



MOLDOVA FLOOD MANAGEMENT TECHNICAL ASSISTANCE AND INVESTMENT PROJECT

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Moldova

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1. Brief Presentation of EIB



EIB Headquarters in Luxembourg



1. Brief Presentation of EIB



1.1 General

- ❖ EU's long-term lending bank set up in 1958 by the Treaty of Rome,
- ❖ Shareholders: 28 Member States of the European Union,
- ❖ Lends up to 50% of the project investment cost
- ❖ Lending objectives:

Within the Union:

- ❖ Convergence
- ❖ Small medium and mid-cap enterprises (SMEs & midcaps)
- ❖ Environmental sustainability
- ❖ Knowledge Economy
- ❖ Trans-European Networks (TENs)
- ❖ Sustainable, competitive and secure energy

Outside the Union:

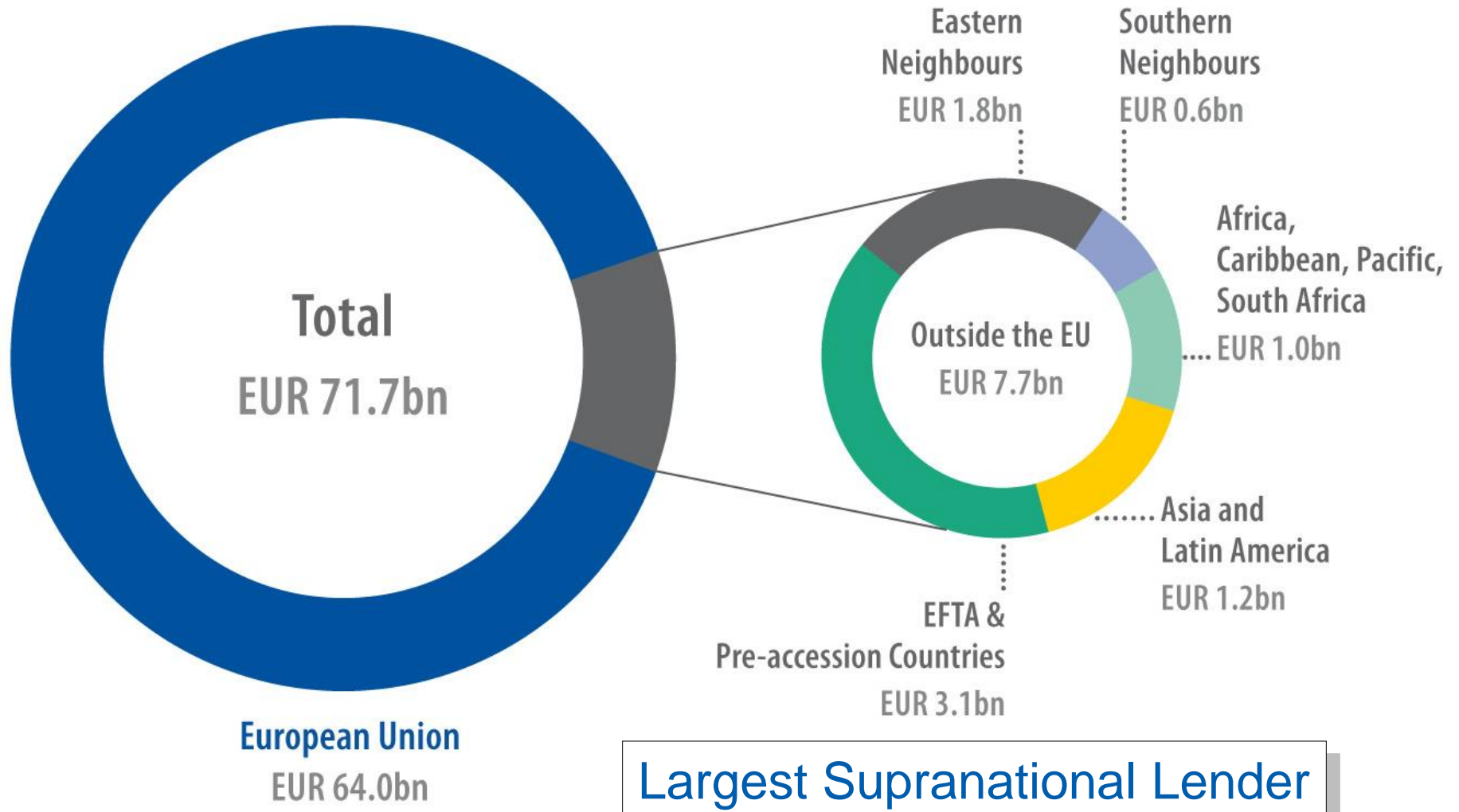
- ❖ Private sector development
- ❖ Infrastructure development
- ❖ Security of energy supply
- ❖ Environmental sustainability
- ❖ Support for EU presence in Asia and Latin America via Foreign Direct Investment (FDI)



