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## Environmental and Social Data Sheet

### Overview

Project Name:	Flanders Sustainable Wastewater Treatment II
Project Number:	2022-0047
Country:	Belgium
Project Description:	The project comprises the construction, extension, rehabilitation and upgrade of sewage collectors, stormwater drainage systems, pumping stations and wastewater treatment plants in Flanders. The implementation of the project is foreseen from 2023 until the end of 2026.
EIA required:	yes
This is an investment programme made up of multiple schemes. Some of them might 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 <sup>1</sup> :	no

### Environmental and Social Assessment

#### Environmental Assessment

The Promoter is Aquafin, a public company that has a statutory monopoly on the provision of supra-municipal household wastewater collection and treatment services in Flanders. In addition, the company provides municipal wastewater collection services in over 30% of the Flemish municipalities, either through a direct contract with these municipalities or as a contractor to water utilities. Its service area currently has about 6.7 million inhabitants. Aquafin's 1,155 staff is responsible for operation and maintenance of 325 wastewater treatment plants (WWTPs), 1,974 pumping stations and retention tanks and 6,902 km of sewers. In 2021, Aquafin treated about 868 million m<sup>3</sup> of sewage, consisting of domestic wastewater (296 million m<sup>3</sup>), industrial wastewater (85 million m<sup>3</sup>) and stormwater (487 million m<sup>3</sup>).

The project will ensure continued compliance with the Urban Waste Water Treatment Directive (91/271/EC) through the construction, extension, rehabilitation and upgrading of the sewers, pumping stations and wastewater treatment plants (WWTP) throughout the Region of Flanders. Full compliance with the Directive was achieved in 2012, and Aquafin's investment plans are now aimed at connecting agglomerations with fewer than 2,000 population equivalents.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.



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The project will also finance the replacement of combined sewers with separate sewers and the upgrading of stormwater drainage systems. These measures would reduce discharges of untreated wastewater in receiving bodies during heavy rain, thereby improving the quality of water bodies as required by the River Basin Management Plans (RBMPs) and contributing to achieving the environmental objective of the Water Framework Directive 2000/60/EC (WFD), whilst also reducing flood risks.

Flanders is part of the international Scheldt and Meuse river basin districts. In December 2015, the Flemish Government approved the RBMPs for 2016-2021, which also incorporate the Flood Risk Management Plans (FRMPs). The RBMPs and FRMPs were subject to a Strategic Environmental Assessment (SEA), in accordance with Directive 2001/42/EC. The third River Basin Management Plans for the period 2022-2027 were adopted by the Flemish government on the 1st of July 2022.

Pressures related to demographics, urbanisation, industrialisation and agriculture, have affected the quantity and quality of water bodies throughout the region. Pressures are expected to intensify with changing precipitation patterns and higher occurrence of extreme weather events. Regional authorities have thus identified three main objectives in the 2016-2021 RBMPs: (i) achieve the “good status” of water bodies, (ii) improve protection against flooding, and (iii) counter the adverse impacts of climate change. In addition, the Flemish water policy 2020-2025 stresses among others measures to continue extension and optimisation of urban wastewater treatment infrastructure.

The project is deemed fully consistent with the objectives of the RBMPs, and is expected to bring about important substantial health advantages and lasting environmental benefits in the form of increased service coverage and quality, higher quality of surface and groundwater resources, and increased resilience of urban infrastructure. The benefits are expected to outweigh the negative impacts, which occur mainly during construction (traffic, noise, dust and drainage) and can be easily mitigated.

Schemes to be financed by the project are part of Aquafin’s 5-year rolling Investment and Optimization Programme (IOP), which is reviewed and approved by the Flemish Region on an annual basis. The IOP is also subject to consultations with the Flemish river basin committees. The Promoter’s activities are supervised by the Competent Authority, the Flemish Environmental Agency (the “Vlaamse Milieu Maatschappij” or VMM), an independent body in the Flemish Ministry of Environment. The management agreement that governs Aquafin’s mandate and the supervision by Flanders and the Flemish Environmental Agency VMM, is currently being reviewed and may be slightly amended, with the aim to increase Aquafin’s operational autonomy and optimise the supervision by Flanders/VMM.

