

## Environmental and Social Data Sheet

### Overview

Project Name:	PROGRAMME LOAN HEATING SECTOR IN POLAND
Project Number:	2017-0974
Country:	Poland
Project Description:	The project consists of a Programme Loan to finance investments in the heating sector in Poland.
EIA required:	to be assessed on a project by project basis

Project included in Carbon Footprint Exercise<sup>1</sup>: to be assessed on a project by project basis

### Environmental and Social Assessment

#### Environmental Assessment

The project consists of a Programme Loan to support both public and private promoters operating in a district heating sector in Poland. This document appraises the overall Programme. The sub-projects comprising the Programme will be appraised individually.

The sub-projects may include:

- construction of heat generation and also heat-and-electricity cogeneration units, for larger plants (supplying heat to the system rather than to individual buildings or blocks of buildings), the programme will target high efficiency cogeneration facilities based on biomass, waste or natural gas;
- modernisation of existing local boilers including fuel switch from coal to biomass or gas;
- extension of existing networks including building new connections and substations;
- modernisation of existing networks, including replacements of existing pipes with pre-insulated ones and replacement of group substations with local heat exchangers.

The vast majority of heat generation investment schemes will be brown field investments within the existing plants.

The investments in heat generation and distribution systems fall within the scope of the EIA Directive 2011/92/EC amended by Directive 2014/52/EU. Most components are likely to be screened out due to their size and expected negligible impact on environment. The Bank will request the competent authority's decisions in this matter as well as the decision concerning the need for the appropriate assessment concerning Natura 2000.

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<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.

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Impacts on the environment will include noise, dust and increased traffic during the construction phase affecting the district heating network, and process waste (ash, slag and waste water), noise and airborne pollutants during operation of generation plants. These impacts are unlikely to cause any significant negative residual effects to the environment. The proposed plants are expected to make use of advanced, yet well-proven technology with environmental emissions in line with the Industrial Emissions Directive 2010/75/EU and with the Directive on the limitation of emissions from medium combustion plants 2015/2193/EU. The projects' Promoters are expected to be organisations with a proven ability to properly implement environmental management systems.

Mitigation measures during construction include, for example, the use of proper transport procedures to help minimise the risks for dust emissions to the atmosphere. For heat generation units the mitigation involves the use of emissions abatement measures for SO<sub>2</sub>, NO<sub>x</sub> and dust from flue gases, water treatment facilities and also soil protection measures from oil spills, among other.

### **Social Assessment**

Potential infrastructure construction activities are expected to be carried out in all cases within the existing right-of-way and facilities owned by the Promoter and/or on the street, therefore no expropriation or resettlement is foreseen within the project.

### **Public Consultation and Stakeholder Engagement**

In case the EIA and public consultations are requested by competent authorities, the Bank will review the outcome of the public consultation process.

## **Conclusions and Recommendations**

Overall, the investments are expected to create low or moderate environmental risk. Their positive impact on the environment will result from increased efficiency of heat generation which in most cases will be cogenerated with electricity at high efficiency as defined by the Energy Efficiency Directive 2012/27/EU, from broadened access to district heating, and from decreased heat distribution losses.

In the event that a programme component to be financed with the Bank's funds requires an Environmental Impact Assessment, the Promoters undertake not to allocate the Bank's funds to such component until the EIA with the associated biodiversity assessment has been finalised, approved by the competent authority and reviewed by the Bank to its satisfaction. In such cases, the Promoters undertake to send an electronic copy of the Environmental Impact Statement to the Bank for publication on its website.

The Promoters undertake to provide to the Bank the opinions of the competent authority with respect to the requirement for an Appropriate Assessment as per the Habitats Directive 92/43/EEC.

Subject to these (and other, specific to particular projects) conditions, the Programme is expected to be acceptable for EIB financing in E&S terms.