



Luxembourg, 2.02.2022

Environmental and Social Data Sheet

Overview

Project Name:	<i>CARIBBEAN WATER SANITATION AND CLEAN OCEAN PL</i>
Project Number:	<i>2021-0497</i>
Country:	<i>Several</i>
Project Description:	A thematic programme loan available to Caribbean countries dedicated to improving climate resilience and healthy oceans through new investments in security of water supply, wastewater treatment, solid waste and storm-water management across the region.
EIA required:	Yes. Certain components of the sub-operations could be subject to EIA
Project included in Carbon Footprint Exercise ¹ :	Yes. The sub-operations could be included in the Carbon Footprint Exercise.

Environmental and Social Assessment

Environmental Assessment

The operation is structured as a Programme Loan (PL), which aims to provide financing primarily to public sector counterparties in the Caribbean, to improve climate resilience and a healthy ocean through investments in water supply security, wastewater collection and treatment, storm-water management and solid waste management.

The PL will finance sub-operations in some of the following countries: Antigua & Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St Kitts & Nevis, St. Lucia, Saint-Vincent and the Grenadines, Suriname and Trinidad & Tobago. It is foreseen that the PL will benefit from technical assistance (TA) that will include project identification, project preparation and implementation support. The TA would be used to ensure compliance with EIB environmental and social standards and safeguards.

Legal Framework

The sub-operations will comply with the principles of the EU Directive 2014/52/EU amending the Environmental Impact Assessment Directive (EIA Directive 2011/92/EU), relevant national legislation and the principles of the SEA² process applicable to each sub-operation.

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.

² Strategic environmental assessment in line with the Directive 2001/42/EC



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If the sub-operations were located in the EU, some or components of them would likely fall under Annex I of the EIA Directive and would need a full EIA.

In other cases, the sub-operations would likely fall under Annex II of the EIA Directive so the Competent Authorities would decide whether a full EIA is required on the basis of the criteria defined in Annex III of the Directive.

Where relevant, the sub-operations will comply with the principles of the Marine Strategy Directive with the aim of achieving good environmental status as defined in point 5 of Article 3 of Directive 2008/56/EC.

Environmental Assessment

The environmental benefits will be a key aspect of the programme. The programme specifically targets (among others) sub-operations that promote healthy oceans with a specific focus on coastal protection and pollution prevention. Some of the sub-operations financed by the programme will be chosen based on selection criteria, which specifically include conservation or restoration of coastal or marine ecosystems and biodiversity support interventions. It is also expected that the programme will have significant long-term positive environmental impacts on surface and groundwater bodies and marine waters, by reducing pollution from untreated or not properly treated wastewater. This PL's sub-operations would also contribute to preventing discharge of leachate from solid waste dumpsites into the groundwater, surface water (rivers and lakes) and coastal water bodies. Finally, thanks to this PL the discharge of solid waste carried to the sea by rivers, drainage channels and storm water systems would be reduced.

Overall, the sub-operations implemented under the Programme are not expected to have any significant negative long-term environmental impact. Some of the sub-operations are expected to consist of the rehabilitation, upgrade and expansion of water supply, drainage systems and sewage networks and facilities in urban areas, with minor temporary negative impacts identified only during construction phase (noise, dust, traffic). Also, some of the solid waste components may involve construction activities in or near urban areas with some related impacts during construction. The handling and interim storage of waste and waste fractions at waste treatment or disposal facilities could, if not properly handled, result in some odour nuisances during operation. Sufficient measures to mitigate these impacts will be included in the Environmental and Social Management Plans (ESMPs) to be included in the ESIA's.

Climate Action

One of the main objectives of the programme is to promote climate change adaptation measures to make the Caribbean Region more climate resilient to increasingly extreme weather events, which impact negatively water availability and result in an increase of sewer overflows. Indicative adaptation measures under the programme are:

- improving water resource management,
- better forecasting of water availability,
- reduction in physical water losses,
- increasing water savings through improved efficiency of water supply distribution networks,
- optimising sewer capacity,
- separating storm water systems and wastewater sewerage systems,
- increasing waste collection coverage to reduce the adverse impacts from storm events due to waste filled drains.



