

## Environmental and Social Data Sheet

### Overview

Project Name:	Moldova Energy Efficiency
Project Number:	2017-0017
Country:	Republic of Moldova
Project Description:	The operation is a framework loan (FL) in support of sustainable energy efficiency improvements targeting public and residential buildings in various cities in the Republic of Moldova. Part of the allocations under the FL has already been identified ex ante and consists of the refurbishment of 139 public buildings. The remainder of the pipeline of allocations will be further developed by the Energy Efficiency Agency, the promoter, with advisory support.
EIA required:	no
Project included in Carbon Footprint Exercise <sup>1</sup> :	yes

### Environmental and Social Assessment

#### Environmental Assessment

The project consists of improving the thermal insulation of public buildings as well as other building-related energy efficiency measures including boiler replacement, solar hot water and rooftop solar power generation, relighting, etc. in Moldova. Due to the project, energy consumption will be reduced by around 43% after implementation. Thus, it will reduce atmospheric pollution related to the production of heat (SO<sub>2</sub>, NO<sub>x</sub> and particulates) and will help mitigate climate change by avoiding associated CO<sub>2</sub> emissions.

Given the scale, location and nature of the sub-projects in built-up urban areas, an EIA as defined under the EIA Directive 2014/52/EU amending 2011/92/EU as well as according to national EIA legislation (transposed from EU directive) is not required. The projects should comply with urban regulations and the works are subject to building permits being issued by the local authorities. In addition, none of the public buildings is listed as a cultural heritage monument and none of them is located in the designated protected part of the city. Temporary nuisance due to the construction works (dust, noise, traffic disruption) are mitigated through appropriate site organisation and construction management.

Due to the nature of the investment, no significant negative environmental impacts are expected.

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<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

Luxembourg, 28.09.2018

## **EIB Carbon Footprint Exercise**

The estimated emissions savings are around 21.800 t of CO<sub>2</sub> equivalent per year. This emission reduction has been calculated based on the expected annual thermal & electrical energy savings after the implementation of the project.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

## **Social Assessment**

No particular social risks are anticipated for this project. On the contrary, the project is expected to bring about considerable positive social benefits related to the gains in energy efficiency and associated decrease in energy costs as well as improved comfort.

The Republic of Moldova has ratified the ILO Promotional Framework for Occupational Safety and Health Convention (No. 187) in 2010, which is reflected in local health and safety legislation.

Visits to building sites in Moldova showed the proper implementation of satisfactory health and safety standards.

## **Conclusions and Recommendations**

The operation will support the reduction of energy consumption in public buildings. Given the scale, location and nature of the sub-projects in built-up urban areas, there are no significant environmental or social risks expected. Considering the type and size of the project the capacity of the promoter is deemed sufficient.

The promoter will ensure that, after the thermal refurbishment, energy performance certificates will be issued by independent accredited experts, this in accordance with the national legislation and the methodology to be prepared by the Technical Assistance supporting this operation.

The promoter will have to ensure that EIB Environmental and Social Guidelines will be followed for and during the implementation of the subprojects, especially concerning safety and EIA obligations. In addition, the energy savings will be compiled and presented in a report to the Bank on an annual basis.

Through a proper management system, the promoter will ensure that the main negative impacts during construction are limited and will be adequately mitigated. The promoter will thus implement and maintain a quality management system, which will also ensure adherence with the environmental aspects of the project as per the relevant legislation, which aims at guaranteeing construction quality. The loan will be conditional to ex-post verification by independent experts on the achieved energy savings.

Based on the above it is concluded that this operation is acceptable to the Bank from an environmental and social point of view.