1. Brief Presentation of EIB



1.1 Key Lending Figures 2013 (1/2)



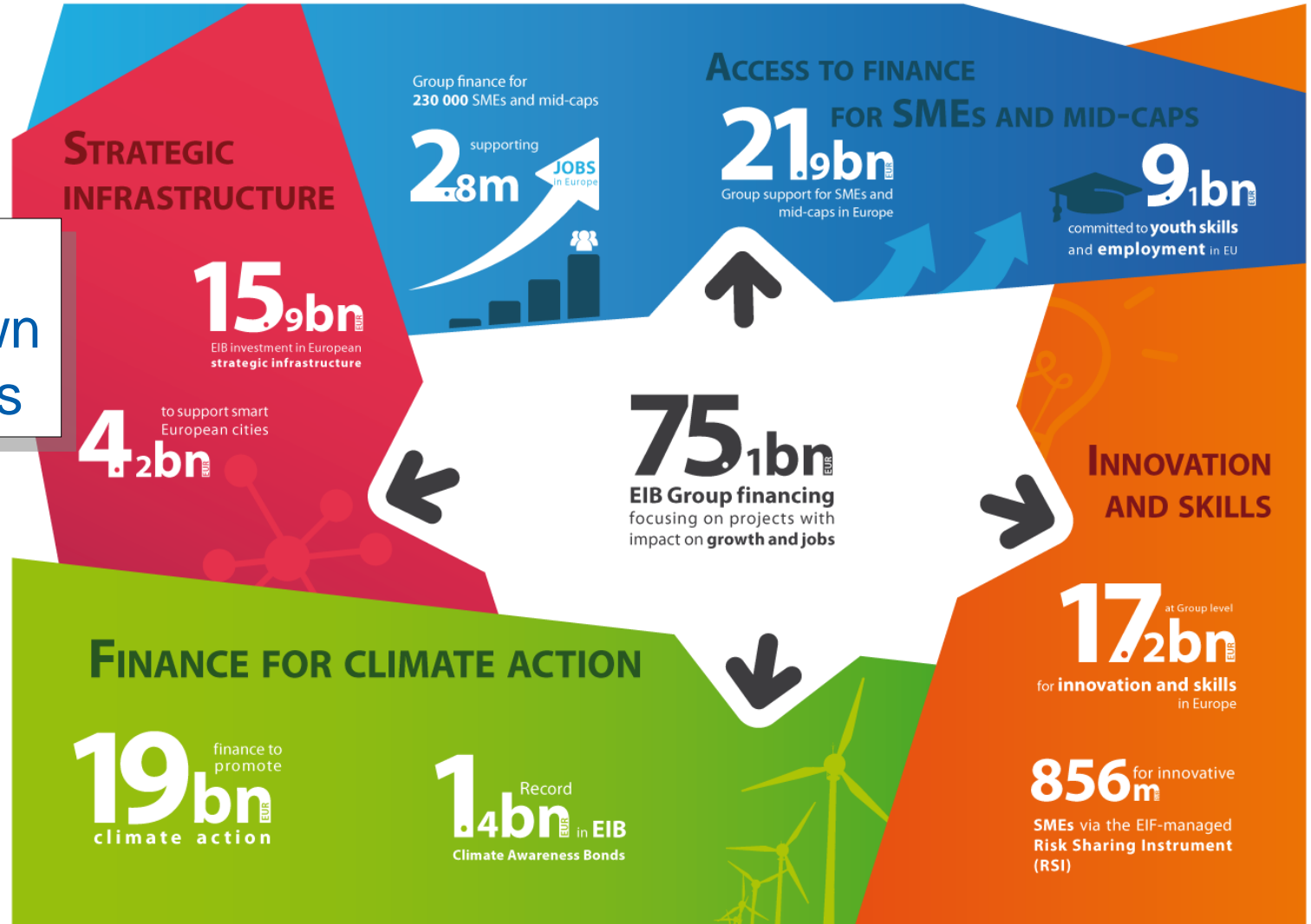


1. Brief Presentation of EIB



1.1 Key Lending Figures 2013 (2/2)

Balanced
breakdown
by sectors





2. EIB Activity in the Water Sector



Delfland Waste Water Treatment Plant (NL)



Water Treatment Plant in Krakov (Poland)



St. Petersburg Flood Barrier

2. EIB Activity in the Water Sector



2.1 General

- ❖ Largest source of loan financing to the sector,
- ❖ The water sector represents only 5% of EIB's total lending,
- ❖ Total loan amount of EUR 26bn over the past 10 years, 90% of which for projects inside EU,
- ❖ Over the past 10 years, 300 major projects have been financed, 75% of which located within the EU,
- ❖ On average, EIB lending represents 30% of project investment cost,
- ❖ EIB lends to public or private utility companies, national or local authorities or directly for project finance deals.
- ❖ EIB lending covers the whole water cycle (water resources, water supply, sanitation, flood protection)

2. EIB Activity in the Water Sector



2.2 EIB's Water Sector Lending Policy

- ❖ River basin approach (IWRM)
- ❖ Sector development
- ❖ Adaptation to climate change
- ❖ Water efficiency
- ❖ Development of new water supply
- ❖ Wastewater and sanitation services
- ❖ Research and Innovation



