

Sustainability Proofing Summary¹	
SIA Stela Orienta	
EIA Directive	<input type="checkbox"/> Annex I projects (EIA required) <input type="checkbox"/> Annex II projects (screening) <ul style="list-style-type: none"> <input type="checkbox"/> EIA required (project screened in) <input checked="" type="checkbox"/> EIA not required (project screened out) 2014 EIA Directive applicable <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Climate Assessment	
	<p>The assessment of climate dimension aspects was carried out according to the <i>Technical guidance on sustainability proofing for the InvestEU Fund</i>, using due diligence materials, EIA documentation, and NIB in-house expertise. NIB has conducted an assessment on Climate risk and vulnerability for the project as part of its internal mandate process.</p> <p>The project involves the development of a solar park in Northwest of Latvia. The solar park with the total capacity of 148 MW is situated in an agricultural area. The project falls under Annex II of the EIA Directive 2014/52/EU amending the Directive 2011/92/EU and does not require an EIA.</p> <p>The project has been assessed for the climate risk and vulnerability assessment according to Appendix A of the Commission delegated regulation EU2021/2139. In addition, the relevant guidance in the <i>Technical guidance on the climate proofing of infrastructure in the period 2021-2027</i> has been followed.</p> <p>Based on the results of the vulnerability analysis, flooding is identified as high risk. Likelihood of flooding is however unknown. A water management strategy has been drafted to mitigate the risks where measures include for example elevating the level of</p>

¹ In line with Article 8 (5) of the InvestEU Regulation and the sustainability proofing guidance ([C\(201\)2632 final](#)); In line with section 3.2 of the Investment Guidelines, the sustainability proofing summary shall be made public after the Investment Committee has approved the use of the EU Guarantee for a specific operation (with due regard to rules and practices regarding confidential and commercially sensitive information)

	<p>main equipments, cleaning of ditches and redesigning the melioration system.</p> <p>Based on an externally conducted yield analysis, the project is predicted, as an annual P90 average, to generate 146 GWh electricity per year. Applying the combined margin for intermittent electricity generation for Latvia of 335.7 g CO₂/kWh equals an approximate greenhouse gas emission saving of 49,000 t/y.</p> <p>Typical asset lifespan is around 30 years. The project is compatible with EU climate neutrality targets, as it would help to avoid GHG emissions by adding renewable energy into the network.</p>
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Environmental Assessment

	<p>The Environmental Impact Assessment (EIA) identified measures to ensure that the solar park does not have a negative impact on the neighbouring nature reserve. The site is adjacent to the NATURA 2000 site of the nature reserve "Platenes purvs". The construction permit for the project was issued with the restriction that no changes are to be made to the hydrological regime of the solar park or the adjacent Natura 2000 territory.</p> <p>In order to preserve existing hydrological conditions in the project territory and to not create new long-term risks the border ditches adjacent to the Natura 2000 territory will not be cleaned or deepened. Culverts will be constructed in a manner that preserves the hydrological regime and maintains the natural flow and water levels of the river or canal, minimizing damage to ground cover and vegetation.</p> <p>Three EU protected biotopes were identified in the area. The two identified biotopes have been excluded from the PV layout and no construction and/or installations will take place in this area. The area will remain part of the project to ensure preservation and improvement. Buffer zones for construction works will also be established. The third biotope is located on the slopes along the canal with the primary risk being changes to the hydrological regime. The project will take actions as explained above to preserve the hydrological regime.</p> <p>Mitigation measures form part of the Environmental and Social management plan developed for the project and considered sufficient from EIA</p>
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	recommendations to mitigate the risks to the nature reserve.
Social Assessment	
	<p>An assessment of social impacts was carried out according to the <i>Technical guidance on sustainability proofing for the InvestEU Fund</i>, using due diligence materials and NIB in-house expertise.</p> <p>While the operation has been assessed having low risk of negative local impacts across social criteria associated with solar plant construction and power production, industry reports indicate that the supply chain of solar panels, especially polysilicon supplies, potentially involves areas and entities in China linked to use of forced labor. China accounts for 80% for PV grade polysilicon production². In general, the sector lacks transparency on the traceability of components and there is limited access for third party auditors.</p> <p>The solar panel suppliers are requested to follow the Borrower's Code of Conduct for Business partners. There are requirements on the traceability of solar panel components. After delivery of the panels the supplier is obliged to deliver a Certificate of Origin for every production batch stating the production location for each of the components which mitigate the risks mentioned above.</p>

² IEA (2022), Solar PV Global Supply Chains, IEA, Paris <https://www.iea.org/reports/solar-pv-global-supply-chains>.