European Investment Bank

Luxembourg, 15 June 2023

# Environmental and Social Data Sheet

## Overview

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| Project Name: | *Galati Solid Waste Infrastructure* |
| Project Number: | *2019-0226* |
| Country: | *Romania* |
| Project Description: | *Financing of an Integrated Waste Management System in Galati County* |

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| EIA required: | yes |
| Invest EU sustainability proofing required: | no |
| Project included in Carbon Footprint Exercise[1]: | no |

## Environmental and Social Assessment

The Project supports the development of an integrated waste management system in the Galati County, which will complement and integrate the previously built existing infrastructure. The Project Promoter is the Galati County Council. The Project has been tailored to comply with Romania's National Waste Management Plan 2017 ("NWMP"), the Galati County Waste Management Plan, and the Galati Integrated Waste Management System ("IWMS"). As such, the Project notably aims to achieve the objectives of the Landfill Directive 1999/31/EC and the Waste Framework Directive 2008/98/EC. The Project is also expected to support positive economic benefits, in line with the EU's Circular Economy legislative package ("CEP[2]").

The Project investments cover the collection, transfer, treatment and disposal of municipal solid waste and, the components financed by the Bank, are the following:

(i) Separate collection, transport, transfer, and temporary storage of recyclable waste and mixed waste over 179,000 bins and containers of various sizes (out of which over 96,000 for separate collection of recyclable waste), 17 waste trucks, 3 transfer stations, 2 temporary storage centres for bulky waste and electrical and electronic waste;
(ii) Waste treatment - 1 sorting plant, 1 composting plant[3], 1 integrated mechanical-biological treatment plant ("integrated MBT plant") for treating the residual waste and separately collected bio-waste;
(iii) Waste disposal - 1 new compliant landfill and closure of 1 existing non-compliant landfill;
(iv) Supporting infrastructure - access roads and utilities for the transfer stations and the waste treatment and disposal site;
(v) Services- project preparation and implementation support.

The Project's objectives and output indicators are considered consistent with and contribute to the Romanian Large Infrastructure Operational Programme (LIOP) 2014-2020, priority axis 3, specific objective 3.1 of "*reducing the number of non-compliant landfills and increasing the*

[1] Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.
[2] Directives 2018/850 and 2018/851.
[3] The equipment will also be used for an existing composting plant, whose equipment is outdated.

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*degree of preparation for waste recycling in Romania*". The Project is supported by a grant from the Cohesion Fund.

The investments carried out in the context of the Project are all located in Galati County.

## Environmental Assessment

Strategic Environmental Assessment ("SEA")

The Project stems from the 2018-2025 National Waste Management Plan (which also includes the National Waste Prevention Program) that was subject to a SEA completed with the Environmental Declaration46/14.12.2017 (Aviz de mediu) issued by the Ministry of Environment.

The Project is in line with the Galati County Waste Management Plan[4], also subject to an SEA. The SEA Declaration Nr 7304 of 30.06.2021 concludes that after the implementation of mitigation measures, the Plan is not likely to have significant negative impact on the environment[5].

Environmental Impact Assessment ("EIA") Directive

In Romania, the EIA falls under the jurisdiction of the regional or local Environmental Protection Agencies of the counties ("EPA"), which are the competent authorities. In this case, the EPA Galati.

The Project was screened in according to Annex II of the EIA Directive 2011/92/EU, amended by the 2014/52/EU. As a result, a full EIA procedure was carried out for the entire IWMS.

The EPA issued the EIA decision in February 2020, together with an Appropriate Assessment (AA) Study to consider Site Specific Conservation Objectives.

The assessment of the Project effects on Natura 2000 sites was an integral part of the EIA procedure through the AA. The Tarju Bujor Project components, the transfer station and composting plant, are located inside the Natura 2000 site- ROSCI0315 Lunca Chineja.

For all sites, except ROSCI0315 Lunca Chineja, the Project is deemed to have no impact on the respective NATURA 2000 sites, due to the distance, specifics of the sites and their corresponding protection objectives, considering information on the conservation status of the species and habitats, pressure/threats.

