Luxembourg, 20th July 2022

# Environmental and Social Data Sheet

## Overview

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| Project Name: | *SUSTAINABLE WATER SUPPLY BRABANT WATER (2021-0748)* |
| Project Number: | *2021-0748* |
| Country: | *THE NETHERLANDS* |
| Project Description: | This is part of the 2022-2026 investment programme for the production and distribution facilities of Brabant Water NV, the Netherlands' second largest water supply company, operating in the province of North Brabant. The programme consists mainly of upgrading ground water treatment facilities and the rehabilitation and extension of distribution pipes. |
| EIA required: | No. This is an investment programme made up of multiple schemes. None of the schemes under the investment programme, is expected to require a full EIA study under Annex II of the EIA Directive 2014/52/EC amending Directive 2011/92/EC |

Project included in Carbon Footprint Exercise[1]: no

## Environmental and Social Assessment

### Environmental Assessment

This is the third operation with the promoter, *Brabant Water NV (hereafter Brabant or the Promoter)*. 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 co-finance investment schemes that form part of the promoter's investment programme for 2022-2026. The main categories of the investment programme are the upgrading and renewal of groundwater abstraction and treatment facilities (mainly pumping stations for abstraction, water treatment and softening plants), the rehabilitation and extension of distribution network including transport mains, distribution and connecting pipes, water saving units, water meters, the development of a digital twin and other ICT items throughout its service area.

[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, 20th July 2022

The programme is mainly geared towards improving security and quality of drinking water supply within a climate vulnerable service area and has positive environmental impacts through the sustainable management of nature protected areas around the ground water abstraction zones and by encouraging farmers leasing promoter's owned agricultural land to a more sustainable land use (using less manure/fertilizer and pesticides).

The use of advanced water treatment technologies such as activated carbon filters will allow the removal of contaminants of emerging concern, in compliance with the new Drinking Water Directive (EU) 2020/2184[2] and the Water Framework Directive (2000/60/EC). Moreover, softening of water after aeration has the benefit of increasing the lifespan of water mains by reducing the accumulation of calcium and magnesium deposits that clog the water pipes.

The investment programme aims as well at increasing the water supply network resilience as it includes major investments on replacing aging distribution pipelines reaching their end of life with cast iron pipes. This will reduce water losses and thus have a positive impact on the usage of raw water resources.

**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.

Brabant's activities are fully compliant with the SEA Directive 2001/42/EC. In the spirit of this regulation, Brabant is an active player in the monitoring of water quality and fully compliant with the principles of the Water Framework Directive.

**Environmental Impact Assessment (EIA) procedure**

The investments under the programme will generally have net positive effects for the environment as they contribute to the protection of groundwater bodies and ensure a more efficient and sustainable use of water resources. None of the schemes under the suggested investment programme is expected to require a full EIA study under Annex II of the EIA Directive 2014/52/EC amending Directive 2011/92/EC. The schemes are not expected to have any negative impact on Natura 2000 sites. Nevertheless, given that annual revisions may result in slight changes of the investment programme (in terms of the type and location of each scheme), 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.

Creation or conservation of nature protection areas around the groundwater abstraction sites

Some proposed investments are meant to combine environmental benefits with the process of drinking water production. Brabant is committed to the maintenance of a number of natural reserves for the protection of the groundwater extraction sites and nature development in the area.
An excellent example is the Klotputten, which is one of the 30 water abstraction and nature reserves that Brabant manages. Klotputten is part of the Dutch Nature Network (Wet Nature

[2] Revised DW directive has been released in Jan 2021 but there is a transitional phase of two years and this project complies with the outdated directive

Luxembourg, 20th July 2022

Pearl Dommeldal near Waalre) and has an area of 40 hectares. It is located in the Eindhoven region and it has been greatly dried up as a result of over-abstractions for agriculture and forestry in the past. As a consequence, a large part of the natural water system was affected. Today Brabant is working together with the Province of Noord-Brabant, Natuurmonumenten, Waterschap de Dommel and the municipalities of Eindhoven, Waalre and Veldhoven, on transforming the formerly dry agricultural land into a nature protection area in order to encourage water retention and enhance biodiversity in the surrounding area.

