

Environmental and Social Data Sheet

Overview

Project Name:	MOLDOVA ROMANIA ELECTRICITY INTERCONNECTION
Project Number:	20080194
Country:	Moldova
Project Description:	Construction of a 400kV transmission interconnection between Moldova and Romania comprising (i) a converter station in Vulcanesti (ii) upgrade of substations in Vulcanesti and Chisinau and (iii) a new 400 kV line Vulcanesti-Chisinau (Moldova)
EIA required:	Yes
Project included in Carbon Footprint Exercise:	No

Environmental and Social Assessment

Environmental Assessment

The transmission line project, if situated inside EU, would fall under Annex 1 of Directive 2014/52/EU amending the EIA Directive 2011/92/EU, requiring an Environmental Impact Assessment (EIA). Moldovan legislation on the matter is generally converging with EU legislation (EIA Directive), though the EIA process will nevertheless have to meet the standards of the projected financing institutions (EIB, EBRD, World Bank).

The Promoter is the national transmission system operator of Moldova. It has produced an Environmental and Social Impact Study for the project to date (ESIS). The ESIS states that 25 towers will be located in Emerald sites and Important Bird Areas. The ESIS is made publicly available on the websites of the projected financiers, on the Promoter's website, and it will be subject to public consultation in project-relevant municipalities in Moldova both in English and Moldovan/Romanian languages, as well as in Russian for the Non-Technical Summary and the Stakeholder Engagement Plan.

The ESIS recognizes visual impact as the main environmental concern, in addition to temporary impacts and nuisance from the construction process. The line is situated on agricultural land. The line route crosses the Tigheci Forest (MD0009 and MD0011; 10 towers to be installed): a Vegetation Management Plan is proposed to be developed to control tree-cutting during construction and for vegetation management. The assessment of the avifauna impacts concludes that no endangered species are affected; however the study sets a list of mitigating and monitoring measures to ensure this outcome.

The back-to-back (B2B) converter substation is currently planned to be located within the existing Vulcanesti substation. The project site proposed (and owned) by the Promoter has been subject to polychlorinated biphenyls (PCB) contamination during 1970-2000. The site has been subject to a World Bank-funded decontamination project in 2007-2010. The rehabilitation results are not sufficiently documented to assess whether this site can be used

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safely for industrial construction and permanent personnel presence. It is therefore reasonably probable that the land cannot be used for new infrastructures. In order to address this risk, an adequate environmental survey is being performed to assess the suitability of the site and the absence of health hazards during construction and operation. Alternative locations have been identified if this survey will conclude that the proposed site is not suitable for the planned use. These alternative sites require larger investments (additional transmission line towers) and/or acquisition of new lands (potentially expropriation of fertile farmland for industrial use) so the site inside of the existing substation is the preferred option for the Promoter.

The project is likely to determine a replacement of generation from the M-GRES plant in Transnistria, an old gas-fired plant, with generation from Romania. Romania has a diversified generation mix with hydro producing about 30% of total generation, coal 24%, nuclear 19%, gas 11%, and wind and solar about 14%, it is a net exporter interconnected with several other European countries. The impact on CO₂ emissions cannot be estimated reliably, but is expected to be positive.

Social Assessment, where applicable

The project is not expected to require resettlements.

The occupational health and safety standards of the Promoter are considered to be acceptable.

Public Consultation and Stakeholder Engagement

Public consultation will be carried out as part of the EIA process.

E&S management capacity of the promoter?

- The promoter has not constructed a transmission line of such size since the Soviet times. The promoter needs support of an experienced ESIA consultant throughout the project implementation.

Conclusions and Recommendations

The promoter's ESIS concludes that the environmental and social impacts of this project are not expected to be significant.

The promoter is required to demonstrate with a Polychlorinated Biphenyls (PCB) and dioxin analysis program that the Vulcanesti site is suitable for construction (or select an alternative site to the satisfaction of the Bank). The promoter is required to be supported by an experienced ESIA consultant throughout the project implementation.

Completion of the Environmental and Social Impact Assessment (ESIA) process to the satisfaction of the Bank and submission of the environmental permit is required prior to any disbursement under this operation.

With the above conditions fulfilled, the project is acceptable for financing under EIB's environmental and social standards.

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