

Environmental and Social Data Sheet

Overview

Project Name:	MOLDELECTRICA POWER TRANSMISSION
Project Number:	2011-0140
Country:	Republic of Moldova
Project Description:	The project will increase the capacity and improve the reliability of the Moldovan electricity transmission system, with the aim of bringing it closer to the ENTSO-E standards. It includes the rehabilitation of some key transmission assets, such as substations, transmission lines and transformers which have reached the end of their technical life. It consists of a large number of individual schemes geographically dispersed throughout the country.
EIA required:	YES
Project included in Carbon Footprint Exercise:	NO
Absolute emissions is less than 100Kt CO ₂ /year and the relative emission less than 20 Kt/year	

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

All of the project schemes would, if situated within EU, fall under Annex 2 of the EIA directive 2011/92/EU. The competent authority would be required to screen (or decide according to pre-determined criteria) the need for EIA. The Moldovan legal basis for Environmental assessment is presented in two main laws: Law on Environmental Protection (1993) and the Law on Ecological Expertise and Environment Impact Assessment (1996). These laws provide the basis for the State Environmental Expertise (SEE) to examine compliance of proposed activities and projects with national environmental legislation and standards to determine project approval. The SEE review process is performed by the central SEI or at a regional/local level depending on the project's potential environmental impact. Based on project documentation submitted the SEI decides on the need for a full EIA.

The project is at planning stage, and project documentation to be submitted to the SEI is still under preparation. The Project involves the rehabilitation of existing substations and the development and minor extension of 110 kV lines, which is not envisaged to have significant environmental or social impacts. Any impact that arises can be adequately mitigated through appropriate management and mitigation measures.

The social risks, in particular the occupational health, security and safety issues that are related to the appropriate working methods and safe working environment were evaluated to be slightly more difficult to mitigate. At present the work environment and culture in substations is not up to international standards. These issues need to be addressed both during project implementation and in developing through training components the future working culture of the company.

A review carried out by an independent consultant has identified the need for an overall Environmental and Social Action Plan (ESAP). The ESAP will be developed before the start of project implementation, to bring the current Health, Safety and Environment systems of the promoter up to internationally recognised standard and to defined preventive measures for construction. A Project implementation Plan (PIP) needs to be developed and to include the Environmental and Social Action Plan (ESAP). The ESAP needs to include comprehensive mapping, testing and disposal procedures for hazardous substances (such as PCB and asbestos). These documents need to be established to the satisfaction of the Bank prior to the first disbursement. Before disbursement on any project component that requires an ESIA,

the promoter shall complete the ESIA to the Bank satisfaction and provide the Bank with the environmental consent from the competent authority.

Overall, the environmental risks of the project are evaluated small and acceptable, and such that can be mitigated with standard methods and mitigants.

Environmental and Social Assessment

Environmental Assessment

The promoter has no comprehensive environment management system in place to assess new projects and monitor ongoing operations.

In the context of the appraisal of the project, the international, experienced Lenders consultant has examined and reported the project, and produced a gap analysis comparing Moldovan regulations and promoter's practices to EU regulations and industry best practices. The consultant has as well produced the draft action plan to cover these gaps during the project implementation

Some of the old electrical equipment and buildings contain hazardous substances, and ground is contaminated by local transformer oil spills. ESAP needs to address these issues.

The transmission line components include some new towers to an existing transmission corridor, and minor (2-3 km) extension of such corridors. The environmental effects are expected to be local (to be confirmed by ESIA screening exercise).

Substation components include transformer replacements (in all substations) and re-construction of equipment and buildings inside of substation fence (6 substations). All environmental effects are expected to be small, limited to construction period, and mainly inside existing substation perimeter.

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 project dealing with refurbishment of existing substations, social issues are expected to be insignificant and mostly limited to occupational health issues (work safety, safety and security at the substations and hazardous materials).

Public Consultation and Stakeholder Engagement, where required

In case EIAs will be required by the competent authorities, public consultations need to be conducted in line with the Bank's guidelines.

Other Environmental and Social Aspects

The Project Implementation Unit, as part of its task, is in charge of managing the implementation of the ESAP and in assisting the promoter in its transcription in its operating and maintenance manual and procedures