



European Investment Bank (EIB)

Luxembourg, 19th August 2019

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name: KELAG ENERGY PRODUCTION AND NETWORKS
Project Number: 2015-0210
Country: AUSTRIA

Project Description: Investment program in district heating, wind and hydropower production, and electricity distribution to be implemented over 2014-2017 by the regional multi-sector energy company of Carinthia.

Summary of Environmental and Social Assessment at Completion

EIB notes the following key Environmental and Social outcomes at Project Completion.

The project is a 4-year (2014-2017) investment programme that comprised investment schemes in production and distribution of electricity and heat. The electricity generation schemes included plans to refurbish or upgrade existing hydropower plants in Carinthia and additionally an 18 MW wind farm in Lower Austria. The electricity distribution part covered extensions and refurbishments of the low- and medium-voltage electricity distribution grid in Carinthia. The district heating included network upgrade projects and refurbishments of existing heating networks in the Carinthia region of Austria.

One of the schemes, i.e. the planned windfarm in Pischeldorf, required an environmental impact assessment. However, this windfarm has not been realized.

The network elements on low and medium voltage are normally not subject to EIA and neither are heating networks.

The dam heightening at Wurten, which was initially part of this investment programme, but ultimately not realized as such, has a total stored volume of water of less than 10 million cubic meters and falls under Annex II of the EIA Directive requiring a screening for an EIA by the Competent Authority. According to the screening decision given at the time of appraisal no EIA was required.

Concerned power plant renovation and small biomass plants are also not required to undergo EIA by virtue of their size.

No significant environment or social issues were noted.

EIB had the following E&S related disbursement conditions and undertakings in the Finance Contract.

Disbursement conditions

- The EIA, its non-technical summary and the corresponding environmental permit for the Windfarm Pischeldorf should be presented to the Bank before fund disbursement to this scheme.



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Undertakings

- The Promoter undertakes not to allocate the Bank's funds to any component that requires an Environmental Impact Assessment (EIA) until the EIA and/or the biodiversity assessment have been finalised and approved by the competent authority. When the EIA is made available to the public, an electronic copy of the full EIA study shall be sent to the Bank.
- The Promoter shall store and keep updated any documents as may be relevant for the project supporting the compliance with the provisions of the EU Habitat and Birds Directives, and shall upon request promptly deliver such documents to the Bank.

As the windfarm in Pischelsdorf has not been realized, the disbursement condition as well as the undertaking regarding the EU Habitat and Birds Directive did not apply. Further, the EIB has not been notified by the promoter that the EIB's funds have been used for components that requires an Environmental Impact Assessment (EIA).

Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion based on reports from the promoter during Construction that the project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.