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In addition, the PL is expected to contribute to climate change mitigation, since improved wastewater and waste treatment significantly reduces methane emissions.

The contribution of the Programme to Climate Action will be assessed for each sub-operation individually.

Biodiversity and Ecosystems

It is expected that the programme will have a positive impact on the protection of sensitive ecological areas and biodiversity, especially in near-shore reef areas. Appropriate Assessment(s) or equivalent will be carried out in the sub-operations if relevant, and will be assessed at project appraisal. In case of an Appropriate Assessment, a comprehensive monitoring programme shall be developed including specific monitoring and impact indicators on biodiversity and river/coastal ecosystems. This will ensure that the different sub-operation components will not adversely impact the ecological status of the water bodies nor the ecological conditions of the river and coastal ecosystems.

Zero Pollution

The investments in waste collection, recycling and/or treatment to be included in the PL will support the reduction of pollution.

Circular Economy

The programme is expected to strengthen the transition to a circular economy by improving separate waste collection and recycling. This will also lead to a more efficient use of resources.

Carbon Footprint

It is expected that the sub-operations will achieve savings in Greenhouse Gas (GHG) emissions in terms of reduction of methane emission due to the improved wastewater and waste handling, increased water efficiency and improved sewage collection. The GHG emissions will be assessed for each sub-operation at the time of appraisal.

Paris Alignment

The Paris alignment will be assessed for each sub-operation. However, given its focus on investments in water, wastewater and priority solid waste infrastructure, the Programme's sub-operations are expected to be aligned both against low carbon and resilience goals as well as against the policies set out in the Climate Bank Roadmap (CBR).

Social Assessment

As defined in Sustainable Development Goal n°6, safe drinking water and sanitation are basic human rights. Access to fresh water, in sufficient quantity and quality, is also a prerequisite to achieving many dimensions of sustainable development, including health, food security and poverty reduction. It is expected that the proposed investments will improve access to safe drinking water and sanitation, as well as result in more climate resilient and reliable water services. This will yield lasting positive social benefits, including improving the living conditions of the inhabitants of the Caribbean countries and thus they will be beneficial for the public health. The sub-operations will also contribute to employment creation during construction and during operation phase.



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A social screening will assure that EIB's social standards are fulfilled in the selected sub-operations, in particular that: (i) There are no significant involuntary resettlements, (ii) Rights and interests of Vulnerable Groups and Indigenous people are respected, and (iii) Occupation and Community Health and Safety and labour standards are achieved according to relevant applicable standards (e.g. ILO); iv) stakeholder engagement is carried out and that stakeholders have access to environmental and social information as well as to a grievance mechanism.

In addition, the selection criteria to choose the sub-operations specifically require assessing the projects' impact on gender equality. Without safe drinking water, adequate sanitation and hygiene facilities at home and in places of work and education, it is disproportionately harder for women and girls to lead safe, productive, and healthy lives.

Public Consultation and Stakeholder Engagement

The Promoters of the sub-operations will have to ensure compliance with national environmental regulations and EIB's Environmental and Social Standards and facilitate the access and participation by the public to environmentally relevant information.

Other Environmental and Social Aspects

The contribution of the Programme to the Bank's objective of Climate Action and Environmental Sustainability will be assessed for each sub-operation individually.

Conclusions and Recommendations

The Programme Loan is expected to have predominantly net positive environmental and social effects since it aims at: (i) Improving sustainable water and waste management in the Caribbean; (ii) Climate Change Adaptation and (iii) Promoting Environmental Protection and Healthy Oceans.

The Bank will appraise each sub-operation and the capacity of the promoter of each sub-operation to ensure compliance with national legislation and EIB's Environmental and Social Standards.

Based on the above considerations the Programme Loan is acceptable for EIB financing in environmental and social terms.