

Luxembourg, 27 August 2025

Environmental and Social Data Sheet

Overview

Project Name: POLAND RURAL DEVELOPMENT CO-FINANCING II

Project Number: 2024-0860 Country: Poland

Project Description: The Project comprises support to selected measures of the Polish

Rural Development Programme during the period 2023-2027

EIA required: This is a multi-scheme operation. Some of the schemes may require

an EIA under Annex I or Annex II of the EIA Directive.

Project included in Carbon Footprint Exercise¹: No

Environmental and Social Assessment

The proposed operation will support the implementation of mainly small multi-sector investment schemes co-financed with the European Agricultural Fund for Rural Development (EAFRD) under the Common Agricultural Policy Strategic Plan (CAP SP) for Poland 2023-2027, approved by the European Commission on 31st August 2022. The selected rural development interventions fall under Articles 73 (Investments), 77 (Co-operation) and 78 (Knowledge) of the Regulation (EU) 2021/2115 determining rules for CAP SPs.

The Project is fully aligned with the EU policy objectives of the EAFRD by fostering a smart, competitive, resilient and diversified agricultural sector ensuring long-term food security; supporting environmental protection, including biodiversity, and climate action; and by strengthening the socio-economic fabric of rural areas. For farmers and their holdings, this includes support to new infrastructure and technologies to foster competitiveness, energy and resource efficiency, and welfare standards. Value chains on farms as well as of processors will be strengthened, while afforestation, environmental protection, biodiversity, rural infrastructure will all be supported. The professional development of farmers is also targeted through training and knowledge transfer, to assure know how accompanies new innovative approaches and technologies. Collaborative schemes addressing common issues facing farmers and rural businesses will also be supported, including food quality and producer group schemes as well as innovation diffusion schemes. The Project will also support implementation of schemes under the LEADER ("Liaison Entre Actions de Développement de l'Économie Rurale"), which aims to build the links between the public, private and civil sectors) local collaborative approach and deliver innovative small scale local projects.

The Project is expected to deliver i.a. an estimated 15,700 agricultural holdings supported for investments contributing to climate change mitigation and adaptation, as well as to the production of sustainable energy or biomaterials, an additional 230 MW renewable energy generation capacity, including biomass, 11,800 agricultural holdings receiving the relevant support care for natural resources, and 5,200 operations contributing to environmental sustainability and climate change mitigation and adaptation objectives in rural areas.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.



Finally, the rural population is expected to benefit from small scale local development schemes, driven with the support of local action groups (LEADER projects).

Environmental Assessment

A Strategic Environmental Assessment (SEA) referred to in Directive 2001/42/EC was conducted in the frame of the CAP SP, before presenting the CAP SP to the EC. The SEA is publicly available on the website of the national Ministry of Agriculture and Rural Development² The main findings, which were addressed in the CAP SP, were published in the Strategic Environmental Declaration³.

The CAP Strategic Plans Regulation sets a minimum of 35% of the total EAFRD contribution is to be earmarked for climate, environment and animal welfare. These targets have significantly influenced the design of the CAP SP interventions in Poland. In this context, the interventions aim to contribute to the reduction of GHG emissions; the increase in the role of agriculture and soils as carbon sinks; the reduction of soil nutrient loss; the reduction of the use of agrochemicals and fertilizer in agriculture and antimicrobials in livestock breeding.

All schemes must be implemented in compliance with the EU and national environmental legislation. For schemes that would fall under Annex I or Annex II of the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU, the Promoter is required to act according to the Directive, with specific requirements towards the EIB as noted below.

The objectives of the Project have been assessed for Paris alignment and are considered to be aligned with both low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (Bioeconomy sub-sectors in sustainable forestry, resilient agricultural land management, sustainable biomaterials, rural infrastructure including irrigation and machinery and reduction of GHG footprint and pollution). Individual allocation will also require such alignment.

The intervention on farmed animals leads to an improvement of their welfare. EIB allocated loans will integrate new EU legislative framework and, where required, make use of the European food safety agency's published scientific opinions a condition for the improvement of animal welfare conditions.