Maximise Added Value



2. EIB Activity in the Water Sector

2.3 Implementing the Policy: Key Actions (1/2)

- ❖ IWRM (Integrated Water Resources Management):
 - ❖ Promote IWRM + water services provision in a project
 - ❖ Support transboundary cooperation
- ❖ Consolidation of institutional framework:
 - ❖ Support appropriate level of integration of utilities to improve efficiency and enhance borrowing capacity
 - ❖ Enhance financial sustainability (sustainable cost recovery)
- ❖ Adaptation to climate change (CC):
 - ❖ Adaptation part of new lending priority in EIB CC Strategy
 - ❖ Promoters should consider adaptation in project design
 - ❖ EIB supports technical assistance (TA) with grants
 - ❖ Preparation, implementation of flood risk management projects



2. EIB Activity in the Water Sector

2.3 Implementing the Policy: Key Actions (2/2)

- ❖ Water efficiency:
 - Support efficiency in: (i) use by consumers; (ii) allocation of resources; (iii) systems (losses); (iv) management of utilities
 - Promote principle of cost recovery in line with WFD
 - Support industries aiming at improving “water footprint”

- ❖ Development of new water supply:
 - Demand side management and efficiency as 1st priority
 - Finance: (i) desalination with pre-requisites; (ii) dams, basin transfers and fossil water under strict conditions

