

BUSINESS CASES

2020 BNP PARIBAS BUSINESS CASES – EQUATOR PRINCIPLES



The bank
for a changing
world

CBG – Bauxite mining (Guinea)

In 2019, BNP Paribas received a letter from an NGO informing it of the impending referral to the IFC's ombudsman on behalf of communities that were allegedly forcibly displaced by a mining company operating in West Africa, without having had access to a grievance procedure or the opportunity to lodge an objection. These allegations concerned the growth of mining activity in the country and mentioned pollutions on water and air due to mining operations.

Upon receiving this information, CSR Function forwarded these elements to the relevant Business team to inform them and to engage in a direct dialogue with the mining client. The mining company has demonstrated its willingness to cooperate and to settle the complaint, which is still under investigation.

The independent consultant of the project developed a Corrective Action Plan which was agreed by the Lenders and the client. The fulfillment of the CAP is included as condition in a financial document. BNP Paribas, with the support of the IESC, is closely monitoring the company's progress on executing the items included in the CAP.

http://www.cao-ombudsman.org/cases/case_detail.aspx?id=1280

Quebrada Blanca Phase 2 – Copper mine (Chile)

The Bank participated in the financing of expansion of an existing copper mine in Chile.

Following the EP, the project was categorized according to its environmental & social impacts. The project had potentially moderate to minor impacts on GHG emissions, biodiversity, economic resettlement of local community and cultural heritage. An independent consultant (IESC) was engaged to assess the project's impacts against host country laws and IFC Performance Standards. The IESC concluded that the project's impacts can be reduced or remedied by adopting proper mitigation measures. The project has put in place an Environmental & Social Management Plan. For gaps identified, an Environmental & Social Action Plan was developed. Fulfillment of recommendations in the ESAP was included as E&S clause in the loan agreement to ensure the project will be developed in compliance with the EP.

BNP Paribas' internal industry expert conducted analysis on the tailing dam safety and opined positively. The IESC was required to review the project including the tailing dam facility in a frequent manner during the project's design and construction phase.

<https://www.jbic.go.jp/en/information/press/press-2019/0531-012214.html>

Project Akuo – Wind power (Poland)

BNP Paribas was invited to finance the construction and operation of a wind power project spread in three different locations in Poland (132 MW in total).

Wind farms were located in three different geographical areas across the country, as such potential impacts in each location were considered when categorizing the Project. The main environmental impact of the project was related to bats and bird species habitats, though this was also considered minor as this will be duly monitored and reported. The project was thus classified with Category B according to Principle 2 of the EP.

Given that the project will be developed in Poland, a designated country as per the Equator Principles project sponsor was requested to ensure that the project is developed in line with applicable laws, regulations and permits in the respective country.

<https://renewablesnow.com/news/akuo-closes-financing-for-132-mw-of-wind-projects-in-poland-680084/>