.

The contractual undertakings require the promoter to ensure that it is in compliance with the permitting requirements in Brazil (one permit is still awaited) and that in the event further environmental impact studies are required that the Bank is furnished with copies which will be published on the Bank's website.

The project's environmental basis is acceptable for Bank financing.

Environmental and Social Assessment

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.

EIB Carbon Footprint Exercise

Project is not included - the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

Other Environmental and Social Aspects

The promoter is accredited to meet the standards of ISO 9001 for all its activities. This is annually audited for compliance. The promoter is implementing ISO 14001 and OSHAS 18001 throughout the organisation and currently some 40% of the concession area is certified to meet the standards.

The promoter has provided evidence of sound practice with respect to environmental management and confirmed that all new projects are assessed for environmental impact. In addition to systems to meet regulatory requirements, the promoter has a comprehensive environmental management system.

Site visits demonstrated the appropriate implementation of health, safety, security and environmental standards.

The operation will provide environmental benefits through the substitution of more polluting fuel sources by electricity largely sourced from hydroelectric installations.

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