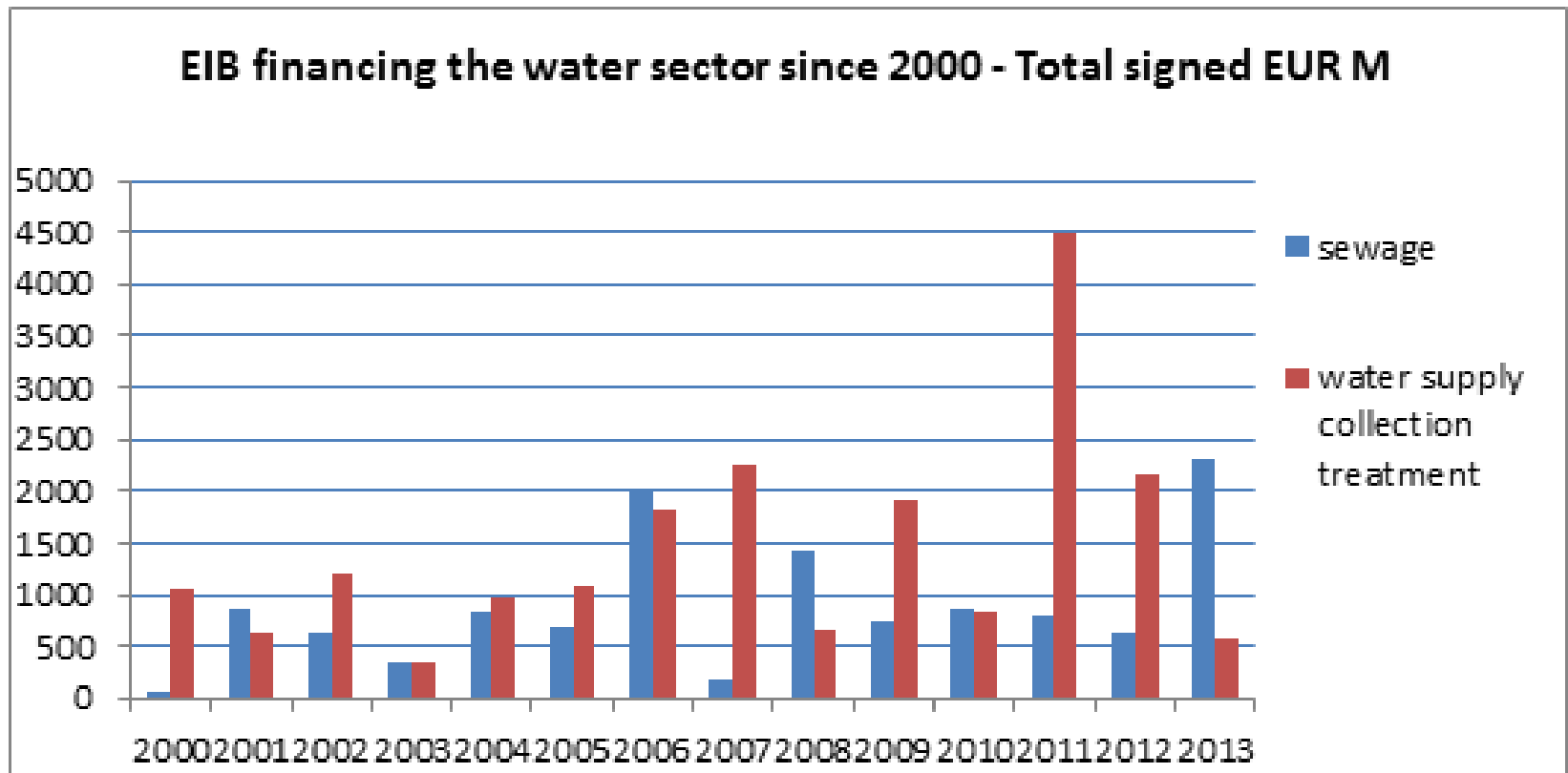
- ❖ Wastewater and sanitation services:
 - Always consider them when undertaking water supply projects
 - Sustainable cost recovery (incl. subsidies)
 - Sustainable financing (blend loans, grants)



2. EIB Activity in the Water Sector

2.4 Key Figures (1) : Signed Loans in the Water Sector

Over the past 5 years: average of EUR 3 billion p.a.