Finally, the schemes co-financed by the Project are consistent with the national and regional adaptation strategies and other climate policy documents related to the sector.

The overall net environmental and social impact of the project is expected to be positive, due to improved environmental and social conditions for the rural population and farmers of Poland.

Social Assessment

The Charter of Fundamental Rights of the European Union and the United Nations Convention on Persons with Disabilities have been applied over all successive phases of CAP SP programming in line with Regulation EU 2021/2115. They shall also be applied during implementation – project selection, award, and in the monitoring and control functions. In addition, the investment schemes supported under all specific interventions shall comply with the principles of gender equality, inclusion and non-discrimination. The selection criteria for the schemes are subject to oversight by a Monitoring Committee composed of a wide range of stakeholders, including representatives of line ministries (including climate sections), trade unions, young farmers, sector groups, environmental groups, women's council as well as plenipotentiaries for equal treatment, including for people with disabilities.

² Can be found in the materials published on this webpage of the Ministry: <u>Environmental impact forecast (version 0.3) – consultations closed - Common Agricultural Policy after 2020 - Portal Gov.pl</u>

³ <u>Draft Strategic Plan for the CAP for 2023-2027 (version 1.1) – draft taking into account the comments of the EC and submitted for its approval - Common Agricultural Policy after 2020 - Portal Gov.pl</u>



The Project is expected to deliver positive social impact as it contributes to the EAFRD objectives of strengthening the socio-economic fabric of rural areas (as per Article 5(c) of Regulation EU/2021/2115). It aligns with broader EU priorities for rural development and social cohesion, synergises with other EU Cohesion Funds, supporting targeted investments that strengthen the socio-economic fabric of rural areas while ensuring compliance with applicable regulatory frameworks.

The Project will secure existing jobs and create new ones in agricultural SMEs, food processing, forestry, rural tourism and local services in the broader rural economy, supporting enhanced profitability and viability of such entities. The Project supports the implementation of local development strategies, improves the quality of small-scale rural infrastructure, and provides advice, training and knowledge exchange in support of investments. Such investments drive up the attractiveness of working and living in rural areas, thus both renewing and sustaining the countryside.

Moreover targeted, additional financing/incentives will be granted to young farmers and to women who wish to become farmers, develop their holdings, undertake processing or develop new economic activities under LEADER.

Public Consultation and Stakeholder Engagement

The SEAs as well EIAs of the relevant underlying schemes are subject to the public consultations in line with the SEA Directive and the EIA Directive, as transposed into national law.

Conclusions and Recommendations

The following undertakings will be required for this Project:

- The Promoter will be required to act according to the provisions of the relevant EU Directives, including EIA Directive (2011/92/EU amended by 2014/52/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives and Water Framework Directive (2000/60/EC), and with the national legislation.
- The Promoter shall not commit any EIB funds against schemes that require an EIA and/or appropriate assessment according to EU and national law without, prior to commitment, receiving consent from the competent authority, and the EIA report having been made available to the public.
- The Promoter shall only commit schemes for allocation to the EIB loan, which are Paris aligned as per the EIB Group Climate Bank Roadmap 2021-2025 or subsequent framework. In the case of doubt whether an investment is Paris aligned, the Promoter shall consult the EIB to ensure Paris alignment of that investment.
- Schemes in relation to which a screening or appropriate assessment of impacts on Natura 2000 sites is carried out, are assessed in view of site-specific conservation objectives (SSCOs).
- On-farm investments to improve irrigation efficiency will not lead to an increase in water abstractions or expansion of irrigated lands and will target measures necessary to bring surface and subsurface water bodies into good condition and/or to maintain good status as per approved River Basin Management Plans.
- Animal interventions allocated to the EIB loan are taking into account, where required, the European Food safety Agency's published scientific opinion on animal welfare.

Taking into account the contractual undertakings associated with the Project, as well as the capacity of the Promoter and the systems in place to manage environmental and social impacts and risks, the Project is acceptable for the Bank's financing in environmental and social terms.