

# OUR ENVIRONMENTAL AND SOCIAL COMMITMENT

- 1 GENERAL POINTS – OECD FRAMEWORK**
- 2 IN PRACTICE**
- 3 ENVIRONMENTAL INFORMATION DISCLOSURE**
- 4 DOCUMENTS**
- 5 CONTACT US**

**CONTENTS**

# 1 GENERAL POINTS – OECD FRAMEWORK

Bpifrance Assurance Export carries out a systematic environmental and social assessment of all major credit-insurance projects, as well as investment, managed on behalf of French state when the French share is above 10 M€ or when located in or near a sensitive area. These projects must comply with the local environmental laws, and the relevant international standards such as the World Bank Group ones.

Related environmental procedures and requirements are largely common to all OECD countries Export Credit Agencies (ECAs), as described in the OECD Common Approaches ("Recommendation of the Council on Common Approaches for Officially Supported Export Credit and the Environmental and Social Due Diligence").

The key points of this agreement are:

- the screening of all applications for credit insurance in order to identify the projects that are likely to have a negative environmental or social impact;
- the classification of projects requiring an in-depth analysis into three categories (A, B, C), depending on the scope of the potential environmental and social impact;
- the review, which assesses all potential impacts, and must be based on an Environmental and Social Impact Assessment (ESIA) for most sensitive projects (category A);
- internationally recognised environmental and social standards: in addition to host country standards, international standards drawn up by the World Bank Group must be met. Sector specific projects may also meet other relevant standards;
- if necessary, the implementation of specific environmental and social conditions that must be met before a guarantee is issued on a given project, and/or environmental and social monitoring;
- disclosure of environmental and social information before a final commitment to grant support (ex-ante disclosure). The Common Approaches imply to make environmental and social information (environmental and social impact assessment, for instance) publicly available at least 30 calendar days before final decision. Potential exceptions to the disclosure procedure, due to commercial confidentiality or to a particularly competitive context will have to be justified;
- disclosure, at both a national and OECD level, of the information related to category A and B projects undertaken (ex-post disclosure);
- common reporting and monitoring procedures for OECD Members, aimed at avoiding unfair competition linked to environmental and social requirements;

Bpifrance Assurance Export's aim is to develop a pragmatic and responsible approach towards the environment when considering requests for credit insurance. Its procedures will be reviewed at regular intervals.

## 2 IN PRACTICE

All applications for credit insurance are accompanied by an environmental and social appendix, which consists in an environmental and social assessment questionnaire. Bpifrance Assurance Export has then to screen if the project is eligible and performing an environmental and social assessment, and then the exporter has to fill in the environmental and social questionnaire.

The eligibility criteria of the screening form are about the total amount of the contract (greater than or equal to 10 M€), or the sensitivity of the project (in or near a sensitive area from an environmental and social point of view). Depending on the answers given in the environmental and social questionnaire, projects are categorized by the environmental specialists either in:

- **Category A:** project with potentially significant adverse impact. Here, an EIA is required;
- **Category B:** project with potentially adverse impacts, the review of which may require an EIA or additional information;
- **Category C:** projects with little or no environmental and social impact.

For category A and B projects, results of the assessment are checked against the environmental and social regulations of the host country as well as the international standards with which the project is bound to comply. To this end, Bpifrance Assurance Export may ask for supplementary information, and site visits when necessary.

If, after the review, the impact is considered to be limited or adequately under control (through mitigation measures or compensation), the project could be deemed acceptable from an environmental and social point of view. The decision is taken in delegation or at the French Guarantees Commission (Commission des Garanties) that decides whether additional environmental and social conditions for cover are requested, on the basis of the recommendations of Bpifrance Assurance Export experts.

### 3 ENVIRONMENTAL INFORMATION DISCLOSURE

Bpifrance Assurance Export disclosure policy includes two procedures:

- Before a final commitment to grant official support, during the examination of category A projects.

This ex-ante disclosure is turned towards the civil society, and particularly towards the local populations living around the project. Thus, Bpifrance Assurance Export respects these local populations' fundamental right of access to the information about the projects and the potential related environmental and social impacts. This ex-ante disclosure is based on the following principles:

- For projects classified in category A, Bpifrance Assurance Export requires transmission of the Environmental and Social Impact Assessment and of any relevant environmental and social information (environmental management plan, resettlement action plan...).

Disclosure of this information by the buyer on a web site is the preferred option. However, if information is not available elsewhere, Bpifrance Assurance Export will take responsibility of disclosing it, either on request, or, if feasible, on Bpifrance Assurance Export Web site. Prior to disclosure, Bpifrance Assurance Export will have received the applicant's authorisation to do so. If necessary, on request from the exporter or the buyer, parts of the documents that could contain sensitive information related to commercial or industrial confidentiality could be removed.