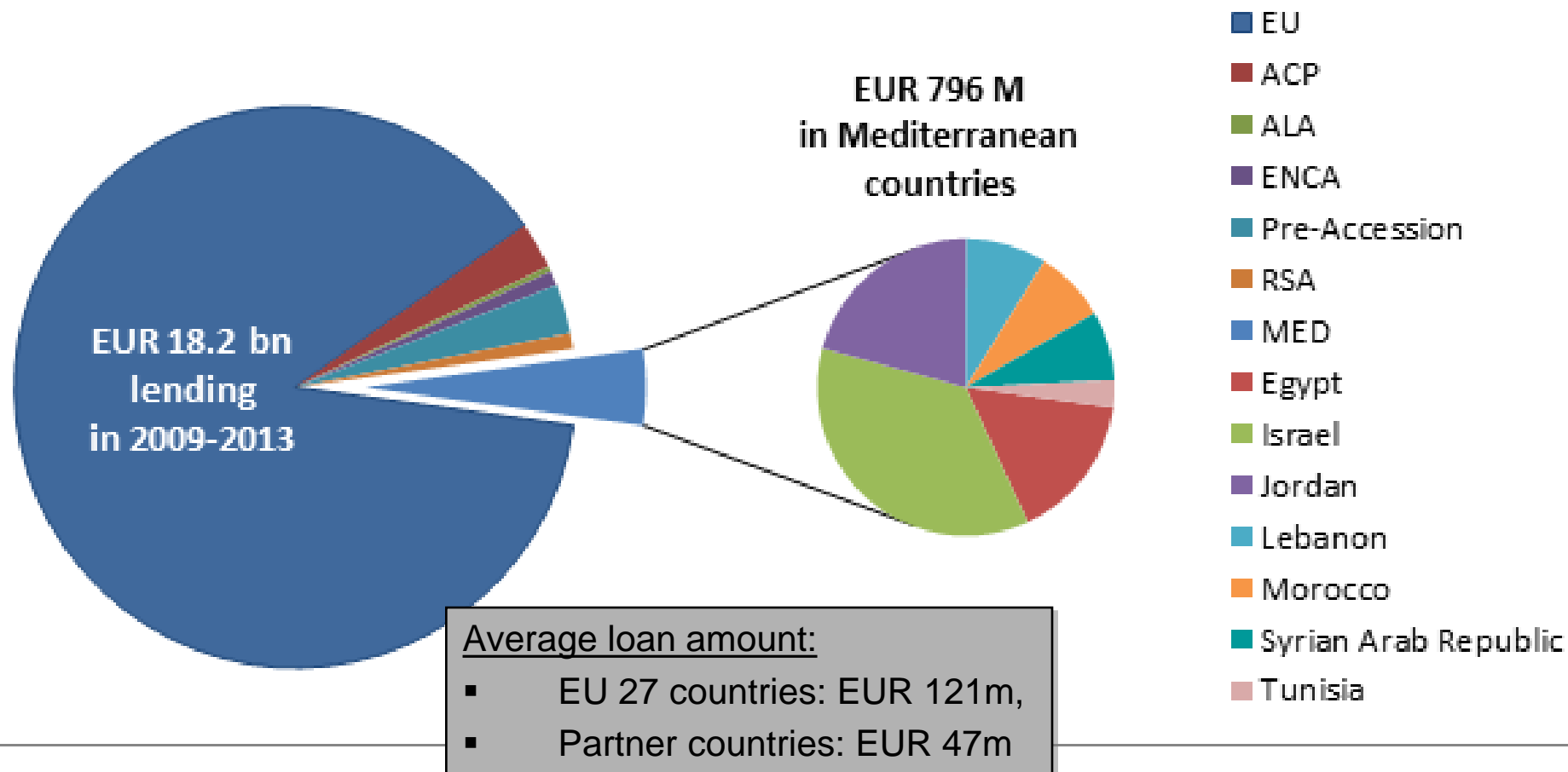


2. EIB Activity in the Water Sector



2.4 Key Figures (2): Breakdown by Region

EIB Lending to the W&WW sector





3. EIB Activity in Moldova



3. EIB Activity in Moldova (1/2)



Framework Agreement

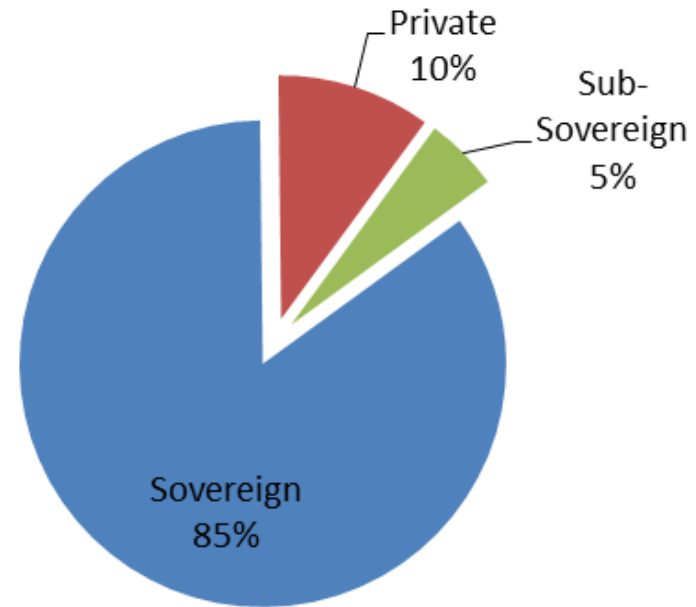
