

Environmental and Social Data Sheet

Overview

Project Name:	<i>SUBSTATIONS RELIABILITY ENHANCEMENT PROGRAMME</i>
Project Number:	<i>2017-0155</i>
Country:	<i>UKRAINE</i>
Project Description:	Rehabilitation of 33 power substations with operating voltages in the range 220-750 kV geographically dispersed across Ukraine.
EIA required:	Based on current information EIA is not required for the Project
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

The Project comprises the rehabilitation of 33 power substations with operating voltages in the range 220-750 kV geographically dispersed across the country. The Project will be co-financed by the EIB, KfW and EBRD, which will fund the rehabilitation of the clusters of substations indicated below:

- EIB financing: 12 substations located in the Dnipro regional power system;
- KfW financing: 9 substations located in the South-Western regional power system;
- EBRD financing: 12 substations located in the Western, Southern, Central and Northern regional power systems.

In general the rehabilitation works will comprise the one-to-one replacement of high voltage switchgears and the replacement of autotransformers with no capacity increase.

Environmental Assessment

Given the characteristics of the rehabilitation works, the implementation of the Project is not expected to require substations land extension or to involve substation layout modification and rerouting/upgrade of the connecting power lines.

On this ground the Project, if located in the EU, would neither fall under Annex I nor under Annex II of the EIA Directive and would not require an EIA.

Under Ukrainian law the rehabilitation works will require a construction permit that may, to some extent, integrate environmental considerations.

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.

Luxembourg, 14/11/2017

The main impacts of the Project are expected to be related to the construction phase and, in particular, to the disposal of the replaced equipment and the hazardous wastes potentially associated to it.

The Project is still in an early phase of preparation with no permitting process started yet. Therefore the actual impacts will be known precisely only at the design stage.

A study for assessing the environmental and social impacts will be commissioned by the EIB for the 12 substations proposed for its financing. Assessment and follow-up of the environmental and social impacts for the substations of the Project that are not directly financed by the EIB will be under the responsibility of the co-lenders and therefore follow their guidelines.

Social Assessment

The Project will substantially reduce operation and maintenance needs at substations sites. At Project completion the promoter estimates that the number of staff employed at the rehabilitated substations will decrease substantially.

A retrenchment plan, including livelihood restoration measures, will have to be provided to the satisfaction of the Bank ahead of first disbursement.

Public Consultation and Stakeholder Engagement

Prior public consultation and stakeholder engagement is not foreseen for this type of rehabilitation projects unless they involve exceptional transport for the delivery of large equipment (e.g. auto-transformers). This is not yet known at this stage and will be followed-up during the monitoring phase.

During the permitting process information notices on the rehabilitation works at each substation will be published in local newspapers with a period of 30 days for submitting observations and questions. Should any questions arise, public hearings will be organised.

Other Environmental and Social Aspects

Environmental and social management plans will be prepared in the context of the study to be commissioned by the EIB.

Conclusions and Recommendations

Based on the information available, and with appropriate conditionalities (see below) and monitoring, the Project is expected to be acceptable in environmental and social terms for Bank financing.

First disbursement will be subject to the completion of the study commissioned by the Bank for assessing the environmental and social impacts of the Bank's financed substations, including the preparation of the Environmental and Social Management Plan.

A retrenchment plan, including livelihood restoration measures, will have to be provided to the satisfaction of the Bank ahead of first disbursement.

Evidence that the Public has been duly informed about the Project (copies of the information notices and minutes of the public hearings organised), will have to be provided to the satisfaction of the Bank ahead of first disbursement.



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The promoter shall undertake to implement the Environmental and Social Management Plans prepared in the context of the study commissioned by the Bank.