

# ENVIRONMENTAL AND SOCIAL PROJECT >> RISK ASSESSMENT

*Services for  
financial  
institutions*

## IDENTIFY ENVIRONMENTAL AND SOCIAL RISKS AND MITIGATION MEASURES FOR COMPLIANCE WITH INTERNATIONAL STANDARDS

GCPF offers support for your bank in assessing the potential environmental and social risks of your energy efficiency (EE) or renewable energy (RE) loans. The offer is flexible and can cover an assessment of projects at various stages:

- **Early-stage EE/RE projects**, where an Environmental and Social Impact Assessment (ESIA) is not required by national law, but compliance with international standards is required by GCPF;
- **EE/RE projects that are not yet operational**; to help determine any gaps and action needed to comply with international standards;
- **EE/RE projects already under construction or operational**: Assessment of environmental and social aspects to identify potential high-risk areas and ensure that the project complies with international standards.

GCPF will mandate highly qualified and experienced consultants to advise your bank on underlying environmental and social risks. These experts can also provide training on how to assess and manage these risks in line with international best practices (such as IFC performance standards).

### AS A RESULT OF THE ENVIRONMENTAL AND SOCIAL RISK ASSESSMENT, YOUR BANK WILL:

- receive information on the credit, legal and reputational risks of the project related to environmental & social issues
- be able to identify and better manage your risk exposure
- foster know-how within your bank to work more efficiently in order to comply with international environmental and social risk management standards

### BENEFITS FOR YOUR BANK

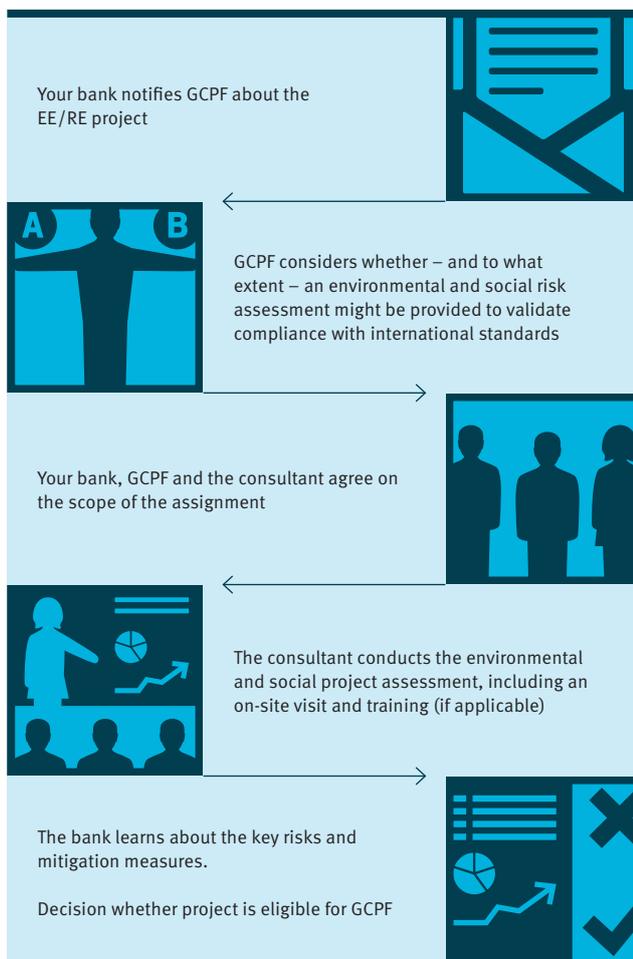
- avoid and anticipate reputational risks associated with financing complex projects;
- deepen insights into EE/RE projects by accessing qualified consultants with expertise in the assessment of environmental and social risks;
- add value to your clients and investees by proactively managing environmental and social risks, thereby increasing the overall value of the investment;
- demonstrate compliance with international standards;
- expand your bank's portfolio of sound EE/RE projects such as IFC's performance standards

## CONDITIONS FOR SUPPORT

### Your bank

- wants to report a renewable energy or energy efficient project to GCPF;
- has entered into a partnership with GCPF;
- is considering financing EE/RE projects with potentially higher environmental and social risks;
- will actively participate by providing information to enable a sound project assessment. This includes the presence of relevant bank representatives during the consultant's on-site project assessment.

## ENVIRONMENTAL AND SOCIAL PROJECT ASSESSMENT PROCESS



### About the GCPF Technical Assistance Facility:

The Global Climate Partnership Fund (GCPF) uses public funding to leverage private capital in order to mitigate climate change and drive sustainable growth by providing financing for energy efficiency (EE) and renewable energy (RE) markets in developing and emerging markets. It is managed by responsAbility Investments AG, a leading asset manager in the area of development investments.

The GCPF's Technical Assistance Facility (TA Facility) is a separately established, donor-financed association managed by responsAbility Investments AG. The TA Facility operates independently from the fund. It is sponsored by the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety and the United Kingdom's Secretary of State for Business, Energy & Industrial Strategy.

The GCPF TA Facility was established to assist the Fund's partner institutions in overcoming challenges and scaling the impact of their green lending operations. The TA Facility aims to strengthen the capacity and know-how of partner institutions to help them realise the EE/RE market potential and position themselves as leading banks for green lending in their markets. To this end, it offers them access to qualified and specialist consultancy services from international and local experts.

### CONTACT

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### Legal disclaimer

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For partner financial institutions of the GLOBAL CLIMATE PARTNERSHIP FUND (GCPF) only