

CEE Bankwatch Network Na Rozcesti 1434/6 190 00 Praha 9 – Liben Czech Republic

Email: main@bankwatch.org http://www.bankwatch.org

To:

Mr Kim Kreilgaard Head of Division of Lending Operations in Poland European Investment Bank

Bulgaria:

Centre for Environmental Information and Education (CEIE)

Za Zemiata, For the Earth

Croatia:

Green Action

Czech Republic:

Centrum pro dopravu a energetiku (CDE) Hnuti DUHA

Estonia:

Estonian Green Movement-FoE

Georgia:

Green Alternative

Hungary:

National Society of Conservationists – Friends of the Earth Hungary (MTVSZ)

Latvia

Latvian Green Movement

Lithuania:

Atgaja

Macedonia:

Eko-svest

Poland:

Polish Green Network (PGN)

Russia:

Sakhalin Environmental Watch

Serbia:

Center for Ecology and Sustainable Development (CEKOR)

Slovakia:

Friends of the Earth – Center for Environmental Public Advocacy (FoE-CEPA)

Ukraine:

National Ecological Centre of Ukraine (NECU)

CEE Bankwatch Network's mission is to prevent environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation.

Subject: Request for information on the state of project assessment for Ostroleka C

Sent via Email on October 3, 2011

Dear Mr Kreilgaard,

I am writing in reference to the press information from 20th of September of 2011 about ENERGA S.A. holding conversations with the EIB about financing of a new coal-fired unit in Rzekun also referred to as Ostroleka C. The interview has been provided for Rzeczpospolita one of the major Polish newspapers and can be found at:

http://www.ekonomia24.pl/artykul/532088,719911-Blok-w-Ostrolece-wart-ponad-6-mld-zl.html.

I would like to first of all formally enquire whether the EIB is having conversations with ENERGA S.A. on financing of Ostroleka C coal-fired power plant?

If yes I would like to enquire what is the stage of these talks?

Has the EIB asked the EU Commission for an opinion on financing Ostroleka C project by the EIB fulfilling its obligation under Article 19 of the EIB Statute?

CEE Bankwatch Network considers the EIB's potential involvement in the project problematic given that the project can be found on the National Investment Plan list as a project applying for free CO2 emission allowances during the III Phase of EU ETS (in line with the article 10c of the ETS Directive 2003/87/EC) in spite of not possessing a building permit as of 31.12.2008 nor a Green House Gases permit as of 30.06.2011 in line with the new Act on the System of Greenhouse Gases Emission Trading entered into force on June 21, 2011. This act has been published in the Official Journal of 2011, No 122, item 695 (Dz.U. 2001, Nr 122, poz. 695) and the 2009/29/EC directive. (See: http://dokumenty.rcl.gov.pl/D2011122069501.pdf)

CEE Bankwatch Network together with other European NGOs has already informed the EU Commission of the possible breach of acquis

communautaire in July 2011. As the Bank representing the European Union the EIB should not provide loans to projects suspected of acting against acquis communautaire.

Furthermore Ostroleka C unit is a greenfield project in gmina Rzekun with an overall capacity exceeding the generation capacity of units A and B functioning currently in Ostroleka. Given its size. planned GHG emissions and the fact that unit B is to operate until at least year 2025 Ostroleka C power plant cannot be treated as a replacement in line with the definition in the European Investment Bank's energy policy document? Clean Energy for Europe: A reinforced EIB contribution?

Given all previously mentioned issues we urge the EIB to drop the project before it reaches a formal appraisal stage.

Yours Sincerely,

Kuba Gogolewski Energy campaigner CEE Bankwatch Network