Luxembourg, MC decision 22.10.2019

Public

Environmental and Social Data Sheet

Overview

Project Name:	LA ISLA SOLAR PV
Project Number:	2019-0210
Country:	Spain
Project Description:	The project concerns the construction and operation of one solar photovoltaic (PV) plant located in Spain, of a total capacity of 182.5 MW.
EIA required:	yes

Project included in Carbon Footprint Exercise[1]: yes

(Details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The present operation will contribute to the achievement of the Spanish 2020 targets for the reduction of CO_2 emissions, which imperatively require additional renewable energy capacity to become operational in the coming years. The project was awarded in the third tender for renewable energy, carried out in July 2017 under the current legal framework.

The project consists of a solar photovoltaic PV plant with an installed capacity of 182.5 MW and the relevant grid connection infrastructure to be installed in Alcalá de Guadaíra, Seville, within continental Spain.

The La Isla plant falls under the Annex I of EIA-Directive 2011/92/EU (amended by EIA Directive 2014/52/EU), requiring a full EIA. The process started in September 2017, when the promoter submitted the application to the competent authority for the unified environmental approval of the project. The application was submitted for both the plant and the interconnection line. It contained the Environmental Impact Assessment Study, as well as the relevant technical documentation. The plant and the interconnection line received the environmental licence in August 2018.

EIB Carbon Footprint Exercise

The direct CO_2 equivalent emissions of the project are negligible. In accordance with the Bank's current Carbon Footprint methodology, it is calculated that based on the avoidance of electricity generation from a combination of existing and new power plants in Spain, the total relative effect of the project is a net reduction in CO_2 equivalent emissions by 126.6kt CO_2e/yr. 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 the project cost.

[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.

Social Assessment, where applicable

The project does not create any involuntary physical or economic displacement or resettlement.

The plant requires about 360 hectares, comprised of the solar field, ancillary facilities and environmental buffers, over a land that had marginal previous economic use and has been voluntarily leased to the owner. With regard to the transmission line of 1.23 km length, the promoter has signed with the owner a land lease and right-of-way agreements for the aerial power lines. These leasing contracts are based on current market standards.

The authorisation procedure and compliance with EU EIA, Birds and Habitats directives is deemed satisfactory following the Bank's review of individual EIA documentation and environmental permits. The closest Natura 2000 sites are located at a distance of approximately 15 km from the envisaged solar power plant and the environmental permits include the confirmation from the competent authorities that no negative impacts are expected on the site.

Public Consultation and Stakeholder Engagement

La Isla was subject to the mandatory public information phase during the environmental impact assessment phase in August 2018, and no complaints have been received.

The promoter has developed stakeholder engagement activities.

The socioeconomic impact of the Project is beneficial to the neighbouring community. As such, the EPC Contractor hired by the promoter certifies in an official statement dated 25th May 2018 that the company will mainly hire local workers and residents within a 50 km radius of the Project's location, during the construction phase and for maintenance tasks. Additionally, the energy supply will be improved in the area during the operating phase of the PV Plant.

Conclusions and Recommendations

Based on the information provided for this project, no significant environmental or social impacts are expected. They will be mitigated with detailed project control mechanisms, as defined in the environmental permits.

The identified impacts are considered standard for this kind of Project, and even positive when focusing on the socioeconomic factor. No serious impact has been identified, such as the destruction of an endangered species habitat. As long as all potential impacts are monitored and moderated, there are currently no major setbacks that may threaten the viability of the PV Plant Project.

Finally, the requirements by the Environmental resolution and the Environmental Monitoring Programme are considered standard for this type of Project.

The promoter is deemed to have adequate experience and to be able to implement the local regulations and the EIB's Environmental and Social standards. The capacity of the promoter to address environmental and social impacts and further mitigate their risks is based on its extensive track record built over time and its global presence.

With the satisfactory implementation of the conditions set in the Environmental Permits and the specific conditions mentioned above, the EIA processes and their results are acceptable to the Bank.