- Disclosure is started as early as possible after classification of the project in category A, precise schedule depending on the availability of the information, and the commercial confidentiality aspects.
- Ex-ante disclosure starts when the availability of the environmental and social information is published on Bpifrance Assurance Export web site, and lasts at least 30 days. Whatever the schedule, official support will not be granted for a category A project before a 30 days period of disclosure.
- After a final commitment to grant official support, for category A and B projects, and all projects related to 10 M€ or more contracts secured by French companies that benefit from a Bpifrance Assurance Export guarantee on behalf of the government.

This is the ex-post disclosure procedure done quarterly, in French "liste trimestrielle des projets pris en garantie" : it comprises general information about the project, essential information about the environmental and social issues, and any related requirements from Bpifrance Assurance Export.

## 4 DOCUMENTS

### OECD Recommendation

📌 [Recommendation of the Council on Common Approaches for officially supported export credits and environmental and social due diligence](#)

### Disclosure

📌 [Category A projects under review for which environmental information is available \(Ex-ante disclosure\)](#)

📌 [Information on major contracts secured by French companies that benefit from Bpifrance Assurance Export guarantee on behalf of the government \(Ex-post disclosure, in French “liste trimestrielle des projets pris en garantie”\)](#)

### Reference Standards

Some of the international standards mentioned in the OECD CA are as follows :

- [The World Bank's environmental and social safeguard policies](#) provide guidelines for bank and borrower staffs in the identification, preparation, and implementation of programs and projects.
- [The IFC's Performance Standards](#) define private stakeholders' roles and responsibilities for managing their projects and the requirements for receiving and retaining IFC support.
- [The IFC Environmental, Health and Safety Guidelines](#) are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP).

Moreover, members can also benchmark against any higher internationally recognised environmental standards, such as European Community standards.

### Bpifrance

📌 <http://www.bpifrance.fr/Qui-sommes-nous/Nos-metiers/International2/Assurance-Export/Evaluation-Environnementale-et-Sociale>

# GLOSSARY

- **Associated facilities:**

Facilities not funded as part of the project, whose viability and existence depend exclusively on the project and whose goods or services are essential for the successful operation of the project (from IFC Performance Standards).

- **Compensation measures:**

Series of means for compensating for the residual impacts caused by the implementation of a project. This includes for instance indemnities for damages incurred or loss of land (development of new areas, contribution to the completion of projects for residents, etc.) or various measures to rebuild habitats or valuable parts of the ecosystem (construction of a migratory pass).

- **Critical Habitat:**

Includes areas with high biodiversity value, including habitat required for the survival of critically endangered or endangered species, areas having special significance for endemic or restricted-range species, sites that are critical for the survival of migratory species...

- **Cumulative impact:**

Combined impact on the environment of the project under consideration and of all past, present and foreseeable activities. Significant cumulative impacts may result from relatively minor individual sources. Their consideration allows for a clearer overview of the pressure exerted on an area.

- **Environmental classification:**

The classification of projects into categories A (significant potential environmental impact), B (potential impact less significant and more manageable) and C (minimal or no adverse impact) is one of the elements of the OECD CA. This classification is directly based on the procedures implemented by multilateral organisations.

- **Environmental Impact Assessment:**

An Environmental Impact and Social Assessment is a specific document whose contents are clearly defined in the World Bank's operating manual, and are included in the appendix of the OECD CA. It must, in particular, include a description of the project, a detailed description of the various anticipated ESS impacts, an analysis of alternatives to the project, an environmental and social management plan and a record of public meetings.

- **Environmental and Social monitoring:**

When the environmental and social assessment of a project highlights complex or material potential impacts, environmental and social conditions may be associated with the guarantee. These conditions depend on the project and monitoring measures are adapted to the extent of potential impacts.

- **Mitigation measures:**

Practices, procedures or technologies aimed at reducing to a minimum or preventing the impacts associated with the proposed activities.

- **Sensitive area:**

A project located in or in the immediate vicinity of one of the sensitive areas will automatically be subject to an environmental and social assessment, whatever the value of the contract. Furthermore, new sites located in or near to a sensitive area will generally be classified under category A.

- **Stakeholders:**

All parties concerned by the environmental assessment of a project: sponsors, public authorities, local councils, NGOs, indigenous populations, etc.

- **Transparency:**

The OECD CA requires ECAs to seek to make environmental information (e.g. Environmental and Social Impact Assessment) publicly available 30 calendar days before a final commitment ("Ex-ante disclosure"). It also requires to publish information, including a description of the main environmental aspects, on the major contracts secured by French companies that benefit from a Bpifrance Assurance Export guarantee and that are related to category A or B projects ("Ex-post disclosure").

## **5 CONTACT US**

**For more information, please contact:**

**Stéphanie Dengis-Vandermeulen**

**E-mail : [assurance-export-environnement@bpifrance.fr](mailto:assurance-export-environnement@bpifrance.fr)**