

A quick guide to the **EIB's Standard 4**

Biodiversity and Ecosystems

This factsheet presents the major requirements of the **EIB's Standard 4** for project promoters (the EIB's counterpart in an operation/project) regarding the identification, assessment, management and monitoring of the impacts and risks of projects affecting biodiversity and ecosystems in order to ensure consistency with the EU's 'do no significant harm' principle (no measure should lead to significant harm to any of the environmental objectives). For details, refer to the **EIB's Environmental and Social Standards**.

Promoters' responsibilities

- Identify, assess, manage and monitor the impacts and risks that could potentially affect biodiversity and ecosystems, either positively or negatively, directly or indirectly, and on which the project may depend for its success.

General requirements

Projects located in EU or European Free Trade Association (EFTA) countries, or in EU candidate and potential candidate countries:

- Comply with national and EU environmental legislation. In case of discrepancy between the two, the more stringent environmental legislation applies;
- Consider any timeframe for achieving compliance with specific EU environmental legislation as arranged with the European Union through bilateral agreements and/or action programmes.

Requirements for projects located in the rest of the world:

- Comply with national legislation and with this standard, which reflects the core principles and essential procedural elements laid down by EU legislation and policies, as well as international good practices that the EIB considers relevant for achieving no loss of biodiversity and a net-positive impact on biodiversity.

Specific requirements

- **Assessment** – Assessment of significant impacts and risks affecting biodiversity and ecosystems must be undertaken as a part of the EIA/ESIA, based on Standard 1, including issues like the loss, degradation and fragmentation of habitats; the loss of species diversity and abundance; the loss of genetic diversity; the degradation of ecosystem services; pollution and incidental take; and project-related climate change impacts. The promoter may be required to develop a **biodiversity management plan** (subject to disclosure) or the equivalent, detailing measures to avoid and minimise biodiversity losses, and provide opportunities for its enhancement. To guarantee the completeness and sufficient quality of the assessment, Standard 5 (Climate Change), points 11-14 apply.
- **Protection and conservation of high-value biodiversity** – Where the project can have significant, adverse and irreversible impacts on high-value biodiversity, the promoter shall not implement any project-related activities unless certain conditions are met. See Standard 4, point 15.
- **Protection and conservation of critical habitats** – No projects are possible in critical habitats unless certain conditions are met, such as no other viable alternatives and overriding public interest. Other conditions are described in Standard 4, points 17 and 18.
- **Compensation and offsets** – As a last resort and in response to residual impacts, compensation measures may be implemented to reach a minimum of no loss of overall biodiversity. A net-positive impact on biodiversity and ecosystem services must be achieved. Other conditions related to this can be found in Standard 4, points 19-22.
- **Legally protected areas and/or internationally recognised areas of biodiversity value** – In EU, EFTA, EU candidate and potential candidate countries, projects must comply with the Habitats Directive; an Appropriate Assessment or the outcome of screening in cases where an Appropriate Assessment is not required must be completed; and evidence of compensatory measures must be provided. In the rest of the world, projects must be legally permitted and the design of the project consistent with a recognised management plan for the protected or designated conservation area; alternatively, the project should be compatible with the achievement of the relevant conservation objectives for the area in question. See Standard 4, points 23-29.
- **Invasive alien species** – The risk of the accidental transfer and release of alien species should be assessed by the promoter. Species known to be invasive cannot be introduced under any circumstances.
- **Ecosystem services assessment** – A project's impacts and risks that affect ecosystem services should be assessed in the EIA/ESIA in collaboration with relevant stakeholders, local communities and Indigenous Peoples that depend on these services. Ecosystem services critical to the viability of a proposed project should also be identified. See Standard 4, points 34-36.
- **Supply chains** – The promoter should identify and assess the impacts and risks caused by the project's primary suppliers as part of its supply chain on biodiversity and ecosystems. Further details on these conditions can be found in Standard 4, points 37-41.
- **Sustainable management and use of living natural resources** – The promoter and the EIB shall agree on the standards that should be applied where such primary production (of living natural resources) is codified in standards, certification and/or accreditation schemes that are globally, nationally or regionally recognised. The promoter shall implement sustainable management practices to the agreed standard as demonstrated by independent verification or certification.