

Public

Environmental and Social Data Sheet

Overview

Project Name:	WARSAW SUSTAINABLE WATER AND WASTEWATER NETWORK (2021-0570)
Project Number:	2021-0570
Country:	Poland
Project Description:	The project covers various investments related to the rehabilitation, modernization and development of the water and wastewater infrastructure in the city of Warsaw and the surrounding municipalities within the period of 2022-2028.
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 Exercise ¹ :	yes

Environmental and Social Assessment

The Promoter of this project is Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w m.st. Warszawie (MPWiK Warszawie), which provides water utility services within the city of Warsaw and surrounding municipalities. MPWiK Warszawie is a public entity and owned by the city of Warsaw.

It concerns the promoter's 2022-2028 Investment Plan, which includes the development, rehabilitation and upgrading of drinking water abstraction and treatment facilities, additional storage capacity on the storm water network, as well as the development, rehabilitation and upgrade of the wastewater collection and treatment system. The investments are geared towards improving the performance of the existing water supply and wastewater infrastructure, as well as taking into account identified climate change risks.

The project will contribute to compliance with the EU Drinking Water Directive 2020/2184² and EU Urban Waste Water Treatment Directive 91/271/EEC by rehabilitating and upgrading the existing water supply and wastewater systems, and extending it to currently un-served municipalities within the service area of the Promoter. This will ensure safe provision of drinking water and sanitation services to the concerned population.

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 The revised Drinking Water directive was released in January 2021 but there is a transitional phase of two years.

Luxembourg, 03.11.2022

Environmental Assessment

Strategic Environmental Assessment (SEA) procedure

The project is consistent with the Programme of Measures of the River Basin Management Plan (RBMP) for the River Vistula (approved on 18 October 2016), which was subject to a SEA procedure as required by the Water Framework Directive 2000/60/EC. The SEA competent authority is the Ministry of Climate and Environment. Prior to the approval of the RBMP the SEA procedure had been concluded in the course of 2013-2014. Its results had been incorporated into the RBMP.

Environmental Impact Assessment (EIA) procedure

The EIA Directive 2011/92/EU amended by the 2014/52/EU, was fully transposed in Poland in 2008 according to the Law 199/2018 "EIA Act". Depending on the location and type of each project component, either the concerned municipalities or the Regional Directorate for Environmental Protection of the Ministry of Climate and Environment will be the EIA Competent Authority.

Components under the suggested investment programme are foreseen to be implemented either within the boundaries of existing water and wastewater treatment plant sites within the service area of the promoter, which is located in an urban environment, or following to the extent possible, the existing routes of water mains and sewers.

Given that the project is an investment programme, the environmental screening process of the project components is still ongoing and as a result, some of the project components may fall under Annex II of the EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU. This means that the decision as to whether an EIA is required or not, is left with the competent authority based on the criteria defined in Annex III of the Directive. To date, 17 components out of the several hundred components have been reviewed and screened out. In addition, none of the components under the project within or in the proximity of nature protected areas has so far been screened in as per the Habitats Directive requirements. Nevertheless, in case some components under the programme require a full EIA according to Directive 2011/92/EC as amended by Directive 2014/52/EU, the Promoter is obliged to inform the Bank accordingly and the respective EIAs will be published on the EIB website.

Environmental impacts

The project is expected to have significant long lasting environmental benefits, such as reducing sewer infiltration and combined sewer overflow incidents. The project will also have significant long term positive environmental impact on the current status of the surface waters, by providing appropriate treatment to European Standards of wastewater collected from small municipalities near the city of Warsaw (with pollution loads between 2,000 to 10,000 PE³) before its discharge into surface water bodies. Hence, the project will contribute significantly to bridge the country's gap to compliance with EU environmental legislation, in particular the Urban Waste Water Treatment Directive 91/271/EEC.

Investment in wastewater treatment will also contribute towards the compliance with HELCOM⁴ recommendations for wastewater treatment plants effluent (recommendation 28E/5, HELCOM).

³ PE: population equivalent, unit to measure pollution load of wastewater

⁴ HELCOM – Helsinki Convention, which regulates the protection of the Baltic Sea from all sources of pollution, specifically for Phosphorous (0.5 mg/l) and Nitrogen Removal (10 mg/l)

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Negative impacts to the environment are assessed only as temporary ones. During construction, temporary impacts on the environment such as noise and dust may occur. The prevention and mitigation of any of such impacts during the construction phase, will be done through adoption of the recommendations of Environmental Management practices to be implemented by Contractors.

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 more efficient use of resources, reduction of water losses and sewer infiltration, energy efficiency interventions, improved sludge digestion, and connecting currently un-served customers to a centralized wastewater collection and treatment system. These measures will contribute towards the overall reduction of energy requirements and will result in reduction of GHG emissions.

Adaptation to identified physical climate risks, such as increased frequency and magnitude of extreme temperatures and extreme rainfall events will be achieved by implementing measures such as upsizing hydraulic capacity of the storm water network, increasing the capacity of the water production/treatment facilities and reducing losses in the water network from the current 12% to under 10%.

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

EIB Carbon Footprint Exercise

Estimated annual emissions of the project in a standard year of operation are 336 kT CO₂/year absolute (gross) and -23 kT CO₂/year relative (net). This corresponds to an annual estimated emissions savings of 23,000 tons of CO₂ equivalent. These emissions concern the operation of the water supply as well as the wastewater collection and treatment infrastructure. The adopted baseline considers a scenario without the planned energy efficiency improvements and without the connection of currently unserved inhabitants to centralized wastewater treatment.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Social Assessment

The proposed investments will improve access to safe drinking water and sanitation, and will result in more resilient and reliable water services at affordable prices. This will yield lasting positive social benefits, including improving the living conditions of the inhabitants of Warsaw and neighbouring areas and thus they will be beneficial for the public health.

The works will also contribute to employment creation during construction. No additional permanent employment is foreseen after project completion.

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Public Consultation and Stakeholder Engagement

Where relevant, the promoter will be requested 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. Consultations with affected communities and interested parties take place in line with the requirements of the Directives.

Other Environmental and Social Aspects

Transboundary Impact

The Project will not produce any transboundary impact.

Quality of promoter's E&S&C management and governance systems

During the project's due diligence, the Promoter has demonstrated sound practice with respect to environmental, health and safety management. In addition to procedures to meet regulatory requirements, the utility has a comprehensive environmental management system, which is applied to new projects and monitors ongoing operations. The promoter has the following certifications: ISO 9001: Quality management systems, ISO 14001: Environmental management systems and ISO 45001: Health and safety management system.

Conclusions and Recommendations

By developing, upgrading and rehabilitating the water treatment and sewage treatment facilities, and improving the performance of existing drinking water supply, wastewater collection and storm water management systems, the project is expected to generate significant positive impacts on the environment and to contribute to the improvement of living conditions of the inhabitants of the broader area of Warsaw.

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 the Drinking Water Directive and the Urban Wastewater 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 finalised 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 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.