The impact of the Project implementation on the ROSCI0315 Lunca Chineja was determined not to be significant and the consent letter from the Managing Authority of the site was received (Aviz Nr.05/ST GL/17.02.201); however, additional mitigation measures have and will be implemented to avoid or reduce to a minimum the risk of a potential impact during construction and operation. Considering the precautionary principle applied, even if the impact was demonstrated to be non-significant, the additional mitigation measures provide supplementary assurance that the risk to interfere with the protected species and habitats is reduced to a minimum. The implementation of these measures will be closely monitored.

The assessment of the Project considered also all the activities in the area of the Project implementation and the Appropriate Assessment Report concluded that the implementation of the Project would not lead to significant adverse impact on the site, with no real impact on protected habitats, nor on the protected species. The other components of the waste management system are at reasonable distances from NATURA 2000 sites, therefore the environmental authority decided that they are not likely to have adverse effects on these sites.

[4] Planul Județean de Gestionare a Deșeurilor - Judetul Galati (cjgalati.ro).
[5] SEA Declaration Galati Country Waste Management Plan.pdf.

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The Project's main negative environmental impacts during the construction are noise, dust, vibration, traffic and exhaust gases (airborne pollutants). Furthermore, waste collection, transfer and treatment activities will also lead to nuisances resulting from traffic, and odour from waste management installations. These risks will be addressed through specific mitigation measures. Finally, industry-standard monitoring and control of pollutant emissions will take place.

Overall, the Project will have a positive impact on the environment, particularly in terms of reduced contamination of surface water, soil and groundwater, reduced nuisance and air pollution. The Project contributes to the transition to a circular economy.

Climate mitigation and adaptation

Overall, the Project achieves major reductions of greenhouse gas emissions by diverting waste from landfill. The Project also contributes to climate action adaptation, by increasing the resilience of some of the assets to floods.

The climate change and vulnerability assessment carried out by the promoter, elaborated according to European Union Guidelines, concludes that the residual risk level of all the components is low, taking into consideration technologies and best engineering practices implemented, as well as specific flood protection measures to proof the infrastructure against future climate change impacts.

The Project has been assessed for Paris alignment and is considered to be aligned both against low carbon and resilience goals set out in the Climate Bank Roadmap[6].

### EIB Carbon Footprint Exercise

The estimated absolute emissions are close to 13,000 tonnes of $CO_2$ equivalent per year. The estimated relative emissions savings of the Project in a standard year of operation are -12,000 tonnes of CO2 equivalent per year. Both estimates only cover scope 1 and 2 emissions.

### Social Assessment, where applicable

The Project will benefit human health, notably through the remediation of the non-compliant landfill.

The definition of the Project has considered affordability considerations in the estimation of the Project revenues and determination of the grant component. The Project will increase the employment opportunities during the construction of the different components and will generate permanent employment.

### Public Consultation and Stakeholder Engagement

Public consultation was carried out at the relevant stages of the EIA procedure and the information was notably shared in the media and at the premises of the municipalities affected by the Project.

## Conclusions and Recommendations

The Project will provide net positive environmental outcome and public health benefits as it addresses the country's EU compliance requirements with the EU waste management legislation. The Project will contribute to achieve climate change objectives, mainly mitigation, by reducing direct greenhouse gas emissions from waste. The Project is also expected to

[6] EIB Group Climate Bank Roadmap 2021-2025.

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generate positive economic benefits in terms of, for example, resource efficiency, in line with the EU's Circular Economy legislative package.

Based on the above, the Bank will require the following environmental and social loan undertaking in its finance contract:

The Borrower shall demonstrate, in its regular reporting to the Bank that mitigation measures providing supplementary assurance that the risk to interfere with the protected species and habitats are reduced to a minimum during the construction.

Subject to the condition mentioned above, the Project is therefore acceptable for EIB financing in environmental and social terms.