

## Environmental and Social Data Sheet

### Overview

Project Name: AKUO RENEWABLE ENERGY  
 Project Number: 20130253  
 Country: France  
 Project Description: *The operation is an intermediated loan to support the investment programme of an independent renewable power producer in France. It will consist of the design, construction and operation of renewable energy sub-projects (wind, solar PV and biomass) representing an installed capacity of 124 MW.*

EIA required: yes

Project included in Carbon Footprint Exercise<sup>1</sup>: 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 comprises nine renewable energy schemes: three photovoltaic plants with total installed capacity of 20 MW, another three wind schemes amounting to 50 MW and lastly three biomass cogeneration plants with a total installed capacity of 54 MW. The wind projects and biomass cogeneration plants are located in continental France, whereas two of the PV plants are located in Corsica and the last one in La Reunion.

All of the schemes fall under Annex II of the Environmental Impact Assessment (EIA) Directive 2011/92/EU which means that they can be subject to an EIA on a case by case basis decision or defined criteria set by the competent authority. Based on the criteria defined in France ("Code de l'Environnement") all schemes require an EIA in order to get an environmental authorization for operation. Based on Considering the general soundness of the authorisation compliant with Code de l'Environnement underlying authorisation and project selection processes, through RE tenders, combined with the , and in view of the conditions proposed, the operation is considered acceptable for Bank financing from a social and environmental point of view.

#### Photovoltaic schemes:

The three PV plants have undergone individual EIAs. The main long term impacts are the visual changes, which are not considered significant. The plants are not located inside or close to protected sites. No negative impacts on nature conservation sites are expected. Overall the environmental impacts are deemed acceptable.

#### Biomass schemes:

Two of the three similarly sized biomass cogeneration plants are still undergoing their individual EIA processes; the biomass cogeneration plant in Novillars is already permitted on the basis of an EIA process. The three plants are located at existing industrial sites, next to their heat and steam off-taker, with established infrastructure and transport connections. They combust non-contaminated biomass and apply best-available-technique as defined under the Industrial Emissions Directive 2010/75/EU. According to a provisional environmental impact

<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.

study (EIS) provided by the promoter for the Novillars scheme, residual impacts relate to temporary nuisance during construction and regular biomass transports and residual pollutant emissions from the combustion process during operation. For the permitted scheme in Novillars, the competent authority in its permit concludes that the project is acceptable under environmental aspects in view of the mitigation measure applied.

It is proposed that final Environmental Impact Studies, satisfactory to the Bank including Non-Technical Summaries, are presented to the Bank prior to disbursement to any of the three biomass schemes. Further, environmental permits for operation are to be presented prior to disbursement related to the two biomass schemes in Haubourdin and Verdun, respectively. Given that there are areas of nature protection interest within 0-4 km distance of all biomass schemes, it is further suggested that a confirmation from the competent nature conservation authority, or an equivalent assessment satisfactory to the Bank, that the biomass schemes do not have a significant negative impact on any site of nature conservation importance, is conditional to any disbursement related to these schemes.

Detailed biomass supply plans have been presented for each biomass scheme and approved by regional prefectures. Compliance with these biomass supply plans is binding and exceptions must be granted by the regional prefecture. It is proposed that the promoter shall present prior to disbursement to any biomass scheme a biomass sustainability policy, satisfactory to the Bank, with terms imposed on forest biomass sourcing and ensuring that best practices are followed in forest management of the sourcing areas. In addition, the following loan undertakings are proposed to ensure long term sustainable biomass supply:

- Concerning forest biomass sourcing areas that are not yet certified, an independent external audit report on compliance with the best practices is to be submitted to the Bank annually and is subject to the satisfaction of the Bank's Services.
- The project shall exclude sourcing of biomass from areas with natural forest conversion and logging of primary moist and tropical forests.
- Sourcing of biomass shall comply with the EU Forest Law Enforcement Governance and Trade (FLEGT) Regulation (if applicable).

The three biomass CHP schemes cogenerate part of their electricity at “high efficiency” as defined by the EU legislation on energy efficiency (Directive 2012/27/EU).

#### Wind schemes:

The three projects have undergone individual EIAs. The main negative impacts in the long term concern the potential collisions with birds. The projects lay outside bird migration corridors and, while collisions cannot be ruled out, the impact is deemed low and therefore acceptable.

Two schemes are located close to protected areas and a consideration of the projects' impact on these sites is not documented in the authorisation documentation. It is therefore proposed that disbursements related to the wind schemes in Croix Benjamin and Gationais are conditional to a confirmation from the competent nature conservation authority, or an equivalent confirmation satisfactory to the Bank, that the schemes do not have a significant negative impact on any site of nature conservation importance.