Some schemes will fall under Annex II of the Environmental Impact Assessment (EIA) Directive (2011/92/EC) as amended by Directive 2014/52/EC. Where an EIA is required, the Promoter will be obliged to make the Non-technical Summary (“NTS”) and the full copies of the EIAs available to the Bank, for publication on its website. For some schemes, Appropriate Assessments were approved by the Flemish Agency for Nature and Forests (ANB) or are under preparation. For a few schemes, the impact on the Flemish Ecological Network was assessed or is being assessed as well.



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### Climate Change Adaptation

According to the Flemish Adaptation Plan 2013-2020, the National Adaptation Plan 2017-2020 and the Belgian Climate Report 2020 the project area is mainly vulnerable to higher intensities and frequencies of extreme rainfall events that are projected to increase due to climate change and have an impact on the sustainability and design of wastewater and drainage infrastructure. With this respect, the project contributes significantly to adaptation to climate change through investments in sewerage and stormwater drainage systems.

### Climate Change Mitigation

The purpose of the Flemish Energy and Climate Plan 2021-2030 - and the additional measures from 2021 - is to reduce the emissions of greenhouse gasses (GHG) by 2030 by 40% as compared to 2005. The investment programme contributes to this objective and therefore to climate change mitigation through the construction, rehabilitation and upgrade of sewage network, pumping stations and new WWTPs. More energy efficient equipment as well as the reduction of groundwater entering the sewage system reduce the GHG emissions in pumping and wastewater treatment.

Hence, the project demonstrates appropriate context, intent and response through both adaptation and mitigation to climate change, and therefore contributes to the Bank's objective of Climate Action.

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 Paris Alignment for Counterparties (PATH) Framework**

The counterparty Aquafin is in scope and screened out of the PATH framework, because it is not considered high emitting nor high vulnerability.

### **Social Assessment**

The proposed investments will improve access to sewage networks, treatment of wastewater and reduce the discharge of untreated sewage to surface water and thus yield lasting positive social benefits, including improving the living conditions of the people in Flanders. This will be beneficial for the public health. The works will also contribute to employment creation during construction. Temporary adverse social impacts may include the following: disruption of services and traffic, noise, temporary occupation of public and private space, and health and safety hazards during construction. Such impacts are common for this type of project, and the mitigation of expected adverse social impacts will be addressed as part of the planning for each scheme.

### **Public Consultation and Stakeholder Engagement**

The Promoter must ensure compliance with national and European environmental legislation and facilitate access by the public to environmentally relevant information in accordance with the Aarhus Convention. In case of expropriations, the Promoter will be required to act according to national and EU legislation.



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## Other Environmental and Social Aspects

Aquafin is engaged in several research programmes, which focus mainly on the recovery of energy and materials from WWTPs and improving treated effluent quality.

### Conclusions and Recommendations

This operation is fully driven by compliance with the EU relevant environmental directives and health considerations. All schemes 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. The promoter undertakes 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 its Non- Technical Summary (NTS) and full copy of the EIA, for publication on the EIB website.
- The promoter shall not commit any EIB funds against any project component that impacts nature conservation sites, without receiving from the relevant competent authorities the declaration under Art. 6(3) of the Habitats Directive that there are no significant effects and informing the Bank of such declaration having been obtained
- The Promoter undertakes to provide to the Bank, if requested, any decisions and subsequent justification that screen out project components from the requirement of a full EIA, as well as the decisions issued by competent authorities regarding the Habitats and Birds Directives.

Under these conditions, the operation is acceptable to the Bank's financing in Environmental and Social terms.