



Luxembourg, 23rd March 2023

Public

Environmental and Social Data Sheet¹

Overview

Project Name:	CIIP WATER INVESTMENTS
Project Number:	2022 0708
Country:	Italy
Project Description:	Investments in water and wastewater infrastructure in the Provinces of Ascoli Piceno and Fermo (Marche Region)
EIA required:	yes
Invest EU sustainability proofing required	yes
Project included in Carbon Footprint Exercise ² :	no

Environmental and Social Assessment

Environmental Assessment

The Programme concerns the CIIP Group ongoing 2023-2027 water and wastewater investment programme for its “Ambito Territoriale Ottimale (ATO) 5” service area in Marche Region. The service area comprises circa 414 thousand people, tourists included, living in 59 municipalities located in the Provinces of Ascoli Piceno and Fermo. The works to be funded fall within the concession’s contractual investment programmes for the Piano d’Ambito and includes a wide variety of investments: upgrades and extensions of water abstraction and treatment facilities, water transport mains, water distribution networks, sewage collection networks and sewage treatment facilities.

The activities of CIIP are under the supervision of the conference of mayors (Ente di Governo di Ambito) and the national regulatory authority (“ARERA”). In terms of environmental regulation, the Regional Agency for Environmental Protection of Marche (ARPA Marche) is mainly responsible for monitoring the quality of water bodies. The local health authorities (ASL) are responsible for monitoring compliance with the drinking water quality standards. The project

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary

² 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.



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will deliver substantial environmental quality improvements in the form of a higher ecological quality of surface and ground water resources and a more rational use of water resources that outweigh the negative impacts, which occur mainly during construction (e.g. noise, dust, and traffic). The project will ensure continued compliance with regional environmental law and the Urban Wastewater Treatment Directive 91/271/EEC in the promoter's service area.

Italy has harmonized its environmental legislation in line with the relevant EU Directives (i.e. Environmental Impact Assessment (EIA) Directive 2011/92/EU amended by Directive 2014/52/EU, SEA Directive 2001/42/EC, Habitats Directive 92/43/EEC, and Birds Directive 2009/147/EC). Large parts of the underlying investment programmes will consist of the upgrade and expansion of networks and facilities in urban areas, with the main impacts being those during construction and not normally requiring a full EIA.

The investment plan derives from the new masterplan of Marche (Piano degli Investimenti 2022-2047), which has updated the former one set from 2014 till 2032. The plan is not subject to a Strategic Environmental Assessment (SEA) following the Marche Region decision.

Environmental impacts

One project component aiming at the extension of the Santa Maria Goretti wastewater treatment plant (extending the capacity from 11,000 equivalent inhabitants to 25,000 equivalent inhabitants) required an EIA after decision from the Marche Region. The impacts and mitigation measures are described below:

- The project will contribute to improving the quality of surface water by eliminating the critical issues currently encountered at the plant in question.
- In the construction phase, the impacts caused by the planned interventions are minor and short-lived, not very significant, and in any case reversible at the end of the works and mitigated throughout the construction by sound engineering and construction standards (standard impacts related to excavation material, dust, noise and traffic).
- For the operation phase, it is believed that the design choices and the mitigation measures proposed ensure that the overall impact of the intervention is configured as positive and improving the current configuration of the plant (noise, water pollution, landscape and land use).
- The extension of the plant is located in a flood plain. The Italian legislation permits to have such construction provided a specific analysis is performed to verify that the carrying capacity of the flood bed will not be reduced and that the plant is designed to sustain potential floods. Such analysis was performed and informed the plant design.
- The only impact worthy of attention is the one related to the odour impact due to the proximity of some isolated houses located at less than 100m from the plant. In some cases there are potential breaches of the thresholds set by DGR IX/3018 of 2012 of the Marche region. However, to date there is no certain data relating to odour concentrations, therefore the forecast evaluation was carried out using bibliographic data as a reference.
- In order to mitigate this impact, it is considered appropriate that odour monitoring measurements are carried out, on the basis of which the pollutant diffusion model will be recalibrated.
- Furthermore, the cumulative impacts between the project in question and the other existing and planned plants located in the same environmental and territorial context are considered null.
- In conclusion, having studied the impacts determined by the upgrading of the Santa Maria Goretti purification plant, it is believed, in the light of what has been analyzed and summarized above, that it can be implemented as envisaged by the project documentation presented.

