Environmental and Social Data Sheet

Overview

Project Name: Construction of Lugoj-Deva motorway (Lugoj-Dumbrava

section)

Project Number: 2011-0289
Country: Romania

Project Description: Construction of 38 km of dual two lane motorway on a new

alignment from Lugoj to Dumbrava including an 11 km link road to

Lugoj

Co-financing of structural and cohesion funds supported projects in

Romania under SOPT

EIA required: YES

Project included in Carbon Footprint Exercise¹: NO

(Details are provided in section: "Carbon Footprint")

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

The project is part of the Strategic Operational Plan-Transport (SOPT-T) which was subject to a strategic environmental assessment following Romanian legislation in accordance with SEA Directive 2001/42/EC. The Environmental report was approved on 31 January 2007.

The project falls under Annex I of the Directive 85/337/EEC on Environmental Impact Assessment (EIA) as amended and an EIA has been carried out in accordance with Romanian legislation and regulations which have been revised and developed to comply with relevant European Directives.

The project is expected to have a net positive environmental impact principally by (i) diverting traffic from an increasingly congested road passing through towns and (ii) reducing the number of traffic accidents. The project is also expected to have a positive economic impact on the region through which it passes.

The main residual negative impacts of the project are: conversion and permanent loss of agricultural and forest land, additional noise, vibration, visual alteration of the landscape and severance of flora and fauna habitats. A number of mitigation measures have been specified in order to reduce the negative impacts of the project. The motorway crosses only rural lands and does not require any resettlement of persons.

The Ministry of Environment – competent Authority for the Natura 2000, issued a confirmation (Form A) stating that the project will not have any significant impact on existing nearby protected areas.

The project is therefore acceptable for Bank financing from an environmental point of view.

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.

Environmental and Social Assessment

Environmental Assessment

The project falls within the Annex I of the Directive 85/337/EEC on Environmental Impact Assessment (EIA) as subsequently amended by the Directive 97/11/EC, Directive 2003/35/EC and Directive 2009/31/EC: 7, (b) – Construction of motorways and express roads for which the EIA is mandatory.

The competent authority for this project is the National Environmental Protection Agency. (NEPA). The EIA procedure was carried out for larger section of the corridor: "Construction of Lugoj – Deva motorway" which includes the Lugoj – Dumbrava section (the Project). The environmental agreement was issued by the competent authority on 07.09.2010.

The section Lugoj – Dumbrava does not cross and is not located in the vicinity of any Natura 2000 site.

The Lugoj – Deva motorway section crosses the Natura 2000 site ROSPA 0029 Defileul Lunca Muresului Inferior Dealurile Lipovei between km 50+300 – km 52+300 and is close to this Natura 2000 site between km 62+500 – km 35 + 500. These areas are situated outside of section Lugoj - Dumbrava (the distance between end of section Lugoj – Dumbrava and mentioned Natura 2000 site is about 20 Km).

Environmental Impact and Mitigation

Overall the project generates environmental benefits. These include:

- Reduction of noise in communities along the national road DN6 and DN68 from which much traffic will be diverted
- Reducing noise and vibrations in buildings near the DN6 and DN68
- Soil protection, due to adequate drainage and other measures
- Reducing air pollution for the population along DN6 and DN68 and consequent improvement in public health
- Increased safety for pedestrians and vehicle users

Environmental controls are foreseen during the implementation period.

Some negative environmental impacts could potentially arise during construction of the motorway, such as dust, burning of waste, pollution of watercourses, etc. The EIA report and authorisations recognise these risks and propose mitigations. They form part of the works tender and contract documents to be respected by the contractor during implementation. Environmental monitoring and control are part of the supervising Engineer's responsibilities.

Approximately 3.7% of project infrastructure cost is devoted to environment mitigations (fencing, noise, animal crossings, etc...) not including structures that incorporate wildlife crossing provisions.

The project has a neutral impact on carbon emissions.

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

Both during implementation and during operation, the project has an overall positive impact on local business conditions, to be manifest in:

- Better access and a reduction transport costs promoting increased trade
- Increased accessibility of new jobs for local people
- Increased production of building materials (only during construction)
- Increased transport services

The socio –economic chapters of the Environmental Management Plan foresee among other measures:

- Avoidance of temporary construction workers' camps in proximity to established communities, and a code of conduct for workers to minimise potential friction
- Favouring the employment of local people and their training
- Attention in the EMP to the cleanliness of camp sites
- Temporary land access rules
- Road safety rules

The project crosses only rural lands and does not require any resettlement of persons.

Public Consultation and Stakeholder Engagement, where required

Consultation with environmental authorities and the public was made during the EIA procedures which extended from May until November 2008.

The request for the environmental agreement was published in newspapers, on NEPA, EPA Timis Hunaoara and RNCMNR websites and at each city hall along the route. The EIA report was made available on several central and local authority websites.

The main comments during the procedures concerned the price of land and the accessibility of agricultural sites bordering the route.

Other Environmental and Social Aspects

The alignment of the new motorway will have a positive impact on road safety.

The Dumbrava-Deva motorway section (outside the project) crosses the Natura 2000 site ROSPA 0029 Defileul Lunca Muresului Inferior Dealurile Lipovei between km 50+300 – km 52+300 and is close to this Natura 2000 site between km 62+500 – km 35 + 500. An NGO has raised concerns about areas crucial for the movement of large carnivore species. An additional environmental study has been requested by the competent authority, and alignment change, improved ecoducts and modification of a motorway rest area location could result of this study, with some increase in estimated cost. Construction of this section is not contracted or programmed for implementation before 2014 and the currently contracted section is not affected.