## **Environmental and Social Assessment**

Further details of the Bank's environmental and social assessment are summarised below:

#### Photovoltaic schemes:

The environmental impact study (EIS) for the scheme “Cedres” confirms that local coconut trees that will not be affected. There is a potential presence of Chameleons, but it is unlikely that they would be significantly affected. The nearest conservation site is Etang du Gol (1km) which by its characteristics (coastal marsh) is expected not to be adversely affected.

The main impact of the “Olmo” scheme is the removal of eucalyptus from the project area. No long term relevant negative impacts were identified. The project layout has been split in two areas to protect a humid area in the middle of the project, where protected amphibian fauna had been identified. It includes three protected species: Crapaud vert, les Discoglosses et la Rainette sarde. Appropriate protection measures will be implemented during construction and operation to preserve the humid area.

The main negative impact of the “Mortella” scheme is visual but not significant. The site’s present use is agricultural and no other long term relevant negative impacts were identified.

The nearest conservation site to the schemes “Olmo” and “Mortella” is the Urbino SPA, distant 12 km and 5 km respectively. No significant impacts are expected.

Biomass schemes:

The project also comprises three similar biomass fired combined heat-and-power (CHP) plants with an installed fuel input capacity of 61-63 MW<sub>th</sub>.

A preliminary EIS has been received for the CHP plant in Novillars. It addresses all key impacts during construction and operation, including on Natura 2000 sites: land scape/ visual, habitats, cultural heritage, water & soil air, noise, smell, traffic, waste. Mitigation measures are proposed, including noise mitigation measures during construction and operation, limitation of biomass deliveries to working days from 8-18 hours, and the use of best-available technique in-line with the Industrial Emissions Directive 2010/75/EU.

All schemes consume primarily forest based biomass plus some non-contaminated woody residues from wood processing industries and recycling centres. The schemes in Novillars and Verdun source their biomass solely from the region (i.e. less than 100km transport distance). It is transported by truck (ca. 20-25 deliveries per day). The Haubourdin scheme, in contrast, sources forest based biomass primarily from other parts of France, augmented by Baltic States’ and Russian sources. The Bank’s project undertakings are to guarantee that all forest biomass originates to sustainable and traceable sources.

The project site in Novillars is directly adjacent to a Natura 2000 site (“Moyenne Vallée du Doubs”, SCI FR4301294 and SPA FR4312010). Further regional and national sites of nature conservation interest are within a radius of few km. A preliminary EIS available for the Novillars concluded that the project has no significant negative impact on these sites. The Haubourdin scheme is quite close (ca. 1 km) to a national designated protection area “Parc de la basse vallée” (ZNIEFF2 142). The closest protected site for the Verdun scheme is ca. 3-4km away: SPA “Vallée de la Meuse”, FR4112008.

Wind schemes:

The Croix Benjamin scheme is located around 2km from the closest Natura 2000 site (n°2100296-Prairies, marais et bois alluviaux de la Bassée). The EIA did not cover potential impacts to this site and therefore a disbursement condition has been proposed.

Concerning Gatinais, the EIS acknowledges that the Natura 2000 site « Sceaux du Gâtinais et de Mignerette » (SIC n°FR2400525) is just 1.2 km distant to the project. However the assessment does not seem to cover the potential impacts on this nature conservation site. Thus, there is need to confirm that the wind schemes do not have a significant negative impact on any site of nature conservation importance.

The scheme “Macon 2” lies within 15km of 3 Natura 2000 sites. The impact on those areas has been analysed in the EIS and deemed acceptable.

## **EIB Carbon Footprint Exercise**

The direct climate relevant emissions of all schemes under this operation are zero. This is also true for the biomass schemes considering the sustainability criteria applied and the predominant use of local, forestry based biomass. The use of fossil fuels in these plants is expected to be marginal.

In accordance with the Bank's Carbon Footprint methodology, it is calculated that the total relative effect of the project is a net reduction in CO<sub>2</sub> equivalent emissions by 404 kt CO<sub>2</sub>e/yr. This calculation assumes that 58% of generated electricity substitute power generation in existing fossil fuel based power plants whilst 42% substitute power generation in new gas-fired combined cycle power plants and fuel oil fired combustion engines, respectively. It is further assumed that cogenerated steam and hot water substitutes industrial steam generation in existing natural gas fired boilers.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

## **Other Environmental and Social Aspects**

### General:

All schemes under this operation undergo a due diligence by the financial intermediary (FI), including an environmental and social appraisal. In this context the FI will respect the Equator-Principles and apply them to each scheme.

The promoter has an HSE policy in place and complies with the relevant law.