

Public

Environmental and Social Data Sheet

Overview

Project Name: *NOORD HOLLAND SUSTAINABLE DRINKING WATER SUPPLY*
Project Number: *2020-0566*
Country: *THE NETHERLANDS*
Project Description: The project concerns the 2021-2025 investment programme into the production and distribution facilities of PWN, Netherlands' fourth largest water supply company.

EIA required: *yes*
This is an investment programme made up of multiple schemes. Some of them may require an EIA under Annex II of the EIA directive 2011/92/EC as amended by Directive 2014/52/EU.

Project included in Carbon Footprint Exercise¹: *no*

Environmental and Social Assessment

Environmental Assessment

This is the fourth operation with the promoter PWN (Waterleidingbedrijf Noord-Holland – North Holland Province Water Company). The programme is developed by an experienced promoter and takes into consideration environmental and social aspects as required by European and national requirements. The Dutch legislation complies with the relevant EU Directives (Drinking Water Directive 98/83/EC, SEA Directive 2001/42/EC, EIA Directive 2014/52/EU, Water Framework Directive 2000/60/EC, Birds Directive 2009/147/EC, Habitats Directive 92/43/EEC). The Promoter is well aware of these requirements and acts accordingly.

The project will finance part of PWN's 2021-2025 investment programme, mostly consisting of upgrade of the treatment process at production sites, replacement of existing distribution network with PVC piping and capacity expansion of water storage in deep aquifers to ensure sustainability and increase climate resilience in the supply of drinking water. The proposed operation will help to ensure continued compliance with the Water Framework Directive 2000/60/EC, thereby contributing to protection of the environment and water security. It will also ensure continued compliance with the Drinking Water Directive 98/83/EC, by providing an even more sustainable drinking water supply in the PWN service area.

¹ 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 20,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

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Strategic Environmental Assessment (SEA) procedure

Most of the key investments such as replacement and/or rehabilitation of distribution lines and water treatment facilities fall within higher level strategic frameworks, such as the National Water Plan, Provincial Water Plans and local Spatial Plans. These plans have all undergone Strategic Environmental Assessments (SEA) as per the Directive 2001/42/EC.

Environmental Impact Assessment (EIA) procedure

The investments under the programme will generally have neutral or net positive effects for the environment as they contribute to the protection of surface and groundwater bodies and they also ensure a more efficient and sustainable use of water resources. Nevertheless, some schemes under the programme may require a full EIA according to Directive 2011/92/EC as amended by Directive 2014/52/EU or affect protected areas. The EIAs (if required) will be published on the EIB website.

Sustainable management of coastal dunes

PWN manages more than 7,300 hectares of nature reserve between Zandvoort and Bergen which involve two nature conservation sites that are protected under the Natura 2000 (N2000) Habitats Directive; the North Holland dune reserve (Noordhollandsduinreservaat) and the South Kennemerland National Park (National Park Zuid-Kennemerland). The Competent Authority for the management of these areas is the Province of North-Holland.

PWN uses the coastal dune area as part of the treatment process for drinking water production. The dune infiltration process consists of water seeping slowly to the bottom during which its quality is improved and undesirable bacteria and viruses are made harmless in a natural way. Due to this type of natural pre-treatment of surface water, the dune areas are indispensable in PWN's drinking water supply.

EIB is financing investments that increase the capacity and improve the functioning of the infiltration areas, resulting in a reduced need to withdraw dune groundwater during periods of drought. This reduces the impact on the dune ecosystem during such critical periods. PWN ensures that the dunes remain intact and maintains their richness of flora and fauna.

The presence of infiltration basins has also created a wide variety of new biotopes in the dunes, such as open water areas, reed beds, bogs, damp and dry dune valleys, dune grasslands, short and tall scrub and woodland. Due to all this diversity, the coastal dunes have evolved into one of the richest areas for bird life in the Netherlands.

All activities performed in these areas have been recorded in the N2000 management plans and/or are assessed according to the Nature Conservation Act. Most of the investments in these areas directly contribute to the conservation objectives determined in the N2000 management plans. Investments related to the drinking water production sites within the N2000 areas are carefully assessed and guided by PWN's own environmental specialists. For example, all works in the dunes are planned to take place outside the breeding season.

Lake IJssel (PWN's main fresh water source for drinking water production) is also a N2000 site (Habitats and Birds Directive). Although the production sites and water reservoirs at this location are excluded from the N2000 status (assigned as industrial areas), all investments that might have an impact on the neighbouring N2000 site are assessed in line with the Nature Conservation Act.

The main long term positive environmental and social impacts of the operation can be summarised as follows:

- The maintenance of the dune areas will foster biodiversity and improve the natural defence of the low-lying zone against rising sea level; the injection in depth of surface

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water into the dunes also helps controlling the sea water intrusion in the ground water resources and reduces to almost zero the groundwater abstraction during drought periods;

- the programme is beneficial to public health by sustaining high water quality to 1.7 million inhabitants using advanced treatment technology;
- the investments will also contribute to local employment creation during construction and to permanent job creation during operation.

Negative environmental and social impacts are assessed as only local, temporary and reversible, such as (i) minor disturbance due to pipe replacement techniques; (ii) temporary increase of traffic around the construction sites and (iii) potential disturbance of wildlife. These negative impacts will be mitigated with appropriate measures (e.g. faster pipe replacement techniques, stakeholder information, public consultation and participation).

Climate Change

According to all climate scenarios hot summers will become more common in the Netherlands and this can have severe consequences for the availability and the quality of fresh water in lake IJssel during summer, as PWN extracts 80% of the total surface water produced from this lake. The project contributes to the Bank's transversal objective of Climate Action Adaptation by reducing the levels of organic content and increasing the water storage thus improving the water security and resilience to climate change. Furthermore, PWN will replace the existing distribution network with PVC material, which is less prone to network failures that will be more frequent due to ground settlements during droughts.

Social Assessment

The project will generally benefit public health, by increasing water security during the more prolonged and frequent drought periods and by providing a more climate resilient safe drinking water supply. In addition, the project will increase the employment opportunities during both the construction and the operation phase.

Public Consultation and Stakeholder Engagement

All project components, related reports and progress details can be followed on the promoter website. Consultations with affected communities and interested parties take place in line with the requirements of the Directives.

Other Environmental and Social Aspects

The Project will not produce any Transboundary impact.

Conclusions and Recommendations

The project will further contribute to implementation of the requirements of the EU environmental legislation in the water sector, in particular with the Drinking Water Directive (98/83/EC) and the Water Framework Directive (2000/60/EC).

All project components covered by the programme will be subject to the Promoter complying with the following requirements:

- The Promoter will be required to act according to the provisions of the relevant EU Directives, including the EIA (2014/52/EC) amending the EIA Directive (2011/92/EC), Habitats (92/43/EEC) and Birds (2009/147/EC). The promoter undertakes not to

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allocate Bank funds to project components that require a full EIA until the EIA and the necessary appropriate assessment, if required, have been finalised and approved by the relevant competent authority. Once any EIA is finalised, the promoter will provide the Bank with an electronic copy of the EIA, for publication on the EIB website.

- The Promoter undertakes to provide to the Bank, if requested, any decisions issued by the competent authority that screen out project components and the main reasons for not requiring EIA with the reference to the relevant criteria listed in Annex III of the EIA Directive.

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