

## Environmental and Social Data Sheet

### Overview

Project Name:	JORDAN WATER SECTOR FRAMEWORK LOAN
Project Number:	2019-0558
Country:	Jordan
Project Description:	The project will support water supply investments in Jordan.
EIA required:	yes
This is a multi-scheme Framework Loan operation. Certain schemes will require an EIA.	
Project included in Carbon Footprint Exercise <sup>1</sup> :	no

### Environmental and Social Assessment

#### Environmental Assessment

The Framework Loan will support the development of water supply infrastructure across several governorates in Jordan in support of the Jordanian Government's National Water Strategy. The Promoter of this Framework Loan is the Ministry of Water and Irrigation (MWI). The project will be financed by an EIB loan and the Government of Jordan with the potential participation of other financiers in certain schemes. The schemes will be implemented in line with relevant national legislation and in accordance with the EIB's social and environmental standards.

#### Compliance with applicable Environmental Legislation

All schemes will comply with national environmental requirements as defined in the Jordanian Environmental Protection Law No.52:2006. Environmental Impact Assessment Regulation No.37:2005 sets out the requirements for the Environmental Impact Assessment (EIA). A complete and approved by the Ministry of Environment EIA is mandatory in order to obtain environmental clearance and the environmental permit for projects requiring an EIA according to the law. It then complements other non-environmental permitting requirements such as the construction license.

Ex-ante approval of the allocation of schemes by the EIB will be required to ensure compliance with the Bank's environmental and social standards, including those on the protection of sites of nature conservation, if applicable. This will be assessed at allocation stage for each individual scheme. For the schemes requiring an EIA, relevant information and compliance with the applicable legislation will be checked before approving finance allocation. The Bank will also require the Promoter to provide the Non-Technical Summaries (NTS) of the EIAs and the EIAs to be published on the Bank's website.

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<sup>1</sup> 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.

Luxembourg, 2 June 2020

According to the EU EIA Directive, all currently foreseen schemes of the project would either fall under Annex II, with the obligation to prepare a full EIA being subject to the decision of the competent authority, or outside the scope of the Directive. However, as the exact scope of all the schemes under the Framework Loan is not currently defined the categorisation of each individual scheme according to the EU EIA Directive will be determined prior to allocation.

#### Contribution to Climate Action

The project will have a significant contribution to climate change adaptation according to the EIB's relevant guidelines. In this context, investments to make water supply more resilient to climate change are a top priority for the Government of Jordan as confirmed by the National Water Strategy 2016-2025. Sub-projects to be allocated under the FL are expected to contribute to a more resilient water sector by reducing non-revenue water, replacing outdated network pipes, rehabilitating existing water supply infrastructure, constructing new transmission pipelines and other measures, thereby supporting the development of an overall enhanced water supply infrastructure.

#### Carbon Footprint

Framework loans as a whole are not covered by the EIB Carbon Footprint Exercise. Each sub-project will be included in the footprint exercise if emissions are above the thresholds. The climate change benefits, if relevant, will be quantified in the appraisal for each scheme.

#### Environmental Impacts

The schemes are expected to have minor negative environmental impacts during construction and no negative residual impacts in the operational phase. The schemes are not likely to have negative impacts on nature conservation areas. Nevertheless, it will be further checked during appraisal of individual schemes, before allocating finance to schemes, and throughout the implementation of the project.

#### Promoter's E&S capacity

The promoter has experience in management of environmental and social plans and is familiar with the application of international financing institutions' standards, based on the experience during implementation of their existing operations.

### **Social Assessment**

Based on the information provided to the Bank, the potential schemes are not likely to trigger any large land acquisition and are not expected to trigger large permanent physical or economic displacement. Should the need for land acquisition in relation to a scheme under the Framework Loan arise, the institutional and administrative framework that governs land acquisition in Jordan is the Land Acquisition Law No.12/1987. The law on broad terms requires that all land acquisitions that take place for any project must be for the public benefit, and must be undertaken through fair compensation measures. The acquisition will be carried out in accordance with the principles of the Bank.

All schemes are expected to have a positive impact on the living conditions of the inhabitants. In addition, the investments will provide job opportunities during the construction phase. Compliance with EIB's social standards, such as those on occupational and public health, safety and security, labour standards, involuntary resettlement and stakeholder engagement will be further checked during appraisal of individual schemes, before allocating finance to schemes and during the implementation of the project.

## Conclusions and Recommendations

Given that detailed information on the schemes is not available at this stage, environmental and social aspects will be checked at scheme allocation stage. The Bank will require the Promoter to follow the EIB Environmental and Social (E&S) standards through the appropriate undertakings and disbursement conditions. They will be defined on a scheme basis and for each allocation at a later stage. The Bank will also require the Promoter to provide the Non-Technical Summaries (NTS) of the EIAs and the EIAs to be published on the Bank's website.

The Promoter will be required to provide the Bank with documentation stating that there are no negative impacts on biodiversity or that the appropriate mitigation measures are being taken according to the applicable national law, international best practice standards and EIB E&S Standards.

The overall anticipated environmental and social impacts of the operation are deemed positive. Minor negative (temporary) impacts during the construction will be compensated by considerable social, public health and environmental benefits.

Considering the above, the project is acceptable for EIB financing from an environmental and social point of view.