



European Investment Bank (EIB)

Luxembourg, 31/05/2021

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	ITALGAS DISTRIBUZIONE III
Project Number:	2014-0015
Country:	Italy
Project Description:	Network extension and implementation of safety measures for gas distribution in various locations: Liguria, Piedmont, Veneto, Tuscany, Friuli, Rome and Sicily.

Summary of Environmental and Social Assessment at Completion

EIB notes the following Environmental and Social performance and key outcomes at Project Completion

The Project involved the financing of a gas distribution project covering the period between 2014 and 2019 (6 years in total, with a 2-year extension beyond the initially envisaged calendar). The Project comprised of these types of gas distribution network investments: metallic pipe replacement (replaced by polyethylene and steel); network extension (with new connections); corrosion prevention (cathodic protection) and other network refurbishments (e.g. upgrading existing connections). The activities were undertaken using standard technologies and the Promoter is very experienced.

The majority of the investments were at low/medium pressure levels and refurbishment of existing gas infrastructure, none of them falling under Annex I of Directive 2011/92/EU. By their technical characteristics, some of the individual schemes fell under Annex II of the EIA Directive, as transposed into Italian legislation, screened by the relevant competent authorities. None of the schemes required a full EIA, per Promoter's information.

The Promoter contractually undertakes to provide to the Bank, if requested, any decisions that screened out Project components from undertaking a full Environmental Impact Assessment. The Bank has not deemed it necessary to request such confirmation.

None of the components affected Natura 2000 areas. The schemes were located in urban or industrial areas. The main impacts, associated with the Promoter's construction works, were temporary in nature and mitigated according to established practices in the sector. The Promoter is accredited to meet the standards of ISO 9001, ISO 14001 and OSHAS 18001, among others, having procedures in place for proper waste management of the work sites.

Based on the information provided by the Promoter up to Project completion, no significant environment or social issues were noted.

The operation provided environmental benefits through the reduction of methane leakages and through the substitution of more polluting fuel sources by natural gas. According to the Promoter, methane losses (leakages) from the low and medium pressure network have been reduced by ca. 6 GWh/year at Project completion (in comparison with the value at the start of



European Investment Bank (EIB)

Luxembourg, 31/05/2021

the Project) due to the implementation of the pipe replacement component of the Project (equivalent to ca. 11 kton CO₂/year).

Summary opinion of Environmental and Social aspects at completion:

The EIB is of the opinion, based on reports from the Promoter during construction and after completion, that the Project has been implemented in line with EIB's Environmental and Social Standards, applicable at the time of appraisal.