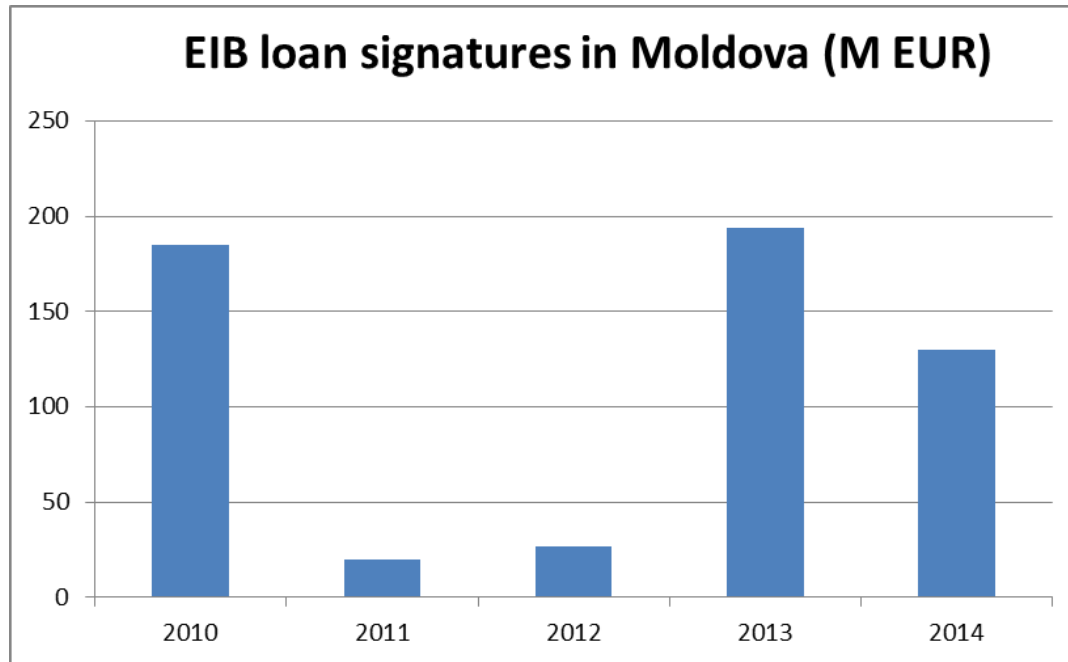
Signed in Nov. 2006, ratified in Feb. 2007

First loan signed in June 2007

Stock of signed loans:

EUR 586 m; 14 operations

Sovereign/Private Financing



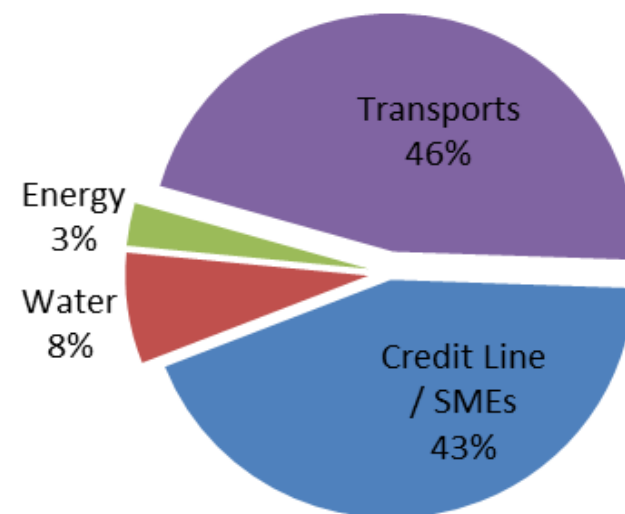
3. EIB Activity in Moldova (2/2)



