

Environmental and Social Data Sheet

Overview

Project Name:	BMCE LIGNE VERTE
Project Number:	2016-0434
Country:	Morocco
Project Description:	A dedicated bank-intermediated EIB loan to finance projects by private promoters in the waste management sector in Morocco
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

This programme, intermediated by Banque Marocaine du Commerce Extérieur (BMCE), will comprise solid waste management projects implemented by private promoters in Morocco. The final pipeline of projects has not been determined, and details about their environmental and social impacts and mitigation measures cannot therefore yet be assessed. However, the projects are expected to have an overall positive impact on the environment, by reducing environmental, public health and climate impact from waste disposal. By increasing recycling and recovery from waste, the projects will also contribute to meeting the national target for recycling and to create a circular economy in Morocco. The facility should also help to mitigate climate change by reducing emissions of landfill gas.

The intermediary bank's in-house capacity in environmental risk management is judged to be high. The bank signed the UNEP Financial Institutions Principles for Responsible Investment in the year 2000, the Equator Principles in year 2010, and the bank was ISO 140001 certified in 2011. The in-house developed social and environmental management system (SEMS) was established in 2008, with the IFC Performance Standards on Environmental and Social Sustainability at its core. All projects under this Programme will be screened by the intermediary bank using its SEMS system.

The intermediary bank and where needed project promoters will be supported by technical assistance (TA) provided by the co-financier FMO, The Netherlands Development Finance Company. The TA will, among others, support the intermediary bank in their environmental and social screening of projects.

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.

Luxembourg, 12 October 2016

Developments in the solid waste sector are governed by a National waste management strategy 2008-2022, adopted in 2007. This strategy was subject to an SEA.

The EIA system in Morocco is based on two laws adopted in January 2003: Law 11-02 which establishes the general principals of the national environmental policy; and Law 12-03 which establishes the rules and procedures of the EIA. The latter includes a list of project types, including solid waste facilities, for which EIA is obligatory. The Government has also published decrees completing the legal and regulatory framework for the EIA system, including regulations related to public consultation, and a decentralized EIA review and validation. Regional EIA committees have been established throughout the Kingdom and are now responsible for approving EIAs for projects below a MAD 200 million threshold, something which facilitates the involvement of local stakeholders in the management of the EIA system and reduce delays in the review and approval of EIAs.

Some of the projects under the scope of this operation, e.g. landfills and waste treatment facilities would fall under Annex II of the European Directive 2011/92/EU.

The project is expected to bring an overall positive impact on environment and public health by improving waste disposal and increasing recycling of waste in Morocco. The project will also contribute to mitigation of climate change by reducing emission of greenhouse gases from and landfills.

The following main conditions relating to E&S will be included in the Finance Contract:

- The Borrower shall not commit any EIB funds against projects that require an Environmental Impact Assessment (EIA) or biodiversity assessment according to national law without, prior to commitment, receiving the consent from the competent authority, and the Non-Technical Summary of the EIA having been made available to the public. For projects for which the competent authority does not require an EIA, the Bank shall receive a copy of the decision by the competent authority indicating the basis for it, as well as evidence of public disclosure of this decision. Should EIB determine that a full environmental and social impact assessment (ESIA) would be required in line with its Environmental and Social Standards, the completion of the full ESIA or the remaining steps to complete an ESIA will be required.
- The Borrower shall ensure that promoters of individual projects implement, to the satisfaction of the Bank, the environmental and social management plan, the livelihood restoration plan where applicable, and the stakeholder engagement plan.

Social Assessment

For some of the projects, the occupational health and safety practices may need improvement, e.g. regarding the human resources management system, working conditions and facilities for the personnel. Environmental and social action plans are expected to be developed for each project and will address these issues with the support of Technical Assistance.

Closure of existing dumpsites and landfills could affect the livelihoods of people involved in the collection of secondary materials on the sites. Livelihood restoration plans will have to be developed and implemented in accordance with EIB and EBRD standards to properly address this issue. On already completed projects, the promoters have offered employment in new waste facilities.

Involuntary resettlement is not expected since most projects are expected to be implemented on the sites of existing waste facilities.



Luxembourg, 12 October 2016

Public Consultation and Stakeholder Engagement

Public consultation is a fundamental aspect of the EIA framework stating that comments and suggestions of project stakeholders, both public and private, must be considered.

Other Environmental and Social Aspects

By supporting source separation and recycling projects, the programme will offer alternative livelihood for waste pickers that currently work on uncontrolled landfills. This will reduce the health risks and impact of retrieving recyclable materials from mixed waste disposed on a landfill.

Luxembourg, 12 October 2016

Conclusions and Recommendations

Taking into account the contribution of this programme to achievement of national waste management objectives and targets, and to the reduction of environmental, public health and climate impacts from current waste management practices, and considering the high environment and social capacity of the intermediary bank, the Project is considered acceptable from an environment and social perspective, subject to the conditions mentioned above.

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