

Public

Environmental and Social Data Sheet

Overview

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| Project Name: | SOMACYL WATER INFRASTRUCTURE |
| Project Number: | 20200712 |
| Country: | SPAIN |
| Project Description: | The project aims at financing SOMACYL's investments in the water sector. |

EIA required: yes

This is a multi-scheme operation. None of the components are expected to be subject to an EIA, however this is to be confirmed in due course by the competent authority.

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The proposed operation concerns the first phase of an investment programme targeted towards the construction of wastewater treatment plants for small municipalities throughout the Spanish *Comunidad Autónoma* of Castilla y León. Most of the agglomerations have loads that range between 500-2000 population—equivalent. Though they have a sewer system in place for the collection of wastewater, discharges are not currently treated. These investments will contribute to ensuring compliance with key EU directives in the water sector, notably the Urban Waste Water Treatment Directive 91/271/EEC and the Water Framework Directive 2000/60/EC, bringing substantial environmental quality improvements to the region. The public company *Sociedad Pública de Infraestructuras y Medio Ambiente de Castilla y León* (SOMACYL) is the promoter of the Project and the municipalities will be the beneficiaries of the project.

The investments will comply with the relevant EU environmental directives, which have been fully transposed into Spanish legislation. The latest amendment of the national act on EIA procedures (Law 21/2013) entered into force on 9th December 2013. Under this law, the *Ministerio para la Transición Ecológica* is the competent authority for EIA approvals. It also delegates to the regional governments (*Comunidades Autónomas*), the obligation to regulate the environmental impact assessment of projects in their regional legal framework. The *Consejería de Fomento y Medio Ambiente*, as well as the *Delagaciones Territoriales* of the *Comunidad Autónoma of Castilla y León* can also be appointed as the competent authority, depending on the project.

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.

Luxembourg, 4 December 2020

The competent authority for the project is the *Consejería de Fomento y Medio Ambiente*, as the sanitation investment programme has been fully developed and approved by the regional government.

Given the small size of the agglomerations and the nature of the investments, none of the projects' components are expected to have significant impact on the environment. They all fall under Annex II of the EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU and none of them are expected to require a full EIA. However, it will be confirmed by the competent authority at a later stage. Where required, the projects' Non-Technical Summaries of the EIAs (*Declaraciones de Impacto Ambiental*) will be published on the *Boletín Oficial de Castilla y León*. Until now, one environmental impact study has been carried out for the scheme "*EDAR de Cuevas del Valle, Villarejo del Valle, San Esteban del Valle, Santa Cruz del Valle y Mombeltrán*", even though a full EIA was not required by the competent authority.

Some components might be located or in the proximity of Natura 2000 areas, which represent over 26% of the region (16% for all of Spain), showing the great biodiversity of Castilla y León. The Decree 6/2011 defines the process for assessing the impact of projects in the Natura 2000 network. The *Consejería de Fomento y Medio Ambiente* is the competent authority, whose procedure is standardized through the *Instrucción 05/SG/2004*. None of the project components are expected to negatively affect a Natura 2000 site. SOMACYL will ask the competent authority to assess and certify the absence of a significant negative impact through a *Declaración de Autoridad Responsable (DAR)*.

River Basin authorities define the required quality standard of discharges from wastewater treatment plants. Circa 90% of the population of Castilla y León is located within the Duero River Basin. The rest of the population is distributed between the Ebro, Mino-Sil, Tajo and Cantabrian river basins. All River Basin Management Plans in Spain for 2016-2021 have been approved and were subject to an Strategic Environmental Assessment (SEA) as required by the SEA Directive 2001/42/EC. The proposed investments are included in the third planning cycle - River Management Plans 2022-2027 - , to be approved in 2021.

The construction of new wastewater treatment plants will bring substantial reduction of methane emissions during their economic life. The project will have, therefore, a substantial contribution to climate change mitigation.

Social Assessment, where applicable

In a context of heavy rural migration to cities, the schemes financed under this operation will also have positive social impacts during the construction, since they will provide employment opportunities, addressing Castilla y León's labour market challenges in rural areas.

Most wastewater treatment plants will be located on land owned by the municipalities. However, it is estimated that 30% of them will require some expropriation of land. This process takes around 3 months, and will be launched, once the designs and environmental studies have been completed and before the start of works.

Social negative impacts will be only temporary and will include possible disruption of services and traffic, noise and temporary occupation of public space, as well as safety hazards during the construction phase. They will be addressed as part of the planning for the implementation of each scheme.

Luxembourg, 4 December 2020

Public Consultation and Stakeholder Engagement

SOMACYL will be requested to ensure compliance with national and European environmental legislation, notably to facilitate public access to environmental information and guarantee public consultation during the environmental decision process, where relevant, in accordance with the Aarhus Convention.

Other Environmental and Social Aspects

SOMACYL has shown good practice and respect to environmental, health and safety management in the previous operation financed by the EIB.

Conclusions and Recommendations

The project is driven by the requirement to ensure compliance with the Urban Waste Water Treatment Directive 91/271/EEC and it will have net positive environmental and social effects, including GHG emissions reductions. All schemes under the project will be subject to the Promoter's compliance with the following requirements:

- The Promoter undertakes not to allocate Bank funds to project schemes that require a full EIA until the EIA and/or the necessary nature assessment have been finalised and approved by the relevant competent authority. Once any EIA is available, the promoter will provide the Bank with an electronic copy of its Non-Technical Summary (NTS) and full copy of the EIA, for publication on the EIB website.
- The Promoter shall not commit any EIB funds against any scheme that impacts nature conservation sites, without receiving from the relevant competent authorities the declaration under Art. 6(3) of the Habitats Directive that there are no significant effects and informing the Bank of such declaration having been obtained.
- The Promoter undertakes to provide to the Bank, if requested, any decision and subsequent justification that screen out project schemes from the requirement of a full EIA as well as the decisions issued by the competent authorities regarding the Habitats and Birds Directives.