

Environmental and Social Data Sheet

Overview

Project Name:	CHISINAU WATER
Project Number:	2011-0235
Country:	REPUBLIC OF MOLDOVA
Project Description:	Rehabilitation of the Chisinau water supply and wastewater collection and treatment facilities
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

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

The project will generally benefit the environment and public health, by providing better drinking water to the population, improving the efficiency of the treatment and distribution facilities, and by collecting and cleaning wastewater before discharging into receiving waters bodies and eventually into the Black Sea. The main objective of the project is the compliance with the water quality and service standards as set by the EU directives and partially transposed into national law. The project is therefore acceptable for Bank financing.

The following condition precedent for the first disbursement shall be included in the Finance contract:

- Approval of the EIA study including public consultation by the competent Moldovan authority

The following undertakings shall be included in the Finance contract:

- Implementation of the Environmental Management Plan,
- Implementation of the Environmental and Social Action Plan,
- Implementation of the Stakeholder Engagement Plan.

Environmental and Social Assessment

Environmental Assessment

According to the Law on Ecological Expertise and Environmental Impact Assessment in Moldova, an EIA is mandatory for projects or project components that meet the following criteria:

- Water intakes for industry, urban and rural settlements with a capacity of 1,000m³ per day and more - in case of groundwater; and 10,000m³ per day and more – in case of surface water;
- Wastewater treatment plants for industrial and/or domestic wastewater with a capacity of 10,000m³ per day and more.
- Any type of construction activity in riverbeds, in river-protected river lines and water reservoirs.

The Ministry of Environment can require applying the procedure for EIA for other projects not listed if it considers that negative impacts to the environment are expected. If the planned

¹ 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.

activity is subject to an EIA, the developer should perform and finance the relevant EIA studies. The developer shall submit the EIA documentation to the State Ecological Expertise together with a so called EIA statement. The statement comprises the recommendations of the EIA documentation to the ministries, department, local authorities and results of public discussions. The EIA statement is submitted to the appropriate ministries and state agencies as well as to the local public administration. Within 5 days after the receipt of the EIA statement, the local administration should announce its availability in mass media, and conduct public discussion. Legislation related to environment is given hereafter:

- Water Code No. 1532-XII of 22.06.1993 (shall be replaced by the 2013 Draft Water Law, voted in Parliament but not yet come into force which has been drawn up to harmonise Moldovan water policy with EU Water Framework Directive 2000/60CE)
- Law on Ecological Expertise and Environment Assessment No. 851-XIII of 29.05.1996, (law relevant for EIA)
- Law on Public Communal Services No. 1402-XV of 24.10.2002,
- Law on Drinking Water No. 272-XIV of 10.02.1999,
- Law on state surveillance of public health (2009)
- Law on Environment Protection No. 1515-XII of 16.06.1993,
- Law on Protection Zones, Belts of River & Water Basins No. 440-XIII of 27.04.1995,
- Instruction on the Procedure of Organization and Performance of the State Ecological Expertise (2002)
- Regulations on conditions for urban waste water discharge into natural receiving bodies (2007)

An Environment Impact Assessment report has been prepared for the project under the feasibility study, detailing the relevant impacts and mitigation measures. Approval by the relevant authority is not yet available and will be a condition for first disbursement.

According to the report, there may be some negative impacts during the construction phase, but most of these will remain temporary (air pollution, odour, noise vibrations, disruption of road traffic, public transportation and access to premises), and with careful management will be reduced or resolved. No environmentally sensitive areas are concerned by the project. Furthermore, most of the components within the project will be built at or next to existing servitudes and structures. Finally, except for the waste water treatment plant, the components are generally of very limited size.

During the operation phase the following positive environmental impacts are mentioned:

- Reduction of physical losses of the water mains system (less abstraction of river water for the same volume of supplied water)
- Reduction of leakage from the sewer system (less pollution of ground and surface water)
- Energy savings
- Reduction of sludge volume and improved sludge quality (less odour pollution for WWTP residents and reduced volumes to be disposed off)
- Improved quality of treated effluent (reduced pollution load of river Dniester and Black Sea)

The following negative environmental impacts during the operation phase are mentioned:

- Soil pollution from sludge deposit,
- Noise emissions from facilities and plant,
- Air pollution,
- Generation of sludge and other waste,
- Visual impact of new facilities.

Compared to the current situation, all negative impacts arising from future operation are lower; with the exception of soil pollution through sludge (sludge volume will be reduced through better processes, but not the quantity of pollutants and toxic products which might be present).

The EIA contains an Environmental Management plan that details mitigation measures and monitoring. An Environmental and Social Action Plan has also been prepared. It details actions related to working environment, health and safety. Both plans shall be implemented in the framework of the promoter's environmental management system further to ISO 14000, with the assistance of a consultant under the Corporate Development Programme. The implementation of both plans shall be an undertaking in the finance contract.

Social Assessment

The project will comprise one of the largest construction sites in Chisinau in the coming years. During the construction phase, it will therefore create job opportunities.

During the operation phase the following positive social impacts are mentioned:

- Improved security of water supply to Chisinau
- Increased public health and safety through decommissioning the chlorine gas plant and replacement by electro-chlorination for disinfection of drinking water and through reduced discharge of sewage
- Improved occupational health and safety (OHS) for ACC's employees thanks to implementation of a OHS management system further to OHSAS 18000.

The main negative social impact during the operation phase will be the increase of water tariffs. However, they are currently among the lowest in Moldova and even after the scheduled increase will remain within the usual affordability limits for the poorest households.

An Environmental and Social Action Plan has been drafted (see above).

Public Consultation and Stakeholder Engagement

Public participation and consultation is foreseen in the relevant EIA legislation (see above).

A Stakeholder Engagement Plan has been drafted. Its implementation will be included as an undertaking in the finance contract.

Other Environmental and Social Aspects

N.A.