



Luxembourg, 18 July 2023

## Environmental and Social Completion Sheet (ESCS)

### Overview

Project Name:	<i>PUBLIACQUA WATER INFRASTRUCTURE UPGRADE</i>
Project Number:	<i>2019 0405</i>
Country:	<i>Italy</i>
Project Description:	<i>Financing of water and wastewater infrastructure in the Provinces of Arezzo, Firenze, Pistoia and Prato in the Tuscany Region</i>

### Summary of Environmental and Social Assessment at Completion

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

The proposed project concerns the 2019-2022 water and wastewater investment programme of Publiacqua, a utility providing Integrated Water Services (i.e. IWS) in the service area known as Ambito Territoriale Ottimale n.3 Medio Valdarno ("ATO 3"), covering the Provinces of Arezzo, Firenze, Pistoia and Prato in the Tuscany Region (the "TR"). Publiacqua is majority owned (60%) by the municipalities in ATO 3, the remaining shares (40%) being held by a SPV (Special Purpose Vehicle), which is controlled by ACEA SpA, with a 69% shareholding.

The project's schemes were defined consistently with the master plan ("Piano d'Ambito"), regularly updated with the local authority (Autorità Idrica Toscana, AIT) and the national economic regulator ("ARERA"). The purpose of the planned investments is twofold: (i) improving the efficiency of the potable water supply system while increasing its resilience to droughts and possible impacts of climate change, and (ii) eliminating the current situation of non-compliance with the Urban Wastewater Treatment Directive 91/271/EEC ("UWWTD") under the Infringement procedure n. 2014/2059. The Project also comprises investments in wastewater collection and treatment infrastructure in municipalities that do not fall under the aforementioned infringement procedure and are geared towards compliance with EU Directives, in particular the Water Framework Directive 2000/60/EC and the UWWTD, the respect of the service standards defined in the in-house concession agreement and the agreed service standards.

The investment plan increased resilience to the effects of climate change, notably through non revenue water reduction and bulk water transport and interconnections of water systems to increase resilience towards drought periods that were and still are persistent in Italy. These investments allowed to better cope during the summer 2022 drought.

The operation has also allowed to close the last remaining infringement cases in the promoter service area. Moreover, all expected environmental benefits (in terms higher ecological quality of surface and groundwater) have been achieved.

#### **Summary opinion of Environmental and Social aspects at completion:**

EIB is of the opinion based on reports from the promoter that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.