

Luxembourg, 20 September 2023

Environmental and Social Data Sheet

Overview

Project Name:	CYPRUS WASTEWATER INVESTMENTS PROJECT
Project Number:	2022-0695
Country:	Cyprus
Project Description:	The project concerns the National Implementation Programme for the EU Urban Wastewater Treatment Directive with a focus on constructing sewer networks and treatment facilities for peri-urban communities across Cyprus. The project supports the Central Government's strategy for full compliance with the Urban Wastewater Treatment Directive.
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The project consists of preparatory studies as well as the construction of sewage networks, pumping stations and other necessary supporting infrastructure to connect non-compliant rural and peri-urban municipalities in three areas of Cyprus managed by three distinct sewerage boards: Sewerage Board Nicosia (SBN), Larnaca Sewerage and Drainage Board (LSDB) and Sewerage Board of Limassol-Amathus (SBLA).

The promoter of the project is the Ministry of Agriculture, Rural Development and Environment of the Republic of Cyprus acting through the Water Development Department. The Water Development Department will coordinate with the three sewerage boards during project implementation. The actual works and studies will be implemented by the sewerage boards.

The project is a multi-component loan operation. Some of the schemes may require an Environmental Impact Assessment (EIA) under the EIA Directive (2014/52/EU amending 2011/92/EU), and in such cases the promoter will be required to act according to the provisions of the EIA Directive and national legislation. Relevant EU Directives have been transposed into the national legislation (Water Framework Directive, Urban Waste Water Treatment Directive, EIA Directive, SEA Directive, Birds and Habitats Directive).

An EIA has already been prepared for the project component referring to the sewerage networks expansion in the area of Larnaca. The EIA was approved in March 2022 by the competent authority, the Department of Environment and has been published on the EIB website. As the project includes a small section that lies within a Natura 2000 site, an appropriate assessment has also been prepared.

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.



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The schemes under the Project will contribute to climate change adaptation as the proposed wastewater investments will increase the volume of treated effluent for reuse in irrigation, thus supplementing the country's limited water resources and reducing extraction of fresh water compared to the current situation.

A National Adaptation Strategy to Climate Change was adopted in May 2017 with the Decision 82.555 by the Council of Ministers according to the proposal of the Ministry of Agriculture, Rural Development and the Environment. Climate change impacts have been integrated in the national regulation for EIA of projects and SEA of programmes/plans.

Finally, the Project is "Paris aligned" as it is coherent with a low carbon and resilience objective and will contribute to Climate Adaptation and Mitigation by supporting investments that increase resilience to climate related risks.

Social Assessment, where applicable

By increasing the quality and reliability of wastewater collection and treatment services, the conclusion of the assessment is that the Project will bring substantial health advantages and environmental quality improvements to the affected population, thereby increasing the quality of life in the Project area. Negative social impacts would be only temporary (e.g. occupation of public and private space, safety hazards during construction, traffic, noise) and will be addressed 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 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 practices with respect to environmental, health and safety management. As a result, the institutional capacity of the promoter to manage and monitor the environmental and social issues is deemed good.

Conclusions and Recommendations

The Project is driven by the requirement to ensure compliance with the Urban Wastewater Treatment Directive and it will also contribute towards improved climate resilience.

Overall, the net environmental impact is expected to be positive. In addition, the Project should bring about social benefits by helping improve the quality of the environment as well as the country's resilience to the impacts of climate change.

The institutional capacity of the promoter to manage and monitor the environmental and social issues is deemed good.

The Promoter will be required to:

- Provide to the Bank, prior to disbursement against any specific scheme, evidence that the schemes comply with the relevant provisions of the environmental EU Directives, including EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives as transposed into the national law.
- Deliver EIAs (if applicable) to the Bank before the Bank funds are disbursed.

Therefore, subject to the conditions described above, the project is acceptable for the Bank in environmental and social terms.