

Environmental and Social Data Sheet

Overview

Project Name:	INBRE RUN OF RIVER HYDRO
Project Number:	2020-0924
Country:	Italy
Project Description:	Financing the implementation of 12 small run-of-river hydroelectric plants and the restoration of 13 weirs along the Arno river, to control the river flow, restore hydraulic defences and protect biodiversity.
EIA required:	No
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

The Project is a Framework Loan (FL) that will fund the Promoter's investments in 12 small (less than 1 MW) run-of-river hydro projects in Florence, Italy.

The schemes are known and consist of 12 small run-of-river hydro plants with an approximate total installed capacity of ca. 10 MW, together with the restoration and upgrade of 13 weirs and ancillary grid connection infrastructure associated with said schemes. The weirs' restoration aims to control the river flow and restore the hydraulic defences along the Arno river, enhancing climate resilience, as well as adding fish ladders and revegetation to improve the weirs' impact on biodiversity. All schemes have received the necessary concessions, permits and authorisations, and the Promoter will implement them between 2021 and 2022.

The environmental and social due diligence has focused on the promoter's capacity and capability to implement the programme in line with the EIB environmental and social standards and guidelines², as well as on the environmental and social impacts of the underlying schemes. The Bank has assessed that the schemes comply with the above requirements, in particular with regard to protection of biodiversity and cultural heritage, and increased climate resilience. Based on this assessment, the environmental capacity of the promoter is deemed good.

Due to their technical characteristics, all schemes fall under Annex II of Directive 2014/52/EU amending EIA Directive 2011/92/EU, leaving it to the national competent authority to determine, according to Annex III of the said Directive, whether an environmental impact assessment is required. The Environmental Impact decision is part of the administrative

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.

² In particular, the requirements set out in the [EIB Environmental, Climate and Social Guidelines on Hydropower Development](#)

Luxembourg, MC decision: 01.09.2021

Framework Authorisation (i.e. Autorizzazione Unica) required by national law. Autorizzazione Unica (AU) is a single authorisation filed with the competent authority, demonstrating that the work will be undertaken in compliance with existing zoning laws and plans, and with safety, health and environmental protection regulations, along with supporting documentation.

The competent authority decided to screen out all schemes under this FL. The Environmental Impact Studies (EIS) confirmed that all potential effects on the environment are expected to be temporary. The EIS included an adequate identification of the individual and cumulative impacts of the project (such as noise and dust impacts and increase in road traffic during construction), the determination of their significance, as well as the measures to avoid, reduce, mitigate and compensate the impacts. The design of the underlying schemes already takes into account the competent authority's prescriptions (including construction waste disposal and remediation, monitoring campaigns, control of non-indigenous plants and tree planting, protection measures for fish) included in the EIA screen out decision decree issued by the same authority. In addition, the competent authority responsible for the implementation of the Water Framework Directive (WFD) confirmed that the schemes are in line with the WFD, and with the Arno river basing management plan. Finally, the authority in charge of the management of the UNESCO World Heritage Site "Florence's Historic Centre" confirmed that the Project would not have any potential measurable adverse impact on said site.

Other Environmental and Social Aspects

The Bank has reviewed the environmental and social capacity of the Promoter, including its organisation, processes and procedures, and deemed them to be acceptable. Based on the information available at this stage, the Project is not expected to have negative impacts that cannot be adequately mitigated, provided that the Promoter implements the prescriptions expressed in the relevant permits, which included consultation with all relevant authorities, including those for cultural heritage. The project does not entail any involuntary resettlement, nor the construction of any additional overhead power lines or reservoir capacity.

Conclusions and Recommendations

The Promoter undertakes to fulfil the requirements of the environmental impact studies, environmental permits (including hydrological /biological monitoring as appropriate), and any permit consent granted by the competent authority for nature and environment. In addition, the Bank will monitor the environmental performance during the operation of the underlying schemes.

The Promoter shall store and keep updated any documents as may be relevant for the project (including EIA screening decisions, environmental studies, and Nature/Biodiversity Assessments or equivalent documents) supporting the compliance with the provisions of the EU Water Framework, Habitat and Birds Directives (Form A/B, or equivalent declaration by the competent authority), and shall upon request promptly deliver such documents to the Bank.

Under these conditions, the operation is acceptable in E&S terms.