

Environmental and Social Data Sheet

Overview

Project Name:	<i>Kriegers Flak – Baltic II</i>
Project Number:	<i>2010-0030</i>
Country:	<i>Germany</i>
Project Description:	<i>The construction and operation of a 288 MW offshore wind farm located in the German sector of the Baltic sea.</i>
EIA:	Required by national legislation
Project included in Carbon Footprint Exercise:	YES

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

This operation is about a new offshore wind farm which will produce electricity with substantially lower environmental impacts, particularly greenhouse gas (GHG) emissions, than conventional power plants.

The project falls under Annex II of EIA-Directive 85/337/EEC (amended by 97/11/EC and 2003/35/EC) due to its technical characteristics. National regulations require a full Environmental Impact Assessment (EIA) including public consultation for this operation.

The environmental consenting of this project took place in two parallel procedures. The EIA for all project activities inside the Exclusive Economic Zone (wind farm, offshore substation, parts of cable connection) was executed in accordance with the guidelines of the Bundesamt für Seeschifffahrt und Hydrographie (BSH), the responsible Federal Environmental Authority. The environmental permission for this part of the project was granted in April 2005. The permit confirms the environmental soundness of the project and provides a comprehensive set of obligations related to health and safety measures, impact mitigation measures, and reporting duties. Amongst others, the promoter is requested to apply best practice noise reduction measures during piling and to continue environmental monitoring during construction and operation. In 2006 and 2009 this permit was updated upon request of the promoter in order to allow for later dates for the start of construction works (now: 30 June 2012).

Those parts of the project that are located less than 12 nautical miles (sm) from the shore (parts of the grid connection only) were consented by the Regional Environmental Authority (Staatliches Amt für Umwelt und Natur Stralsund) in a separate procedure incl. EIA. These parts of the Baltic 2 project were consented as part of the Baltic I offshore wind farm project because both projects were concurrently developed by the same entity. The environmental authorisation of the Baltic I project has been analysed already by EIB/s' services in detail during its appraisal of operation ENBW Offshore Wind / 2008-591. The relevant environmental implications were considered acceptable.

The project site is located far outside areas of nature conservation interest. Environmental Impact Study (EIS) and an Appropriate Assessment study both conclude that the project does not have any significant environmental or social impacts. During construction the most relevant environmental impacts are expected to originate from modifications of the sea bed structure (impacting on soil and macro zoo benthos) and from construction noise (impacting on marine mammals). Visual impacts of the wind turbines during the operation phase are low due to the large distance of the wind farm of 32 km to shore. The permit allows for additional protection measures to be employed, if necessary, during periods of peak crane migration.

In December 2005, the German Federal Ministry of Environmental Affairs declared the Kriegers Flak sea area a preferred offshore wind farm site, building part of its offshore strategy, after having carried out a Strategic Environmental Assessment (SEA). This SEA confirms the low environmental risks related to offshore wind activities at this site.

The Bank has received copies of the related documents and finds the EIA procedure undertaken acceptable.

Environmental and Social Assessment

Environmental Assessment

The permitting process for the main part of the project was initiated by the initial project developer in May 2001. The scope of the EIA was defined during a screening conference in 2002. In 2004 the developer finalised a comprehensive EIS and applied for environmental consent. The current promoter provided additional expert studies assessing collision risks and impacts on existing and potential future areas of nature conservation interest. These studies together comprehensively assessed all potential environmental and social impacts of the project. Cumulative impacts caused in combination with other offshore wind farm projects in the Baltic Sea were considered where applicable (examples: impacts on bird migration and areas of nature conservation interest). In April 2005, after extensive public consultation, the competent authority granted a conditional approval in which it is confirmed that significant negative impacts can be excluded. The permit is valid for 25 years and comprises a comprehensive set of safety, mitigation, monitoring, and reporting obligations. Amongst others, this refers to measures for the prevention of collisions with ships and airplanes, certification requirements, occupational health and safety measures, handling of cultural heritage findings, measures for the protection of marine mammals during piling (low noise best available techniques, sound measurements under water, scaring of prior to piling), environmental protection measures during operation, decommissioning obligations.

In December 2006 law changed and the transmission system operator (TSO) became responsible for the implementation and operation of the cable connections from the onshore substation to the respective offshore substations. The EIB's services reviewed the initial consent and related procedures. It is expected that the TSO will implement the grid connection with the appropriate environmental quality and diligence.

EIB Carbon Footprint Exercise

The estimated annual emissions of this project in a standard year of operation are negligible in absolute terms. When considering that the power generated in the offshore wind farm is substituting a mix of power generation from existing fossil fuelled power plants in Germany (75%) and new built gas-fired combined cycle power stations (25%), net savings of about 784 kT CO₂e/year are expected.

Net savings equal around 272 kT CO₂e/year, when pro-rated to the maximum authorised loan amount.

Public Consultation and Stakeholder Engagement

Relevant authorities from Germany and neighbouring countries, NGOs, municipalities and their residents, potentially affected industry associations and companies were consulted at several stages during the authorisation procedure. Stakeholders contributed to the definition of the scope of the EIA and commented on the draft EIS. Their concerns were addressed by additional expert studies and discussed during meetings organised by the competent authorities. Justified concerns were responded by modified project designs.

Other Environmental and Social Aspects

The promoter is a large European utility with established environmental management organisational structures and procedures.

In its granted consent, the federal Competent Authority obliges the promoter to carry out environmental monitoring during both, construction and operation. Monitoring has to be in accordance with the authority's corresponding guidelines as updated regularly and also in methodological accordance with the baseline monitoring which was carried out during the EIA.

The competent authority has recently requested the promoter to execute an additional year of full environmental monitoring of the marine environment because there will be a delay of more than 5 years between conducting the initial EIA (finalisation in 2003) and the scheduled start of construction (2012). This 3rd year of assessment started in January 2010 and was successfully finalised in 2011. It provided an updated picture of the marine environment at the project site before project implementation.