Sustainable land use on agricultural land

On the lands that the Promoter owns, farming lease is applied under sustainable conditions, which means that less manure/fertilizer and pesticides shall be used. Brabant invests in projects (Schoon Water, Bodem Up) to advise farmers to adopt a more sustainable land use (using less manure/fertilizer and pesticides). All the components under the Investment Programme are designed to be consistent with these policy principles of sustainability.

Environmental impacts

Due to the nature of the works to be implemented it is anticipated that the negative environmental impacts will be only associated with the period of construction and will be mainly localised, temporary and reversible such as (i) minor disturbance due to pipe replacement works and (ii) temporary increase of traffic around the construction sites. These negative impacts will be mitigated with appropriate measures (e.g. faster pipe replacement techniques, stakeholder information, public consultation and participation).

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

- The protection of groundwater bodies and a more efficient and sustainable use of water resources.
- The creation of nature protection areas around the abstraction wells will foster biodiversity and ensure the non-disturbance of bird areas and habitats of vulnerable species.
- Sustainable use of agricultural land owned by the promoter (use of less manure/fertilizer and pesticides)

## Climate Mitigation and Adaptation

The Project is expected to positively contribute towards climate change mitigation and adaptation. Mitigation will be achieved by a number of performance improvement measures, including but not limited to: reduction of water losses and leakages through large -scale replacement of old transport mains and distribution lines and connecting pipes within District Metered Areas (DMAs).

These will contribute towards the overall reduction of energy requirements and thus will result in a reduction of GHG emissions. The company is putting constant efforts in reducing its carbon footprint, and it has recently developed a very detailed Energy Reduction Plan. By implementing the suggested investment programme, the Promoter estimates that a significant reduction in energy consumption over the whole supply system will be achieved.

The main identified climate vulnerabilities of the Brabant service area are more intense and prolonged droughts. They will be mitigated by exploring alternative water resources such as brackish or surface water, installing smart water meters at the distribution water networks, constructing water recovery units to re-use treated water and investing in ICT infrastructure amongst which the development of a digital twin of the distribution system. All these

measures are integral part of the climate adaptation vision of the company and fully aligned with the regional climate adaptation strategy.

The Project has been assessed for Paris Alignment and is considered to be aligned both against low carbon and resilience goals and against the policies set out in the Climate Bank Roadmap (CBR).

### Social Assessment

The proposed investments will improve access to safe drinking water and sustain high water quality to around 2.5 million people and will result in a more climate resilient and robust water supply system. This will yield lasting positive social benefits, including improving the living conditions of the inhabitants within Brabant's service area and thus be beneficial for the public health. The works will also contribute to local employment creation during construction and permanent one during operation.

The negative social impact of the project is only temporary as it includes the possible disruption of water services and traffic, noise and temporary occupation of public and private space, safety hazards, common for this type of projects in urban environments, and will be addressed as part of the planning permission for the relevant schemes.

### Public Consultation and Stakeholder Engagement

Where relevant, the promoter will be required 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.

### Other Environmental and Social Aspects

The Project will not produce any Transboundary impact.

## Conclusions and Recommendations

By rehabilitating, upgrading and increasing the capacity of the water treatment facilities, and improving the performance of existing and new drinking water supply system, the project is expected to generate a positive impact on the environment and will contribute to the improvement of living conditions of the inhabitants within Brabant's service area.

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) Directives and Drinking Water Directive.
- The promoter will be required not to allocate Bank funds to project components that require a full EIA until the EIA and/or the necessary nature assessment have been finalized and approved by the relevant competent authority. Once any EIA is available, 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

Luxembourg, 20th July 2022

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.