Environmental and Social Data Sheet

Overview

Project Name: DEDA GAS DISTRIBUTION NETWORK DEVELOPMENT
Project Number: 2017-0106
Country: Greece

Project Description: Development of the gas distribution networks in the regions of Central Greece, Central Macedonia, East Macedonia and Thrace.

EIA required: no

Project included in Carbon Footprint Exercise[1]:   yes

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

This is a typical gas distribution project in the EU applying proven technologies. The project components consist of distribution networks (low and medium pressure polyethylene pipelines, standalone CNG stations). They are expected to have limited environmental impact, which will typically be related to noise nuisance and disturbance during construction. They will therefore be temporary in nature and mitigated according to established practices in the sector. The project components fall under Annex II of Directive 2011/92/EU as amended by 2014/52/EU.

The project is mainly the gas distribution backbone with medium and low pressure pipeline laid down along existing roads and streets. Since the infrastructure associated with this project will be located primarily in urban areas, is not expected to negatively affect the local environment and is thus not expected to require an EIA.

In addition, it has been confirmed by the respective national authorities that the project is screened out for environmental impact including the impact on sensitive areas which include nature conservation sites. Nevertheless, to address any unforeseen circumstances the following requirement shall be included in the finance contract:

The Promoter undertakes not to allocate the Bank's funds to components of the Programme that require a full Environmental Impact Assessment (EIA) until the EIA and/or the necessary nature assessments have been finalized, approved by the competent authority, and in form

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[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.

and substance satisfactory to the Bank. For any screened-in component, once the EIA report is available, the Promoter will provide the Bank with the EIA report for publication on the Bank's website.

EIB Carbon Footprint Exercise

Absolute CO_2 emissions from the incremental gas consumption of 839 GWh as a result of this project are estimated at 169 kt CO2eq/yr. The emission factor for natural gas used for calculation is 56.1 t CO2/TJ. The alternative to the project would be continuation of heating oil (85%), LPG (10%) and coal (5%) consumption, with emission factors of 74.1 t CO2/TJ, 63.1 t CO2/TJ and 94.6 t CO2/TJ, respectively. Taking these assumptions into account, the estimated emission savings are estimated at around 53 kt CO2eq/yr.

Other Environmental and Social Aspects

This would be the first major investment to be undertaken by the Promoter, but the Promoter is a spin-off subsidiary of a solid industrial company which has provided evidence of sound practice with respect to environmental management and of a good transfer of competence in the framework of the unbundling requirements.

Regarding the archaeological cultural heritage encountered during excavations, the legal framework currently in force is the circular 3785/22.06.2010 issued by the Secretary General of the Ministry of Culture. Especially, all excavation works must be supervised by a qualified archaeologist, appointed by the local Archaeological Services Office.

Conclusions and Recommendations

The project results in a direct reduction of greenhouse gases through the switch from more polluting fuels.

With the conditions in place, the project is acceptable for Bank financing from an environmental standpoint.