



Luxembourg, 27.4.2018

Environmental and Social Data Sheet

Overview

Project Name: FONROCHE - BIOGAZ PROJECTS PORTFOLIO
Project Number: 2017-0467
Country: FRANCE
Project Description: The project consists of intermediated loans through acceptable financial intermediaries dedicated to the implementation of seven biogas treatment facilities in France. Those projects will be implemented and operated by Fonroche Biogaz.

EIA required: Yes
All bio-methanisation plants will require an EIA

Project included in Carbon Footprint Exercise¹: Yes

Environmental and Social Assessment

Environmental Assessment

The project consists of financing seven biogas treatment facilities located in different regions throughout France. The average nominal capacity of each facility is between 50,000 and 160,000 tonnes/year (each) using Anaerobic Digestion (AD) process. The gases produced will be treated and the bio-methane (CH₄) will be injected into the natural gas network subsequently. The facilities will contribute to reducing direct GHG emissions from bio-waste and by substituting the use of natural gas of fossil origin.

All bio-methanisation facilities are subject to a mandatory EIA. The EIA studies will be carried out by the DREAL (*Directions Régionales de l'Environnement, de l'Aménagement et du Logement*) and submitted to the Préfet (Regional Authority). The Préfet is the public Authority who issues the EIA permit per decree. Since it is considered as a *condition sine qua non* by the DREAL, it is assumed that none of the facility will be located and affected to potential Natura 2000 or protected areas. Finally, the facilities are not subject any SEA.

The project's main environmental impacts are noise, odour and airborne pollutants during waste collection activities and operation of the methanisation plants respectively. These risks will be addressed through specific mitigation measures and more generally through the

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 CO_{2e}/year absolute (gross) or 20,000 tons CO_{2e}/year relative (net) – both increases and savings.

compulsory use of “Best Available Technique” (BAT) for such equipment. Finally, Industry-standard monitoring and control of pollutant missions must take place.

EIB Carbon Footprint Exercise

The project will contribute to reducing greenhouse gas emissions by using waste for the production of biogas as a renewable energy source. Estimated annual absolute emissions of the plants themselves are considered negligible. In line with the so-called proximity principle, the generated feedstocks will be henceforth treated in plants located closely to sources of production of feedstock, and transport emissions are thus also considered to be negligible. The baseline for calculating the relative greenhouse gas emissions for the bio-methanisation plants is assumed to be the natural gas displaced by the biogas, produced from a waste volume of 720,000 tonnes. This results in relative emissions of -66.4 kt CO_{2eq}/year.

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.

The remaining environmental impacts are deemed minor, thus making the project acceptable to the Bank.

Social Assessment

It is generally assumed that the overall social impacts of the project are positive, with additional jobs being created both in the construction and operation stage by the various project components.

Public Consultation and Stakeholder Engagement

Consultation process is embedded in the Environmental process such as the EIA and procedures.

Conclusions and Recommendations

The project consists of financing seven biogas treatment facilities located in different regions throughout France. The project will contribute to reducing direct GHG emissions from bio-waste and by substituting the use of natural gas of fossil origin. The project's main environmental impacts are noise, odour and airborne pollutants during waste collection activities and operation of the methanisation facilities respectively. However, the project components are expected to have minor residual environmental impacts and are acceptable in environmental and social terms for Bank financing.

By virtue of their technical characteristics all bio-methanisation plants are subject to a mandatory EIA. The Promoter and the final beneficiary respectively shall ensure environmental compliance of the project schemes concerned in line with EIA Directive 2014/52/EU (amending 2011/92/EU): since all plants require an EIA (Annex II screened in or Annex I of EIA Directive) prior disbursement an electronic copy of the Non-Technical Summary (NTS) Environmental Impact Study (EIS) of all facilities has to be submitted to the Bank to be published on its website. Furthermore, the project promoter shall submit to the full satisfaction of the Bank a spreading plan dedicated for the digestate for the specific plant.

Based upon previous experiences between the Bank and the financial intermediaries and also Fonroche experience in the bio-methanisation sector, both institutions are deemed to have the necessary capacity to manage environmental and social issues related to this project. Their respective management system is considered to be appropriate. Therefore, given the nature of the operation and the procedures concerning EIA and nature protection put in place by the relevant competent authorities, subject to the conditions mentioned above, the Project is acceptable in environmental and social terms.