Japan Bank for International Cooperation

Environmental Examination Report

1. Project Name

Offshore wind power project

2. Project Site

Moray Firth, Scotland, United Kingdom

3. Project Outline

Construction, possession, and operation of the offshore wind power plant

4. Category Classification

Category A

5. Reason for Classification

- (a) The project belongs to the sensitive sector (transmission, transformation and distribution of electricity).
- (b) The project is located in or near sensitive areas under the Guidelines.

6. Environmental Permits and Approvals

The Environmental and Social Impact Assessment (ESIA) report on the project (both for offshore generation infrastructure and offshore transmission infrastructure) was prepared in compliance with the local laws and regulations, and approved with conditions by Marine Scotland in March and September 2014 respectively. Although preparation of ESIA regarding onshore transmission infrastructure is not required according to the local laws and regulations, such information is included in the ESIA report on the project.

7. Pollution Mitigation Measures

Regarding the offshore generation infrastructure and offshore transmission infrastructure, it is confirmed that appropriate measures will be taken to mitigate the noise and chemical leakage and others during construction. It is confirmed that no emission of air pollutants or waste water is projected during the operation of the project, and that noise and vibration from the offshore generation infrastructure will not affect the land area.

Regarding the onshore transmission infrastructure, it is confirmed that appropriate measures will be taken to mitigate the noise and debris during construction. It is confirmed that no air pollutants would be emitted, and appropriate measures would be taken to mitigate leakage of chemical fuel or waste oil during the operation of the project.

8. Natural Environment

It is confirmed that the project site of offshore generation infrastructure and offshore transmission infrastructure is not located within the protected area. The project will take appropriate measures to mitigate impact to benthic species, aquatic species, marine mammals and bird species designated as protected species under the local law that might be living in the project site and surrounding area.

It is confirmed that the project site of onshore transmission infrastructure is not located within the protected area. The project will take appropriate measures to mitigate impact to mammals and bird species designated as protected species under the local law that are known to be living in the project site and surrounding area.

9. Social Environment

It is confirmed that the project will compensate for a negative impact on fisheries due to lost or restricted access to the fishing site during construction period, and the project will continue to have discussion with the local fishermen's associations.

It is confirmed that the onshore transmission and substation infrastructure is routed to avoid residential houses and buildings, and there will be no relocation of residents in relation to the project.

10. International Standard

IFC Performance Standard

11. Others, Monitoring

JBIC will monitor the project to ensure compliance of the conditions attached to the ESIA report.

Questions

Q1.	Please provide the address of the project site.			
	Address of the project site: Smith Bank, Ou	ter Mo	oray Firth, Scotland, UK	
Q2.	Please provide brief explanation of the proj	ect.		
	Construction and operation of an offshore v	vind fa	<u>rm</u>	
Q3. Will JBIC loan be applied to a new project or an executing project? In case of an executing project, please inform of strong claims by stakeholders such as local residents, as well as improvement guidance or cessation orders for construction work / operations, from environmental authorities.				
	☑ New Project		Executing Project (with Claim etc.)	
	□ Executing Project (without Claim etc.)		Others (Please specify)	
 Q4. In case of this project, is it necessary to execute Environmental and Social Impact Assessment (ESIA) based on the laws or regulations of the country where the project is to be implemented? If necessary, please inform the progress of ESIA. ☑ Required (completed) □ Required (under execution or under planning) □ Not Required □ Others (Please specify) Q5. In case that ESIA is already completed, please inform whether ESIA report is already approved based on the environmental and social assessment system of the country where the project is to be implemented or not. If ESIA report is already approved, please provide the date and name of authorities of the approval. 				
	✓ Approved (without condition) Under approval process		Approved (conditional) Others (Please specify)	
Date of Approval &_ Name of Authorities: The Scottish Ministers (3 x Section 36 Consents) 19 March 2014, Aberdeenshire Council (Planning Permission in Principle) 26 September 2014 Aberdeenshire Council (Section 42 Consent) 18 June 2015. Marine Scotland (Marine Licences x 3 for the Wind Farms) dated 3 September 2014 Marine Scotland (2 x Marine Licences) for the offshore transmission infrastructure dated 25 September 2014 and 14 September 2017.				
Q6. If environmental and social permit(s) other than ESIA is required, please provide the name of required permit(s). Have you obtained required permit(s)?				
	□ Obtained □ Not required	☑	Required, but not obtained yet Others (Please specify)	
Name(s) of required permit(s): <u>A European Protected Species Licence will be required in respect of the offshore construction works to authorise the disturbance of European Protected Species in terms of the Conservation (Natural Habitats &c.) Regulations 1994 and the Offshore Marine Conservation (Natural Habitats &c.) Regulations 2007.</u>				

Q7. Will the loan be used for the undertaking that cannot specify the project at this stage (e.g. export or lease of machinery that has no relation with specific project, or Two Step Loan that cannot specify the project at the time of loan agreement)?

