

Environmental and Social Data Sheet

Overview

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| Project Name: | PREDIREC ENR 2030 |
| Project Number: | 2017-0107 |
| Country: | 50% France and 50% in other EU countries based on opportunity (mainly Belgium, The Netherlands, Italy and Portugal) |
| Project Description: | Fund providing debt to developers of small and medium size RE projects in EU (mainly France) |
| EIA required: | Multi scheme project. Depending on the technical characteristics of the investments financed under the loan, sub-projects may be subject to an EIA. |
| Project included in Carbon Footprint Exercise ¹ : | no |

Environmental and Social Assessment

Environmental Assessment

The proposal is to invest in Predirec EnR 2030 (“Predirec” or the “Fund”), a Renewable Energy (“RE”) debt fund with a target size of EUR 200m. The Fund’s principal differentiating feature is that it will extend term debt to small and medium sized RE developers who will use the funding to invest in the development and construction of new RE projects. These projects will be mainly in the solar PV and wind sectors and located in the EU, with at least 50% in France. The Fund will also focus on Belgium, the Netherlands, Italy and Portugal.

The Fund will target investments with an expected breakdown, based on the indicative pipeline, of 60% in Wind projects and 40% in Solar. The Fund will extend debt to small RE developers that will use the proceeds to invest in the development of new RE projects. The operation would contribute to EU energy objectives by supporting investments in renewable energy generation capacity.

The investments will generate environmental benefits, in terms of reduction of air pollutants and GHG emissions, and are not likely to have a significant negative environmental impact. Some of the Fund’s underlying investments may fall under Annex II of the EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU. In these cases the Bank requires the Fund manager to ensure investee companies act according to the provisions of the aforementioned Directive as transposed into national law. Should the relevant competent authority screen in an investment project, the Fund manager shall deliver to the Bank a copy of the Non-Technical Summary (NTS) and EIA documents, or provide a website link to the location where the EIA is published.

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, 18 July 2017

The legal documentation to be concluded between the Fund and the Bank shall include an obligation on the Fund to ensure that all projects are in compliance with national and European legislation (where applicable), as well as the Bank's Environmental and Social standards.

Climate Mitigation

The Fund will contribute to the development of renewable energy projects, reducing CO₂ emissions and increasing the share of RE in the energy mix.

It is estimated that, once fully invested, the EIB-eligible subprojects supported by the Fund will generate about 724 GWh/year of energy from renewable sources, with a total RE installed capacity of about 391 MW.

Conclusions and Recommendations

During appraisal it has been verified that the Fund Manager has fully understood the Bank's E&S requirements and it is willing and capable to fully implement them. In order to strengthen the coordination and accountability aspects the Fund has designated a responsible environmental expert, who will oversee all the environmental and social aspects of the investments.

The following loan condition will be included in the finance contract:

- For investments subject to an environmental impact assessment (EIA) as defined by national legislation the Fund Manager shall (i) ensure that an Environmental and Social Impact Assessment (ESIA) is carried out and that public consultation is undertaken in accordance with national legislation and the EIA Directive, (ii) collect and publish a non-technical summary (NTS) and the ESIA on the Manager's/Investee Company's website, (iii) retain on file a copy of the Environmental Impact Study and NTS for a period of not less than six (6) years, (iv) provide a digital copy to the EIB, and (v) confirm to the EIB that the investment incorporates relevant mitigating measures recommended as a result of the EIA.

In view of the above findings and conditions, the operation is deemed satisfactory from an environmental and social compliance perspective.