



Luxembourg, 21 June 2023

Public

Environmental and Social Data Sheet¹

Overview

Project Name:	<i>OLIVA Grain port terminal</i>
Project Number:	<i>2021.0337</i>
Country:	<i>Bulgaria</i>
Project Description:	<i>The project consists of the construction of a new port facility in the vicinity of the Port of Varna for the storage, handling and export of grain cereals, oilseeds, vegetable oils and oil seed meals.</i>
EIA required:	yes
Invest EU sustainability proofing required	yes
Project included in Carbon Footprint Exercise ² :	no

Environmental and Social Assessment

Environmental Assessment

The Promoter is Oliva / Buildcom / LCV, a private company/conglomerate trading in the agribusiness commodities sector and responsible for the development and management of several production and storage facilities in Northern Bulgaria.

The project falls into Annex I of Directive 2014/52/EU amending the Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment (EIA Directive). The environmental Competent Authority for EIA purposes is the Ministry of Environment and Water.

As part of the project development two EIA procedures (Environmental Impact Assessment) were carried out. An initial one covering the investments as defined in a preliminary stage in April 2010 and a second one covering the technical changes to the project description decided

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary;

² 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;



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in 2014, which confirmed the final extension of the new quay and the inclusion of additional storage facilities.

For each EIA procedure the corresponding decision from the competent authority was issued. The Environmental Impact Statement (EIS) associated to the first EIA was issued in 2010 by the Ministry of Environment and Water (Resolution 21-10/2010). The second EIA was also validated by the Ministry of Environment and Water, through an EIS issued in 2014 (BA-5/18.12.2014). The validity of these EISs and the related EIAs was reconfirmed by the competent authority through an opinion letter (no.04-00-3542/A23) dated of 2nd of June 2022.

The EIA reports and related environmental permits include and distinguish temporary and permanent impacts. Some of the impacts described in the EIA reports are: change of landscape characteristics of the region, impacts in the water bodies and streams, additional acoustic, light and visual impacts and waste generation.

The EIA reports also define (and the related environmental permits subsequently include) several mitigation measures, including prescriptions to be undertaken before, during and after the completion of the construction works. These measures include limitation of construction works during critical birds breeding and migration periods, adequate organization and planning of the constructions methods (taking in account for instance the irrigation of roads to reduce dust emissions, covered transport of waste materials to reduce dust emissions, handling of fuels and lubricants in prepared areas, amongst others), adequate planning and handling of earthworks and dredging materials, deposit dredging spoils and other waste only in regulated landfills, implementation of noise and dust protection barriers, monitoring of the noise levels, utilization of adequate equipment of the construction works, implementation of speed limits inside the construction site, limitation of dredging activities during critical periods for biodiversity, and adequate training to staff amongst other measures.

The EIA reports and the related environmental permits also include an assessment of possible impacts in nearby protected sites (including Natura 2000), including: BG 0000191 Varnensko-Beloslavsko Ezero and BG 0002046 Yatata. These assessments, conducted considering the conservation objectives of the sites, concluded that the project will not cause significant adverse impacts on the sites' conservation.

The project was also submitted to the review of the Black Sea Basin Water Management Directorate. The impacts of the project on the surface water bodies utilization (as defined per the Water Framework Directive and transposed to national Bulgarian Law) were evaluated by the related Competent Authority as per positive opinion transposed into the Resolution n. 2277-0054 (dated of 25th June 2012) and Resolution n. 79 (dated of 5th October 2016). These permits have been reconfirmed by Permit n. 271 issued by the Competent Authority on 7th April 2022.

Climate Assessment

The project is expected to contribute to CA mitigation by enhancing the port infrastructure. The project will thus support a modal shift to less carbon intensive transport modes (like maritime transport) as they allow scale increase and enhance interoperability between transport modes and hence are expected to reduce the generalised cost of multimodal transport.

Due to the nature of the infrastructure (seaport), the highest climate risk relates to the sea level rise. In order to protect the port areas and allow safe and adequate access and manoeuvring, the project facilities will need to be design and built to withstand such extreme events.

According to the Promoter, risk assessments and statistical considerations on sea level rise, currents and waves have been incorporated in the final project design as usually required for all maritime structures. Due to the penalizing design factors, the new quay was designed considering a possible sea level rise. Consequently, some characteristics of the quay were adapted, increasing the resilience of the structure to sea level rise and extreme storms.



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Port infrastructure projects are considered to be aligned with the Paris Agreements as per the Climate Bank Roadmap

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty Oliva / Buildcom / LCV is in scope and screened out of the PATH framework, because it is not operating in a high emitting sector, nor it is considered of high adaptation vulnerability.

Public Consultation and Stakeholder Engagement

Both EIA Reports for the new port terminal were subject to an official public consultation under the EIA. These procedures were undertaken according to legal requirements, guaranteeing a minimum of 30 days of public access to the documentation. All the relevant documents were made available to the public with publication of the EIA reports on 30th July 2010 for the first EIA and 13th October 2014 for the second EIA.

According to information provided in the environmental permits, the comments and observations made by consulted public entities, local authorities, associations and general public were object of analysis and considered in the final decision. All the comments and observations made during the public consultation were compiled in a report and subsequently made available to the public.

Other Environmental and Social Aspects

The preparation of all the documents related to the environmental studies was carried out with the support of external consultants supervised by the Promoter (LCV). It is also foreseen that all the environmental monitoring activities to be undertaken during construction will be carried out under similar arrangements.

Conclusions and Recommendations

In this context, the following conditions and undertakings have been defined and shall be applied:

Undertakings:

- The Promoter shall ensure that all the environmental mitigation and compensation measures (including the required environmental, health & safety monitoring and management plans) will be implemented in accordance with the relevant studies and the corresponding environmental authorisations, and will notify the Bank of any unexpected environmental impact or incident during implementation of the project.

Subject to the compliance of the above conditions and undertakings, the project is considered acceptable for EIB financing.

Sustainability proofing conclusion: the project is carried out in compliance with applicable national and EU environmental and social legislation. Based on the environment, climate and social (ECS) information and based on the review of the likely significant ECS risks and impacts and the mitigation measures and management systems in place, the project is deemed to have low residual ECS risks. No further sustainability proofing is required.