

## Environmental and Social Data Sheet

### Overview

Project Name:	ENGIE FRANCE RESEAUX
Project Number:	2016-0632
Country:	France
Project Description:	The operation consists of financing an Engie investment programme for extension and renovation of district heating and cooling systems in various cities in France. The programme will also include new heat (biomass and geothermal) and cold generation capacity.
EIA required:	yes for substantial part of the sub-projects
Project included in Carbon Footprint Exercise <sup>1</sup> :	yes

### Environmental and Social Assessment

#### Environmental Assessment

The project is expected to significantly reduce energy consumption and CO<sub>2</sub> (as well as other pollutant) emissions in the city of Paris and in other French cities. The development of high efficiency district heating and the efficient use of energy as well as replacing coal and petrol fuel by biomass and geothermal heat generation are expected to have a beneficial climate change impact in line with the climate action goals of the different concerned Municipalities. The projects are in line with the EU energy and climate change objectives as they contribute to improving energy efficiency and expanding the use of renewable energy sources, as well as reducing greenhouse gases and other polluting airborne emissions.

Remembering the human casualties of the 2003 heat wave in Paris, it is worth mentioning that these projects will significantly reduce the heat input in the city, lowering the summer temperatures which are measured to be systematically much higher (+7°C) than the temperatures in the outskirts of the city. Like most metropolises in the world, Paris is also confronted with major "heat Island" effects induced by the heat absorption of buildings and road structures.

Temporary nuisance due to construction works (dust, noise, traffic disruption) are mitigated through appropriate site organisation and construction management. Due to the nature of the investment no significant negative environmental impacts are expected.

All investments fall by virtue of their technical characteristics under Annex II of the EIA Directive, whilst the district heating/cooling pipelines are according to national regulations exempted from performing an EIA.

Environmental studies including an EIA for the geothermal and biomass plants have been carried out and permits are granted.

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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.

Luxembourg, 18.07.2017

### **EIB Carbon Footprint Exercise**

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 151 t CO<sub>2</sub>e/yr when compared to the operation before the project.

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

### **Social Assessment,**

The project contributes to securing and extending permanent jobs in the operations, as well as in the regional forestry sectors from which the biomass originates.

Occupational and Community Health and Safety issues are deemed appropriately addressed in the authorisation process. The promoter has a health and safety policy in place.

No special social risks are anticipated for this project. On the contrary, the project is expected to bring about considerable positive social benefits related to cleaner, nicer and cooler urban environment.

### **Public Consultation and Stakeholder Engagement**

Public consultations have been carried out under the respective EIA processes. No major shortcomings have been put forward; the projects are being positively received by the local communities.

## **Conclusions and Recommendations**

The operation will support projects that reduce energy consumption. Thus, it will reduce air pollution related to the production of heat and cooling (SO<sub>2</sub>, NO<sub>x</sub> and particulates) and will help mitigate climate change by avoiding associated CO<sub>2</sub> emissions.

Replacement of local boilers and air conditioning equipment by connections to the district heating and cooling networks will reduce noise, free up space and embellish the cities, improving quality of life of their citizens.

Based on the above it is concluded that this operation is acceptable to the Bank from an environmental and social point of view.