



European Investment Bank (EIB)

Luxembourg, 7th February 2022

## Environmental and Social Completion Sheet (ESCS)

### Overview

Project Name:	PGE Green Facility I
Project Number:	2017-0880
Country:	Poland
Project Description:	The Project consists of a portfolio of three wind farms, Starza (44 MW), Rybice (22 MW) and Karnice II (22 MW), located 3-13 km from the Baltic coast in Poland, clustered and connected to the national grid.

### Summary of Environmental and Social Assessment at Completion

#### **EIB notes the following Environmental and Social performance and key outcomes at Project Completion.**

The project was implemented as expected at the appraisal. It consists of three individual wind farms with 22, 11 and 10 turbines, respectively. The project further includes a new substation, the extension of an existing substation and about 30 km transmission line (110 kV) for power evacuation. All power lines have been realised as underground cable.

The wind farms are located near the Baltic Sea coast in the Northwest of Poland and in the proximity of different Natura 2000 sites, which are constituting a major habitat of seabirds. The wind farms fall under Annex II of the EIA Directive (2011/92/EU) and have been screened in by the competent authorities, requiring full EIAs including public consultations.

The EIAs were carried out individually for the three windfarms and the transmission line and included the assessment of the impact on the concerned Natura 2000 sites; however, separate Appropriate Assessments were not performed.

Based on the results of the EIAs and additional specific bird and bat studies no significant negative impact on the integrity of the nearby Natura 2000 sites was expected and the competent authorities had granted the "Environmental Decisions" (permit, which is required for all further building and operating permits). These decisions include a number of condition to limit potential negative environmental impacts. Most of them are rather typical and had been addressed through the detailed planning and during the construction works (such as respecting the critical breeding, reproductive or migration seasons of birds and amphibians, ground water protection, waste management, avoid/limit the felling of trees and bushes, pollution control, etc.)

For the operational period, the environmental permits require the projects to conduct ornithological monitoring and to regularly report to the regional authorities for environmental protection. The detail and duration of such obligation varies between the wind farms in accordance to the sensitiveness of the respective site. If the authority considers necessary, the projects have to implement further adequate protection measures. The first monitoring report is expected for Q1/2022.



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Further, for all three wind farms a noise monitoring at noise sensitive receptors was required to demonstrate that the projects operate within the limits set in a Decree of the Minister for the Environment and taking into account the relevant Local Spatial Development Plans. Measurements were carried out at a total of 40 nearby residential buildings and have demonstrated that the noise levels are below the set limits.

As an undertaking, the borrower has also provided a shadow flicker calculation for each of the of the wind farms, demonstrating that the shadow flicker intensity stays below the commonly accepted limits of 30 h/y at the nearest receptors. Therefore, further protection measures or flicker related curtailment are not necessary.

Independent from the individual projects, EIB had raised a discussion on the overall business strategy of the borrower, being still one of Europe's major coal power producer. The new PATH framework (Paris Alignment of Counterparties) was not in place at appraisal and is not applicable retroactively for existing operations; nevertheless, the Bank had requested, as an undertaking, a report on the borrows decarbonisation plan to contribute to the achievement of nationally defined targets for CO2 reduction.

The basic concept and the general decarbonisation strategy has been submitted to EIB through its "PGE Green Direction" report. A progress report on the implementation of the related measures is due after three years.

**EIB notes the following key Environmental and Social aspects to be monitored during operations:**

The EIB will continue to observe the implementation of the decarbonisation plan and the achieved results.

The first report on the bird and bat monitoring is due in Q1/2022, the second in early Q1/2023. EIB will evaluate the reports' findings and the proposed mitigation measures, where applicable.

**Summary opinion of Environmental and Social aspects at completion:**

EIB is of the opinion based on the reporting from the promoter that the project has been largely implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.