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**Public**

## Environmental and Social Data Sheet

### Overview

Project Name:	SYDVATTEN DRINKING WATER SUPPLY III
Project Number:	2020-0106
Country:	SWEDEN
Project Description:	The project concerns part of the 2022-2028 investment programme in the production and distribution facilities of Sydvatten AB, one of Sweden's largest producers of drinking water. The programme consists mainly of renewal and extension of the existing water treatment facilities and reinforcement and extension of bulk water supply networks in the region of Skåne, in the southeastern part of Sweden.
EIA required:	This is an investment programme made up of multiple schemes. Some of them may require an EIA study under 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

This is the third operation with the promoter, *the Sydvatten AB company ("Sydvatten")*. The programme is developed by an experienced Promoter and takes into consideration environmental and social aspects as required by European and national requirements. The Swedish legislation complies with the relevant EU Directives (Drinking Water Directive (EU) 2020/2184, Water Framework Directive 2000/60/EC, EIA Directive 2014/52/EU, 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 2022-2028. The main categories of the investment programme are the upgrading and renewal of the two existing water treatment plants (WTP), the rehabilitation and extension of the bulk water supply distribution network, and other Information Communication Technology (ICT) items throughout its service area. In particular, under the suggested programme, new outgoing transport water mains will be constructed to connect the existing WTPs with existing as well as new regulating reservoirs, pumping stations and associated equipment.

All these investments will improve water security and aim to make the water supply system redundant within a climate vulnerable area. Hence, the operation will have mainly positive environmental impacts as the rehabilitation of the aging water supply network and the

<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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upgrade of the existing WTPs will ensure a more efficient and sustainable use of water resources. Moreover, Sydsvatten has been working on establishing a water protection regime around the Bolmen Lake for over 10 years, and finally in October 2021, the County Administrative Board (Swedish Environmental Competent Authority - Länsstyrelsen) announced its decision to establish a water protection regime around the lake<sup>2</sup>.

The investment programme includes as well major investments on replacing aging transport mains and pumping stations reaching their end of life. This will reduce water losses and thus have a positive impact on the usage of raw water resources. Finally, the programme also includes a softening stage in the water treatment, which has the benefit of increasing the lifespan of water mains by reducing the accumulation of calcium and magnesium deposits that clog the water pipes and thus ensuring further compliance with the new Drinking Water Directive (EU) 2020/2184.

### **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.

### **Environmental Impact Assessment (EIA) procedure**

In Sweden, the County Administrative Board (CAB) is the authority responsible for performing the duties arising from the EIA procedure (Environmental Competent Authority), in accordance with the Swedish Environmental Code, and the Environmental Impact Assessment Ordinance. In addition, permits for projects or plans that can affect a Natura 2000 site are reviewed by the CABs in the county where the concerned Natura 2000 site is located.

The investments under the programme are expected in general to have net positive long-term effects for the environment as they ensure a more efficient and sustainable use of resources. Due to the technical nature of the schemes under the proposed investment programme, the investments will not have irreversible effects for the environment. Any impacts can be readily addressed through appropriate mitigation measures. Some of the schemes under the proposed investment programme will be subject to EIA screening by the relevant competent authority under the Directive 2011/92/EC as amended by the EIA Directive 2014/52/EC.

### **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 minor disturbance due to pipe replacement techniques. These temporary negative effects are assessed as not having any measurable and residual environmental effects and they will be mitigated with appropriate measures (e.g. faster pipe replacement techniques).

The main long-term positive environmental impacts of the investment programme stem from the rehabilitation of the aging water supply network and the upgrade of the existing WTPs which both will ensure a more efficient and sustainable use of water resources.

### **Climate Mitigation and Adaptation**

The Project is expected to positively contribute towards climate change mitigation and adaptation. Sydsvatten has set clear targets to reduce its climate footprint and reach climate neutrality by 2030. Mitigation will be achieved by a number of performance improvement

<sup>2</sup> Available online at [Water protection area Bolmen – Sydsvatten](#)



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measures, including but not limited to: reduction of water losses and leakages through large-scale replacement of old transport mains and creation of renewable energy through the construction of a solar energy park at Vomb Water Treatment Plant with a capacity to generate circa 30% of Sydsvatten's electricity consumption per year. These will contribute towards the overall reduction of energy requirements and thus will result in a reduction of GHG emissions.

Identified climate vulnerabilities of the Sydsvatten service area, namely more intense and prolonged droughts will be mitigated mainly by adding new transmission mains and associated facilities at the distribution network which enhance the water security of the whole supply system. All these measures are integral part of the sustainability awareness policy of the company.

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 Sydsvatten 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 safe drinking water at affordable tariffs and sustain high water quality to the inhabitants within Sydsvatten's service area. They will also 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 population thus be beneficial for the public health. The works will also contribute to local employment creation mainly during construction.

There is no negative social impact of the project identified, not even temporary as the works will take place in a non-urban environment.

### **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 improving the performance of existing and new drinking water supply system, the project is expected to generate a positive impact on the environment. It will contribute to the improvement of living conditions of the inhabitants within Sydsvatten'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, EIA Directive 2011/92/EC amended by EIA Directive (2014/52/EC), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives and Drinking Water Directive.



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- The Promoter will be required not to allocate Bank funds to project components that require a full EIA study until the EIA study and/or the necessary nature assessment have been finalized and approved by the relevant competent authority. Once any EIA study is available, the Promoter will provide the Bank with an electronic copy, 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 study 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.