

## Environmental and Social Data Sheet

### Overview

Project Name:	GATE LNG TERMINAL EXPANSION
Project Number:	20140236
Country:	The Netherlands
Project Description:	The project will make available Liquefied Natural Gas (LNG) for small-scale applications from the existing EIB-financed GATE LNG terminal. It will serve an emerging market for LNG-fuelled ships and industrial customers. This bulk-break project comprises the construction of LNG handling facilities financed by the EIB; and a harbour basin and quay wall, which will be undertaken by the Port of Rotterdam.
EIA required:	no
Project included in Carbon Footprint Exercise <sup>1</sup> :	yes
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

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

The project will facilitate the compliance with the Sulphur Directive 2012/33/EU in the maritime industry, as part of the sea going and inland fleets could use LNG as propelling fuel, thereby significantly reducing sulphur emissions from exhaust fumes.

The project is located in an already well industrialised area adjacent to the LNG terminal and to an existing oil terminal. An increase in noise (both above water and land and underwater) and in nitrogen deposition during operation can be expected, but an environmental impact study showed that these hazards do not lead to a negative effect on the f the nearby Natura 2000 areas, the closest being the Voordelta at a distance of 1km.

As the project has been screened out for a full EIA based on the technical characteristics of the project and the criteria defined in the Dutch Decree on Environmental Impact Assessment, a formal request has been made to the promoter to provide a written confirmation from the competent authority responsible for the monitoring of sites of nature conservation importance that the project (including the basin and quay wall construction to be carried out by the Port of Rotterdam (PoR)) does not have any significant negative impacts on any site of nature conservation importance.

On environmental terms, the project is acceptable for EIB financing.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

## Environmental and Social Assessment

### Environmental Assessment

- Compliance with the Dutch Environmental Legislation: the project complies with the Dutch Decree on Environmental Impact Assessment, screening out the project from a full EIA. The gas handling facility and the harbour have both obtained an environmental permit from the province of South Holland.
- The 2012/33/EU Directive establishes a 0.1% sulphur emission limit in shipping exhaust fumes emitted from vessels operating in Sulphur Emission Control Areas (SECA). These SECAs comprise the English Channel, the Baltic and North Sea areas. A range of options exist for ships to comply with the sulphur requirements, including installing scrubbers or switching to gasoil. However, LNG is seen as the most promising alternative fuel. The directive will become EU law from 1<sup>st</sup> January 2015. As such, the project should provide environmental benefits through facilitating compliance with new regulatory standards in addition to the original security of supply justification for the standalone LNG terminal.
- Climate change adaptation: the project has taken into account a sea level rise of 0.5 m during the lifetime of the project.

### EIB Carbon Footprint Exercise

- The project will facilitate provision of LNG to new and emerging markets. Thus, the calculation of relative emissions is considered as being above that of the benefits of the LNG terminal throughput to the national grid. The CO<sub>2</sub> intensity of liquefaction and transport of LNG is taken into account in the footprint of other activities and therefore excluded from the scope of the exercise, and only the combustion of LNG and its alternatives are taken into account here.
- Over its lifetime, the project is expected to cater mostly to the shipping industry. Without the project, the shipping industry would be using Marine Gasoil or Heavy Fuel Oil with sulphur scrubbers. For the same energy basis, the estimated CO<sub>2</sub> emissions savings are 50 kt CO<sub>2</sub> equivalent per year.
- For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.
- Using LNG as a fuel will reduce other emissions from the maritime industry. LNG fuelled ships have very low to no SO<sub>x</sub> (less than 10% of the maximum allowable content under the new Directive) emissions, negligible NO<sub>x</sub> emission, and considerably reduced particulates emissions.

### Other environmental and social aspects

- The Gate LNG project financed by the Bank, of which this project is an extension, was constructed with appropriate controls and attention with regard to environmental, health and safety and all permits, consents and certificates were received in due time.
- The Gate LNG project, which included large LNG storage tanks, was subject to an EIA as it was classified as Annex I of the EIA Directive.
- The promoter has well-established corporate Quality, Health, Safety and Environment (QHSE) policies and in particular follows the requirements of ISO 9001 and 14001 management systems.