

Environmental and Social Data Sheet

Overview

Project Name:	SANTANDER ENERGY EFFICIENCY FL - PF4EE
Project Number:	2015-0531
Country:	Spain
Project Description:	Framework loan dedicated to finance energy efficiency schemes in hotels in Spain
EIA required:	Some of the sub-schemes may exceptionally require an EIA

Project included in Carbon Footprint Exercise¹: No

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

The project targets the financing of energy efficiency and small renewable energy investments mainly in existing hotels and to a lesser extent in other buildings for touristic lodging, all located in Spain. The investments involve a variety of measures such as improvements to the building envelope, heating and cooling systems, energy-efficient lighting, energy management systems, solar heaters, etc.

Part of the sub-projects may be subject to the amended Ley de Costas (Coastal law), in force since October 2014. According to this law, the concerned hotels can undertake renovation works only if these do not change the external dimensions of the hotel and include energy efficiency measures resulting in an improvement of two classes in the energy efficiency classification (or class B) as well as water saving measures. In addition to above requirements, the promoter will make available to the Bank for each scheme subject to the Ley de Costas a copy of the urban permit proving that the requirements of the aforementioned law are fulfilled.

The schemes under this framework loan will typically be small-scale projects, and are expected to have limited negative environmental and social (E&S) impacts which will be appropriately mitigated. Overall, the supported investments are expected to generate positive environmental impacts, notably by generating energy savings and promoting small-scale application of renewable sources of energy, thus reducing greenhouse gas emissions.

Exceptionally some schemes may fall under Annex II of the EIA Directive requiring a screening decision by the competent authority on the need to carry out an Environmental Impact Assessment (EIA). If an underlying investment is subject to an EIA, the promoter will be required to provide the Bank with a copy of the Non-Technical Summary (NTS) of the corresponding Environmental Impact Study for publication at the time when allocating funds. In addition, the promoter will be required to verify that none of the schemes have a significant negative impact on any site of nature conservation importance, including sites protected under national legislation and international agreements. The promoter will be required to provide confirmation to this effect from the competent authority.

The environmental capacity of the promoter has been assessed by the Bank as satisfactory. The Bank's E&S standards and requirements will be included into the promoter's due diligence procedures and in the Finance Contract with the Bank.

In view of the above findings and conditions, the project is deemed acceptable for Bank financing from an E&S perspective.

¹ Framework loans are not included in the Carbon Footprint Exercise.