

Environmental and Social Data Sheet

Overview

Project Name: REN ELECTRICITY SYSTEM UPGRADE III
Project Number: 2013-0090
Country: Portugal
Project Description: Investment programme aiming at the extension and reinforcement of the electricity transmission network throughout Portugal

EIA required: YES

Project included in Carbon Footprint Exercise¹: NO

Environmental and Social Assessment

This revised ESDS is a restatement of the original ESDS capturing scope and timing adjustments since Board approval of the operation. This multi-component investment programme now comprises the implementation of 70 transmission schemes, instead of the original 59, dispersed throughout Portugal with voltage levels ranging from 60 kV up to 400 kV.

The project addresses some key needs of the Portuguese power system such as connecting and integrating anticipated renewable energy generation developments that will enable Portugal to meet the target of a 31% share of renewable energy in gross final energy consumption by 2020 and supporting the efficient operation of the network. The project comprises 156 km of 400 kV overhead lines, 37 km of 220 kV overhead lines, 88 km of 150 kV overhead lines, new substations and the installation of 29 new transformers as well as other operations of refurbishment, reconstruction and modernisation of existing substations.

Environmental Assessment

The project schemes concern facilities operated at voltage levels up to 400 kV, some of which fall under Annex I of Directive 2014/52/EU amending the EIA Directive (2011/92/EU) and will have to undergo an obligatory Environmental Impact Assessment, while some of the remainder will usually fall under Annex II which requires a review by the competent authorities at the planning/consent stage with due regards to the necessity for an EIA. Projects are also screened with respect to the need for an appropriate assessment under the EU Habitats and Birds Directives.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20 000 tonnes CO₂e/year absolute (gross) or 20 000 tonnes CO₂e/year relative (net) – both increases and savings.

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Overall, the environmental impacts of the project are expected to be modest and mainly related to noise, vibration, dust, deforestation and traffic disruption during the construction, and electromagnetic fields (EMF), noise nuisance, visual impact and impact on flying vertebrates during operation. Appropriate mitigation measures will be implemented to minimise impacts during construction and operation. This includes coordination with land owners, reforestation, measures to contain the effect of noise during operation and specific maintenance procedures to minimise potential leakage of SF₆. In densely populated areas, particular attention will be paid to contain the effect of noise, vibrations and traffic disruptions during the construction works.

Given their technical characteristics, location and potential impacts, it is expected that six schemes will require an EIA.

The environmental and social due diligence has followed the investment programme lending approach according to the EIB's procedures and standards. The due diligence focused on the promoter's capacity and capability to implement the programme in line with the EIB environmental and social standards and requirements. The Bank also reviewed two EIAs in relation with this operation and found them to be satisfactory. The environmental capacity of the promoter is deemed to be good; it has the experience and the capacity to appropriately manage the investment programme.

Conclusions and Recommendations

The Bank reviewed the environmental and social capacity of the promoter including its organisation, process and procedures and deemed them to be good.

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

The following requirements will be included in the Finance Contract:

- The promoter undertakes to store and keep updated all EIA screening decisions concerning the project schemes issued by the competent authority for nature and environment.
- The promoter undertakes not to allocate the Bank's funds to schemes that require an Environmental Impact Assessment (EIA) until the EIA and/or the biodiversity assessment have been finalised and approved by the competent authority. An electronic copy of the EIAs must be placed on the website of the promoter from the moment the EIAs are made available to the public and maintained until completion of reporting.
- The promoter undertakes to ensure that all project schemes will undergo a biodiversity screening in accordance with the EU Habitats and Birds Directive. Should a component have a potential impact on a site of nature conservation, the undertaking is extended to inform the relevant authority and implement the procedures under Articles 6(3) and (4) of the Habitats Directive.
- The promoter undertakes to store and keep updated any documents that may be relevant for the project and which support the compliance with the provisions under the EU Habitats and Birds Directives (Form A/B, or equivalent declaration by the competent authority) and shall, upon request, promptly deliver such documents to the Bank.