



Public

Environmental and Social Data Sheet

Overview

Project Name:	<i>AQP WATER SECTOR GREEN LOAN</i>
Project Number:	<i>2023 0223</i>
Country:	<i>Italy</i>
Project Description:	<i>Financing of the Promoter's water and wastewater investments over the 2023-2027 period</i>

EIA required: yes

Project included in Carbon Footprint Exercise¹: no

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

Environmental and Social Assessment

Environmental Assessment

The project consists of multiple small to medium-size interventions distributed around the service area of the Promoter (i.e. Acquedotto Pugliese S.p.A.), the historical provider of integrated water services in the service area known as ATO Puglia. Most components consist of improvement and extension of water and wastewater infrastructure, including also smart water meters.

The project is geared towards increasing the quality and coverage of water and wastewater services and improving the operational efficiency of the Promoter. As such, the project is expected to contribute to ensuring compliance with European legislation in the water sector, notably, the Urban Waste Water Treatment Directive 91/271/EEC and the Water Framework Directive (WFD) 2000/60/EC. The ATO Puglia falls under the hydrographic basin known as "Appennino Meridionale"². In December 2021 the District Authority adopted the River Basin Management Plans (RBMPs) for the period 2021-2027³, implementing the requirements of the WFD. These RBMPs were subject to a Strategic Environmental Assessment (SEA) in accordance with national legislation and the SEA Directive 2001/42/EC.

The project is part of an investment programme approved by the local regulator (i.e. Autorità Idrica Pugliese) on November 2022 and it is based on the 25-year ATO Master Plan (Piano d'Ambito - PdA), which the local authority approved in March 2023⁴. All capital and operating expenditures to be considered under the project are also approved by the national economic regulator for Electricity, Gas, and Integrated Water Services (ARERA).

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.

² [Distretti Idrografici | Ministero dell'Ambiente e della Sicurezza Energetica \(mase.gov.it\)](https://www.mase.gov.it)

³ [Copia Allegato2 delibera 1 PGADAM.pdf \(distrettoappenninomeridionale.it\)](#)

⁴ [Autorità idrica Pugliese \(autoritaidruga.it\)](https://www.autoritaidruga.it)



Some project components could fall under Annex II of the Environmental Impact Assessment Directive 2014/52/EU amending the EIA Directive 2011/92/EU. Therefore, the decision whether an EIA is required is left with the competent authority (i.e. Region of Puglia) on the basis of the criteria defined in Annex III of the EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU.

The impacts that can be expected relate to noise nuisance and disturbance during construction that are temporary in nature and can be effectively mitigated according to established industrial practices. In case some of the works are to be implemented in the vicinity of Natura 2000 or other protected sites, they will require appropriate assessments in accordance with the requirements of the Habitats Directive 92/43/EEC.

The Puglia region is increasingly suffering from longer and more intense drought periods, generating additional pressure onto already scarce water resources. The project is expected to contribute to increasing resilience to the effects of climate change, and to generate energy savings through increased efficiency of the water supply and wastewater systems as well as improved efficiency of the Promoter in managing the systems.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty AQP is in scope and screened out of the PATH framework, because it does not operate in high emitting sectors and its vulnerability to physical risks is not High.

Social Assessment

By increasing the quality and reliability of water and 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. In addition to procedures to meet regulatory requirements, the Promoter has a comprehensive environmental management system which is applied to new Projects and monitors ongoing operations. The Promoter has the following certifications: ISO 9001 (Quality Management), ISO 14001 (Environmental Management), OHSAS 18001 (Occupational Health and Safety Management), and ISO 50001 (Energy Management).



Conclusions and Recommendations

The Project is driven by the requirement to ensure compliance with relevant EU environmental directives and it will also 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 programme 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 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 components 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.