## **Environmental and Social Data Sheet**

#### Overview

#### Project Name: CA CCFL HYDROPOWER CACHI **Project Number:** 2012-0097 Country: Costa Rica **Project Description:** The project consists of an upgrade of an existing 100 MW hydro power plant into 160 MW capacity with a new 40 turbine and removing the congestions of the waterways to existing turbines. The efficiency and output of the existing turbines is improved by doubling the hydraulic capacity of the power plant waterways with a new, 6 km transfer tunnel and 470 m penstock. The project provides additional hydro electricity for the consumption growth of Costa Rica and regional network. The project is situated in central Costa Rica, some 60 km east of San Jose, the capital. EIA required: YES

Project included in Carbon Footprint Exercise<sup>1</sup>: NO

# Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project, as a major renewable generation expansion, is in line with EU objectives of sustainable development and climate change. As the project utilizes an existing dam infrastructure, this expansion is provided with small and acceptable environmental impact. The project is not near to any natural parks or other protected areas. The environmental and social impacts have been evaluated through an appropriate ESIA procedure that included public consultation. The permanent impacts have been evaluated to be minimal, consisting mostly of disposal sites of the excavated material and changes to the water flow in old river channel. The impacts during construction period are comparable to any large civil construction site, and these impacts have been mitigated with detailed project control mechanisms. The ESIA process and its results are acceptable to the Bank.

#### **Environmental and Social Assessment**

#### **Environmental Assessment**

- National legislation required ESIA, and full ESIA was done. If within EU, the project would have been Annex II project in EIA directive, requiring the competent authority to screen and decide on the need of ESIA.
- Environmental Impacts consist of nearby disposal of excavation material that is mitigated by landscaping, and changes to the water flows in the old river channel that are mitigated by maintaining a minimum environmental flow. The impacts after mitigation are low.
- Construction impacts are minor as most of the works will be carried out in confined areas (underground; powerhouse).
- The project works are taking place inside power plant areas. The ESIA did not recognize any threats to any protected areas and species.
- The project is increasing the supply of renewable electricity and thereby contributing to climate change mitigation. The rainfall in Costa Rica central area is not considered to be negatively

<sup>&</sup>lt;sup>1</sup> Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

affected by climated change, and the project is thereby not considered vulnerable to climate change risks.

### EIB Carbon Footprint Exercise

Project is not included - the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

#### Social Assessment, where applicable

- The occupational risks of the project are similar to any large construction work, and are mitigated by work planning methods. Some risks arise from underground working, and these have been mitigated by work methods and design that has been developed by specialist consultant.
- Water levels on the local wells during construction were a concern that was raised in public consultation. The promoter built a backup water pipeline along the tunnel route to mitigate this problem in case there is a reduction in water levels.
- The promoter is an established utility that applies adequate labour standards.

#### Public Consultation and Stakeholder Engagement, where required

• Consultation carried out under the EIA process. There is no open issues from this process.

#### **Other Environmental and Social Aspects**

• None