If you answered "Yes", it is not necessary to reply to the following questions. If you answered "No", please reply to the following questions.

		•		
Q8.	Are the	re any environmentall	y sensitive area(s) shown below in and around pro-	roject site(s)?
	Yes			
			et applicable items by marking, and reply to the forto the questions 9 and after.	ollowing questions.
		Forests with import areas) Habitats with import Habitats of rare special Areas in danger of I Areas with unique a Areas inhabited by a Areas inhabited by a Areas inhabited by a second control of the Areas with unique a Areas inhabited by a second control of the Areas with unique a Areas inhabited by a second control of the A	ionally-designated protected areas (coastal area is people, and cultural heritage, etc. designated by ant ecological value (including primary forests a stant ecological value (including coral reefs, mangicies requiring protection under domestic legislatil large-scale salt accumulation or soil erosion kable tendency towards desertification archaeological, historical or cultural value ethnic minorities, indigenous peoples or nomadic reas which are used for cultural or spiritual pur	y national governments) and natural forests in tropical grove, wetland and tidal flats.) ion, international treaties, etc peoples with traditional ways
Q9.	Does th	ne project involve folk	owing characteristics?	
after.	•		to the questions 11 and after.	reply to the questions 10 and
		(2) Pumping of gro	(Number of affected people: undwater (Scale: on, development and/or clearing (Scale:) m³/year) ha)
for e	emented, xecuting They d	do the applicable char an ESIA for the project	and social impact assessment system of the coun racteristics from (1) – (4) of the questions 9 above ct? They do not)	
⊔' Q11	·	For Section 1	ignificant social impacts?	

If you answered "Yes", please describe the outline of the impacts, and reply to the questions 12 and after.

If you answered "No", please reply to the que	
□ Others	()
	nal or less than 5% of the total project cost, or the total amount of (In the case of additional support for a past project, this shall be the
No	
If you answered "Yes", it is not necessary to r If you answered "No", please reply to the que	
immaterial or is not anticipated under no	the sectors that impact on the environment and society is deemed rmal conditions (e.g. maintenance of the existing facilities, non-sition of rights and interests without additional capital investment)?
No	
If you answered "Yes", it is not necessary to r If you answered "No", please reply to the que	
If you answered "No", it is not necessary to re	tor by marking, and reply to the questions 15 and after. Sply to the following questions.
☐ (1) Mining	
☐ (2) Oil and natural gas development ☐ (3) Pipelines	
(4) Iron and steel (projects that include	de large furnaces)
☐ (5) Non-ferrous metals smelting and	refining
_ ` '	aw materials; including complexes)
 ☐ (7) Petroleum refining ☐ (8) Oil, gas and chemical terminals 	
(9) Paper and pulp	
(10) Cement plants (including a green	
☐ (11) Manufacture and transport of toxic☐ (12) Thermal power	c or poisonous substances regulated by international treaties, etc.
(13) Nuclear power	
☐ (14) Hydropower, dams and reservoirs	
✓ (15) Power transmission and distribution logging or submarine electrical care	on lines involving large-scale involuntary resettlement, large-scale
(16) Roads, railways and bridges	ioles
☐ (17) Airports	
☐ (18) Ports and harbors ☐ (19) Sewage and wastewater treatment	having consitive characteristics on located in consitive ances and six
vicinity (19) Sewage and wastewater treatment	having sensitive characteristics or located in sensitive areas or their
(20) Waste management and disposal	
(21) Agriculture involving large-scale	

(22) Forestry
(23) Tourism (construction of hotels, etc.)

Q15. Please provide information on the scale of the project (project area, area of plants and buildings, production capacity, amounts of power generation, etc.) Further, pleased explain whether an execution of ESIA is required on account of the large scale of the project in the country where the project is implemented.

The project is located in the outer Moray Firth in Scotland and 22 km off the coast. It covers an area of 295 km2. A total installed capacity of the project is 950MW consisting of 100 wind turbines of 9.5 MW capacity. EIA is taken into account in the assessment of the consent applications and these consents have been approved as the above Q5.