



Luxembourg, 24/07/2023

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	NATURAL GAS DISTRIBUTION PORTUGAL
Project Number:	2016-0517
Country:	PORTUGAL
Project Description:	Promoter's investment programme to expand the gas distribution network in its licence areas

Summary of Environmental and Social Assessment at Completion

EIB notes the following Environmental and Social performance and key outcomes at Project Completion

The Project involved the financing of a gas distribution investment plan covering the period between 2016 and 2021 (6 years in total, with a 2-year extension beyond the initially envisaged calendar). The Project components consisted of distribution networks (low pressure polyethylene pipelines and standalone Liquefied Natural Gas (LNG) regasification stations). Construction impacts were temporary and mitigated according to established practices in the sector. The activities were undertaken using standard technologies and the Promoter is experienced.

The majority of the investments were at low/medium pressure levels, none of them falling under Annex I of Directive 2011/92/EU. By their technical characteristics, some of the individual schemes fell under Annex II of the EIA Directive, as transposed into Portuguese legislation, screened by the relevant competent authorities.

The Promoter was required to complete any EIA Report and to receive approval from the competent authorities prior to allocating the Bank's funds to any project component where that would be applicable. Per Promoter's information, no Project component required an EIA Report.

The vast majority of the components were located in urban or industrial areas. The Bank requested the Promoter to obtain, where applicable, confirmation from the competent nature conservation Authority (ICNB – *Instituto da Conservação da Natureza e da Biodiversidade*) that those project components would not have significant negative effects on sites of nature conservation importance. This confirmation was obtained for all the (four) relevant sites.

The Promoter is accredited to meet the standards of ISO 9001, ISO 14001 and ISO 45001, having procedures in place for proper waste management of the work sites. The Promoter confirmed in the completion report that various mitigating measures were implemented to reduce project impacts, including addressing waste management, gaseous emissions, noise pollution and spills.

Based on the information provided by the Promoter up to Project completion, no significant environment or social issues were noted.

The operation provided environmental benefits mostly through the substitution of more polluting fuel sources by natural gas, resulting in estimated savings of 3 kton CO₂eq/year (per the Bank's calculations, lower than the Promoter's estimate of 35 kton CO₂eq/year).

Summary opinion of Environmental and Social aspects at completion

EIB is of the opinion, based on reports from the Promoter during construction and after completion, that the Project has been implemented in line with EIB's Environmental and Social Standards, applicable at the time of appraisal.