Current Portfolio: EUR 586 million

Project	Loan (EURm)	Signature Date	Partners	
			EBRD	EU
Moldova European Roads	30	Jun-07	X	X
Water Sector (MUDP)	10	Sep-10	X	X
Chisinau Trolleybuses	5	Oct-10	X	X
Societe Generale SME & Energy Env Loan	20	Nov-10		
Moldova Roads II	75	Nov-10	X	X
Filiere-du-Vin Upgrading (Moldova)	75	Nov-10		X
PCH Loan For SME and Priority Projects G	20	Oct-11		
Moldelectrica	17	Jun-12	X	X
Chisinau Urban Roads	10	Sep-12	X	
Moldova Roads III	150	Jun-13	X	X
Mobiasbanca Loan for SMEs and Mid-Caps	20	Nov-13		
Chisinau Water	24	Dec-13	X	X
North Moldova Water	10	Jul-14	X	X
Fruit Garden of Moldova	120	Jul-14		X

Sectorial Breakdown





4. Moldova Flood Management Technical Assistance and Project





4.1 Context and overall objectives

- ❖ Request for support from Ministry of Environment further to the 2010 floods
- ❖ Objectives:
 - ❖ Develop a countrywide Flood Management Master Plan and investment programme
 - ❖ Enhance Ministry of Environment's capacity
 - ❖ Set up institutional conditions in line with EU Flood and Water Framework Directives
- ❖ Take into account past and ongoing initiatives from other lenders and donors (EU, World Bank, UNDP/UNEP, Czech Cooperation, OECD, etc.)
- ❖ Funding from EPTATF (Eastern Partnership Technical Assistance Trust Fund): amount of EUR 2m approved in November 2011.



4.2 Tasks of the TA assignment

1. Preliminary Flood Risk Assessment
2. Hydraulic Modelling and preparation of Flood Hazard Maps
3. Flood Risk Assessment (FRA)
4. Define Objectives and Strategies
5. Identification of measures for flood risk management
6. Development of Phased Investment Program
7. Development of a Short Term Investment Plan (STIP)
8. Implementation of a GIS based River Management and Monitoring System
9. Capacity Building



4.3 Timeline

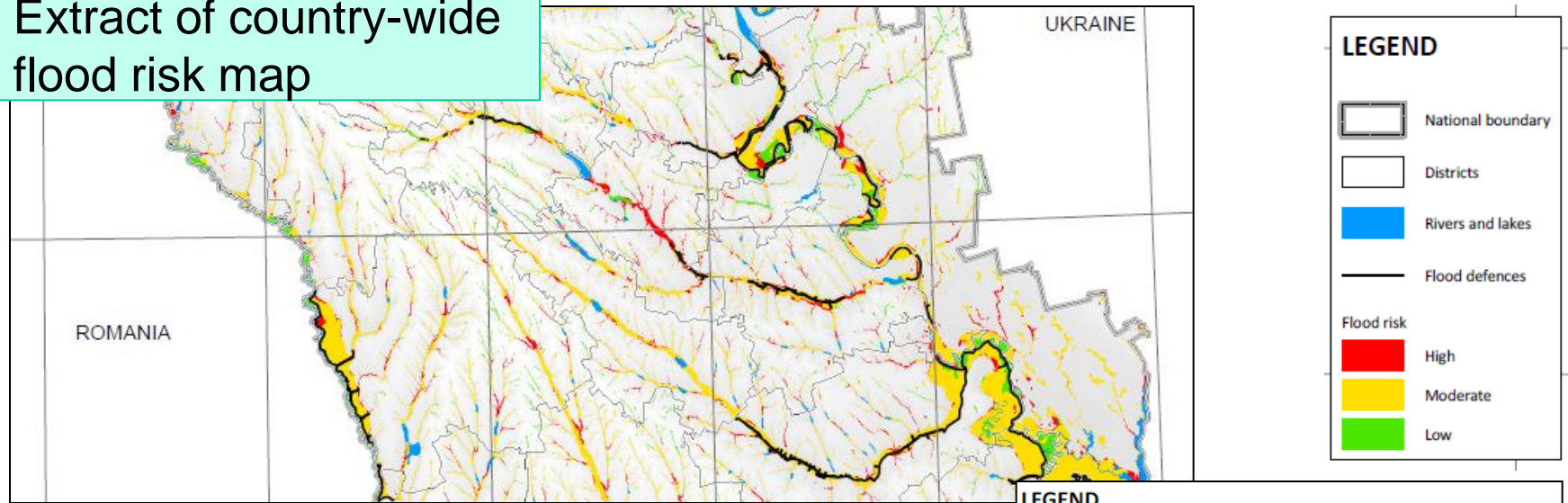
- ❖ May 2012: Approval of the TA Terms of Reference and pre-qualification of consultants (EU tender)
- ❖ Summer 2012: Call for tender
- ❖ October 2012: Contract signature and start of assignment
- ❖ 2015: End of TA assignment, Validation of short term investment programme (STIP) as basis for appraisal by EIB and co-financiers
- ❖ 2016: signature of loan contract(s) and start of works

