

Luxembourg, 18 November 2025

Environmental and Social Data Sheet

This draft ESDS is published for information purposes and cannot be considered to represent the final position of the EIB regarding the environmental and social aspects of the project. Until a decision to finance the project is taken by the EIB's Board of Directors, this document may be subject to changes. Once a decision is taken, the final document will be published in the Public Register on the EIB website. Questions and comments regarding this draft ESDS can be addressed to InfoDesk@eib.org.

Overview

Project Name: SOLOMON WATER FACILITY

Project Number: 2024-0124

Country: Solomon Islands

Project Description: The Project consists of the additional financing to support the

reconfiguration of the sewerage system in Honiara, as part of the Urban Water Supply and Sanitation Sector Project

(UWSSSP) in the Solomon Islands.

E&S Risk categorisation: High as per paragraph 4.18 of The EIB Group Environmental

and Social Policy

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The Project concerns the construction of new sewer lines and of a small septage treatment plant (capacity of 60 m³ per day) in Honiara, the capital city of the Solomon Islands. The Project is part of the wider programme called "Urban Water Supply and Sanitation Sector Project" (UWSSSP). This programme includes investments in urban water supply in Honiara, in urban sanitation (sewers and sea outfalls), as well as other components.

The Project is categorised as "High Risk" because an Environmental and Social Impact Assessment (ESIA) was prepared for the sewer system, the new pumping stations and sea outfalls (the latter two are not part of this project).

The Project's Promoter is the Solomon Islands Water Authority (hereafter "Solomon Water" or "SW").

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.



Luxembourg, 10 December 2025

The Project location is within the urban area of Honiara and there are no nature conservation sites near or in the Project area.

The sewage collectors' works do not require an ESIA. However, for the Project's septage treatment component, the decision lies with the competent authority to decide if an ESIA Report would be required or not. The competent authority is the Ministry of Environment and Climate Change, Disaster Management and Meteorology (MECDM).

Appropriate legislation for the protection of the environment is in force in the Solomon Islands, particularly The Environment Act (1998), the Environment Regulation (2008), and the Environment Impact Assessment Guideline (2010) as amended

In line with this legislation, the MECDM issues a Development Consent, as defined in the above legislation, for works which require an ESIA.

The capacity of the Promoter in terms of managing environmental and social issues, as well as its capacity to implement projects in line with EIB Environmental and Social Standards, is deemed to be satisfactory.

For the Project's two components the situation is as follows:

- Sewer lines: they are covered by the Development Consent obtained on May 3rd, 2023 covering the sewers, outfalls and pumping stations, based on an ESIA prepared for these three components (the latter two are not part of the EIB project).
- Septage treatment plant: A separate Development Consent will be required for this plant, once the design of the septage plant, as well as community consultation will have been carried out.

Climate Change

Climate Change Mitigation

The collection and treatment of wastewater and septage will allow reducing greenhouse gas emissions compared to the current situation.

Climate Change Adaptation

A climate risk and vulnerability assessment was carried out as part of the Project's preparation studies. It concludes that the Project area is mainly vulnerable to sea level rise, increases in extreme wave heights, storm surges, increased temperatures, higher intensities and frequencies of extreme rainfall events. With this respect, the Project's sanitation infrastructure shall be designed to be climate resilient against the above threats.

EIB Paris Alignment for the Project

The Project has been assessed for Paris Alignment and is considered to be aligned both against low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (CBR).



Luxembourg, 10 December 2025

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty, SW, is in scope and screened out of the PATH framework, because it is not considered high emitting and/or high vulnerability.

Social Assessment

The Project is expected to bring important lasting benefits to the population of Honiara by reducing the nuisance from the current wastewater and septage discharge. The Project will also produce a positive impact on temporary employment.

The Project is not expected to result in significant permanent physical or economic displacement. If temporary restrictions or relocations occur due to construction activities, these will be managed in accordance with the Environmental and Social Management Plan (ESMP) prepared by the Promoter as part of the ESIA Report, as well as related plans, in alignment with EIB standards.

Public Consultation and Stakeholder Engagement

For the sewer component, an Environmental and Social Impact Assessment (ESIA) was carried out in accordance with national legislation. The ESIA process included formal public consultations and public hearings, as required under national law. The hearings were successfully completed, ensuring that affected communities, local civil society organisations and other stakeholders were informed of the project and had the opportunity to provide comments.

In addition, a Stakeholder Engagement Plan (SEP) and an Environmental and Social Management Plan (ESMP) were prepared by the Promoter, the latter as part of the EIA. The SEP will allow affected citizens to be properly informed about the Project, have access to grievance mechanisms, and benefit from transparent implementation, consistent with EIB and international standards.

For the septage treatment plant component, consultations will be conducted prior to application for the Development Consent.

Other Environmental and Social Aspects

The Promoter has a Gender Equality Strategy and Action Plan - Strategy for Gender Equality and the Empowerment of Women 2024, which shall be implemented from 2024 to 2026.

Conclusions and Recommendations

The project is expected to generate substantial long-term environmental and public health benefits. The Project requires no additional land take or resettlement.

The Promoter will be required to:

- Implement the Project in accordance with the Environmental and Social Management Plan, and the Stakeholder Engagement Plan.
- ensure that agreements with the selected contractors include requirements to guarantee that environmental and social aspects of works are carried out in line with the applicable national requirements, ILO standards and EIB standards.



Luxembourg, 10 December 2025

• Before the disbursement related to the septage treatment plant, submit to the EIB the relevant Development Consent, and if required, the relevant ESIA including the report on public consultation.

Considering these conditions, the Project is acceptable for EIB financing in Environmental, Climate and Social terms

