

Three things to know about NIB's environmental review

NIB has long experience in assessing the environmental and social impacts of projects. The environmental review has three objectives:

- **assess whether the project is eligible for financing under NIB's environmental mandate**
- **ensure that the project complies with NIB's Sustainability Policy and Guidelines**
- **determine if the project can be allocated under NIB Environmental Bonds.**

1. ENVIRONMENTAL MANDATE ASSESSMENT

The mandate assessment consists of two components:

- assessment of the potential environmental benefits of the project
- assessment of the likelihood that these benefits will materialise.

NIB promotes projects that have a direct or indirect positive environmental net impact. The Bank also finances R&D projects that generate environmental benefits, as well as projects that are essential for developing a sustainable society.

2. COMPLIANCE WITH NIB'S SUSTAINABILITY POLICY AND GUIDELINES

NIB's sustainability review includes:

- defining the project's environmental and social sphere of influence
- collecting information on the environmental and social impacts of the project
- benchmarking the environmental and social performance of the project against relevant standards.

The quality of information is assured by carrying out site visits and interviewing project people and other stakeholders. NIB's Sustainability Policy and Guidelines also include an exclusion list with project types that the Bank will not finance.

3. ELIGIBILITY FOR NIB ENVIRONMENTAL BOND

NIB Environmental Bond Framework identifies seven different categories to which projects eligible for environmental bonds may belong:

energy efficiency, renewable energy, energy transmission, wastewater treatment, waste management, public transport and green buildings.

Projects in these categories can be allocated under NIB Environmental Bonds if their environmental benefits are assessed to be significant and if they are likely to materialise.