4. Moldova Flood Management TA and Project

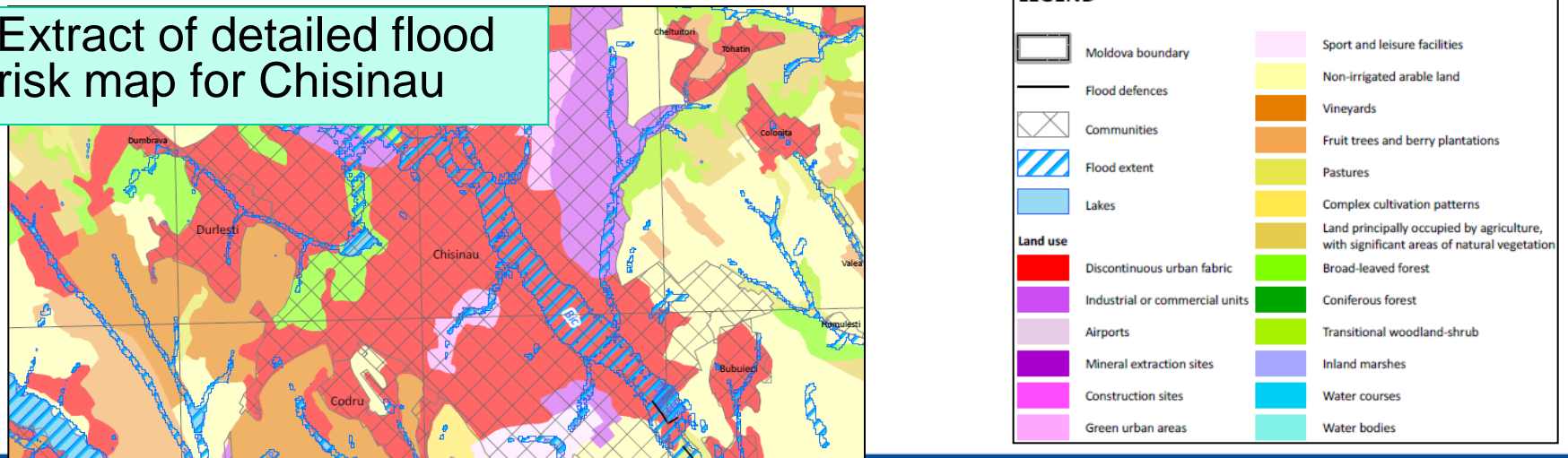


4.4 Current Status: Preliminary Flood Risk Assessment

Extract of country-wide flood risk map



Extract of detailed flood risk map for Chisinau





THANK YOU FOR YOUR ATTENTION!



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