

## Environmental and Social Data Sheet

### Overview

Project Name:	ROMANIA EU CO-FINANCING FOR GROWTH 2014-2020
Project Number:	20150396
Country:	Romania
Project Description:	Structural Programme Loan (SPL) providing for the national contribution during the 2014-2020 EU programming period to growth-oriented investments under several EU Operational Programmes
EIA required:	Multiple-scheme operation. Some of the schemes may fall under Annex I or II of the EIA Directive and may be screened in.
Project included in Carbon Footprint Exercise <sup>1</sup> :	No

### Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The purpose of this Structural Programme Loan is to support the Romanian national contribution to the EU Competitiveness, Human Capital and selected priorities of the Large Infrastructures (LIOP) and Investment for Growth and Jobs operational programmes.

The SEA Directive was transposed in Romanian legislation in July 2004 by Government Decision 1076/2004 and the competent authorities for the evaluation of SEAs are the Ministry of Environment and the National Environmental Protection Agency (ANMP). An SEA has been carried out for the Large Infrastructure OP and the summary has been submitted to the Bank by the Ministry of European Funds.

It is possible that some schemes fall under the EIA Directive 2011/92/EU, either under Annex I or Annex II. Should any scheme under this operation fall under Annex II and be “screened in” by the Competent Authority, or fall under Annex I, the Promoter shall deliver the NTS of EIAs to the Bank, if applicable, before the Bank funds are allocated.

Some of the schemes financed under this SPL are likely to be located in Natura 2000 areas or in their surroundings, particularly as far as the Large Infrastructure OP is concerned as it encompasses measures to improve the protection and restoration of biodiversity. In these cases, the Competent Authority has to provide evidence of the compliance with the Habitats (92/43/EEC) and Birds (2009/147/EC) Directives (Form A/B or equivalent) before the Bank funds are allocated.

The overall environmental and social impacts of this operation are expected to be positive since some of the schemes will be focused on improving the environmental quality of degraded ecosystems, rehabilitating historically polluted sites and increase the use of locally abundant renewable energy sources by improving the efficiency of production plants as well as their connection to the grid. Moreover, energy efficiency measures will also be implemented to reduce losses for urban district heating systems, particularly in Bucharest. Such measures are expected to positively contribute to climate change mitigation.

The social impact of the schemes is also expected to be positive since the Human Capital OP mainly aims at improving access to employment, health and education for the most vulnerable parts of the population.

<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.

The institutional capacity of the promoter to manage the environmental and social issues is deemed adequate, based on the institutional capacity the promoter has demonstrated and therefore, subject to the conditions described above, the project is acceptable for the Bank in environmental and social terms.

## **Environmental and Social Assessment**

### **Environmental Assessment**

At the time for Romania's accession to EU, the EU EIA Directive was transposed for the first time into the national law (GD no. 918/2002). This law has since then undergone several changes to fully harmonise the national legislation with EU Directives.

The Government Decision no. 918/2002, set the framework for the procedures for Environmental Impact Assessment, to be conducted before issuing an Environmental Agreement for certain public or private projects that may have significant effects on the environment by their nature, size or location. In 2010, the Methodology for applying environmental impact assessment for public and private projects was approved.

As part of the fulfilment of ex-ante conditionalities set in the Partnership Agreement the competent authorities have received dedicated training on the application of the national legislation transposing the EIA and SEA Directives as well as the related guidelines.

The Romanian Natura 2000 network covers approximately 20% of the national territory. The Ministry of Environment, Water and Climate Change is responsible for managing the Romanian Natura 2000 network, including screening, reviewing and approving Nature Assessments, with support of ANMP and its county branches. The management of sites is ensured by administrators or custodians in accordance with GEO No 57/2007 regarding the regime of natural protected areas, and their selected through public auction by the environmental authorities. The Natura 2000 assessment for the impacts of investments on protected areas is carried out as a separate study, but it is usually identified as a need under EIA/SEA procedure.

### **Social Assessment**

The schemes financed under this SPL, particularly under the Human Capital OP, are expected to have important social impacts since they will address Romania's significant challenges in the labour market. More specifically the schemes are likely to focus on soft measures to facilitate access to employment for younger people as well as Roma, disabled and other vulnerable groups as well as the reduction of territorial disparities.

Health is another area in which the schemes financed under this SPL are expected to generate benefits, particularly as with regards to the improvement of access to health services for the population living in isolated rural areas and deprived urban areas.

Finally education and training measures are expected to increase the attractiveness of primary and secondary education, tackle the large number of early school leavers and address the specific educational needs of the groups at risk of exclusion. The diversification of the rural economy and the improvement of the match between education and the needs of the labour market are also set as priorities.

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