Another component related to the investment for the Anello Sibillini (described below in the climate change section) will be implemented inside a Natura 2000 site (Parco Nazionale del Gran Sasso e Monti della Laga, ZSC IT5340012 "Boschi ripariali del Tronto" e ZPS IT7110128 "Parco Nazionale Gran Sasso - Monti della Laga"). The works are related to the crossing of a



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river, the construction of an anti-seismic gallery to protect a large water transport main and the associated construction sites (access road and work camp). An appropriate assessment has been conducted in September 2021, a succinct description of impacts and mitigation measures is provided below.

The main impacts and mitigants are related to the construction phase with temporary loss of habitat (access road and work camp) that will be reinstated at the end of the construction, there is no impact on fauna. Specific construction mitigation measures are defined: noise limitation device, specific crane, dust control measures, non-spillage kits, water for the construction will not be extracted directly from the environment but brought by water trucks, storing of the top soil to be used back when reinstating the areas.

Specific environmental monitoring plans are set up to measure and control the restoration measures (control of invasive species, use of native species when replanting trees and shrubs). The main conclusion of the appropriate assessment is that the works will not jeopardize the integrity of the protected area (no significant impact).

Climate Assessment

- ***Climate change adaptation:***

The region Marche is elaborating its adaptation plan and shall complete the plan in June 2023. In the meantime, Italy has published its national adaptation plan in December 2022. Preliminary findings of the Marche Region adaptation plan (presented in a webinar on the 31st of March 2022) confirm the increase of temperature and reduction of rainfall as well as an increase in the intensity and frequency of extreme weather events (drought and floods). All these findings are confirmed at a larger scale through the Italian National Adaptation Plan.

Main expected changes in the future climate (scenario RCP 8.5) are the following:

- Increase of 1.8°C of the average annual temperature by 2070 with higher increase in summer and winter.
- Reduction of 9% of annual rainfall by 2068.

In addition to longer severe drought spells, water resources are strained by the reduction of snow falls in winter and concentration of rainfalls in a reduced number of days. Both these evolutions have a substantial impact on the recharge of the underground water and availability of the water resource for the promoter (the original water resources are based on springs).

As the most recent illustration, the severe drought in summer 2022 nearly imposed some rationing for the water distribution and the heavy rains in September 2022 created important damages and many casualties.

In summary, the vulnerability of the project area towards climate change is water scarcity and extreme weather events.

The promoter investment plan includes some adaptation measures geared towards extreme weather events (separation of mixed sewers) and towards water scarcity through actions aiming at reducing non-revenue water and participation to the construction of the “Anello Sibillini” which is an auxiliary water system that will interconnect three service areas of the region (ATO 3, 4 and 5) and develop new water sources using the available springs and the existing reservoirs for hydroelectric or irrigation use and emergency backup water production schemes. Taking into consideration all these investments and the promoter’s approach towards climate change, the project climate adaptation risk is considered low by the Bank.

- ***Paris Alignment of projects:***

The project has been assessed for Paris alignment and is considered to be aligned with both low carbon and resilience goals set out in the Climate Bank Roadmap



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Social Assessment

By increasing the quality and reliability of water and wastewater collection and treatment services, the project is expected to bring substantial environmental quality improvements and health advantages to the affected population, thereby increasing the quality of life in the project area. Negative social impacts are only temporary during construction (.e.g. occupation of public and private space, safety hazards during construction, traffic, noise) and will be addressed by the promoter as part of the planning for the implementation of each scheme.

Public Consultation and Stakeholder Engagement

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-making process, where relevant, in accordance with the Aarhus Convention.

Other Environmental and Social Aspects

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 promoter has a comprehensive environmental management system for ensuring proper implementation of new projects and monitoring of ongoing operations. The promoter and its various subsidiaries have the following certifications: ISO 9001 (Quality Certification), ISO 14001 (Environmental Certification), and ISO 45001 (Occupational Health and Safety Management System).

Conclusions and Recommendations

The project is driven by the requirement to ensure compliance with relevant EU environmental directives and will contribute towards improved climate resilience and emissions reductions. All schemes under the project will be subject to the promoter's compliance with the following requirements:

1. The promoter undertakes not to allocate Bank funds to project schemes 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.
2. The promoter shall not commit any EIB funds against any scheme 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.
3. The promoter undertakes to provide to the Bank, if requested, any decision and subsequent justification that screen out project schemes from the requirement of a full EIA as well as the decisions issued by the competent authorities regarding the Habitats and Birds Directives.

Under these conditions, the operation is acceptable for EIB financing in environmental and social terms.