Luxembourg, 12 November 2013

Environmental and Social Data Sheet

Overview

Project Name:	Lwowek-Odolanow Gas Pipeline
Project Number:	20130291
Country:	Poland
Project Description:	Construction of the Lwowek-Odolanow gas pipeline in Poland, contributing to increased system capacity, energy security and diversification of natural gas supplies.

EIA required: yes

The EIA is under preparation. Once available the NTS or a link to it will be published on the EIB website. The EIA and approvals have to be acceptable to the EIB prior to the first disbursement being made.

Project included in Carbon Footprint Exercise[1]: no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The technical specification (166-179 km length and 1000mm diameter) of the project means that it falls under Annex I of EIA Directive 2011/92/EU and is thus subject to an environmental impact assessment, and will need to incorporate assessments of Natura 2000 issues per the Habitats and Birds directives. The environmental and nature baseline is being collated and routing alternatives are being analysed. The routing alternatives being considered will likely traverse some or all of the following Natura 2000 sites: PLH020041 Ostoja nad Baryczą; PLB300007 Dąbrowy Krotoszyńskie; PLH300002 Dąbrowy Krotoszyńskie; PLB300005 Zbiornik Wonieść; PLH300014 Zachodnie Pojezierze Krzywińskie; and PLB300004 Wielki Łęg Obrzańsk. The promoter expects the environmental approval process to finish by 4Q2014.

This is a standard gas transmission project implemented by an experienced promoter. Typical impacts can be expected for the pipeline components under this project, mainly temporary ones related to construction works (clearing of rights of way, noise, dust, increased traffic, temporary access restrictions, construction camps and lay-down areas, waste disposal, crossing of highways and rails). These impacts can usually be managed well by appropriate measures taken by the construction company in order to avoid unacceptable nuisance to other parties and the public. A site visit demonstrated that the promoter operates in line with industry standards.

Modern installation technologies such as horizontal directional drilling will contribute to reducing construction impacts. The pipeline route will be determined so as to avoid environmentally sensitive areas to the extent possible, and to comply with operational safety requirements. The pipeline will be buried and follow existing rights of way where appropriate and possible.

The main social impacts of the project concern the compensation for leasing rights of way and compensation for the loss of crops. There is legal recourse regarding compensation if negotiated settlements are not concluded with land owners. Legal actions in respect of right of way settlements cannot be excluded.

[1] Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

Public consultation will be required as part of the permitting procedure.

The environmental procedures employed by the promoter are considered to be appropriate to ensure compliance with the requirements of the relevant EU and national legislation. Given that the required environmental and nature assessments are not yet complete, the Bank has included one disbursement condition in the contract with the promoter, namely:

The promoter will provide the Bank with the final environmental impact and nature assessment report(s), and the environmental and nature approval(s) for the pipeline for the Bank's review and acceptance prior to presenting the first disbursement request.

Environmental and Social Assessment

Other Environmental and Social Aspects

The project is likely to traverse or pass close to some Natura 2000 and Habitat Directive sites, and the promoter is likely to be bound to undertake appropriate mitigating actions in these zones; these include using horizontal directional drilling (i.e. trenchless installation), not disturbing migrations or the breeding periods of species, optimising transport to site, ensuring low impact and maintaining distance limits from certain areas. The approvals would be expected detail the areas and the measures required to be in line with good practice for such a project.

In addition to complying with legal requirements, the promoter has implemented a quality management system based on ISO 9001, an environmental management system based on ISO 14001; an occupational health and safety management system based on OHSAS 18001:2007.

The project will provide indirect environmental benefits through allowing the substitution of more polluting fuel sources by gas.