

19/09/2025

Environmental and Social Data Sheet¹

Overview

Project Name:	Vilnius Water and Sanitation II
Project Number:	2024-0489
Country:	Lithuania
Project Description:	The project will co-finance part of the 2025-2028 investment program of Vilniaus Vandenys, the company supplying drinking water and collecting and treating wastewater in Vilnius City as well as in parts of Vilnius, Šalčininkai and Švenčionys districts in Lithuania. The investments concern the extension and rehabilitation of water supply and wastewater collection and treatment infrastructure.
EIA required:	yes
Invest EU sustainability proofing required	yes
Project included in Carbon Footprint Exercise ² :	yes

Environmental and Social Assessment

The Promoter is Vilniaus Vandenys (VV) serving a population of about 570 000.

Environmental Assessment

The project aims at complying with the requirements of the Urban Waste Water Treatment Directive (91/271/EC and 2024/3019³), the Water Framework Directive (2000/60/EC), the Drinking Water Directive (EU) 2020/2184 and the HELCOM Baltic Sea Action Plan⁴ as well as the Law on Drinking Water Supply and Wastewater Management and the Law on Environmental Protection (Ref.No I-2223 approved on 21 January 1992, as amended) from Lithuania.

Strategic Environmental Assessment (SEA)

Vilnius is part of the Nemunas River Basin district. In 2023, the Ministry of Environment of the Republic of Lithuania approved the River Basin Management Plan (RBMP) for 2022-2027. The RBMP was subject to a SEA, in accordance with Directive 2001/42/EC.

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary

² 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.

³ This new Directive has not yet been transposed into national law, but its requirements have been taken into account for this programme.

⁴ HELCOM – Helsinki Convention, which regulates the protection of the Baltic Sea from all sources of pollution, specifically for Phosphorous (0.5 mg/l) and Nitrogen Removal (10 mg/l)



Environmental Impact Assessment (EIA)

An EIA was approved for the rehabilitation of Vilnius Wastewater Treatment Plant (WWTP) (refer also to the text under Appropriate Assessment below). The final EIA approval decision (number 1454420778841 on 02/02/2016) for the rehabilitation of Vilnius WWTP was provided to the Bank. The environmental permit was renewed on 2nd October 2020 and is valid until 1st February 2026. The project is expected to have no negative impacts on the Neris River (a Natura 2000 site), where the effluent of the WWTP is discharged, and minor temporary negative impacts on the air quality, noise and soil. These will be mitigated during construction.

The project includes multiple investments. In case further EIA studies will be required, the Promoter will be required not to allocate Bank funds to these components until the EIA study and/or the necessary appropriate assessments have been finalised and approved by the relevant competent authority. The competent authority for this project is, depending on the investment, the Lithuanian Environmental Protection Agency (Aplinkos Apsaugos Departas) or the Vilnius City Municipality.

Appropriate Assessment (AA)

According to Lithuanian law, approval from the National Park Management Authority (or other protected area) is required when applying for a construction permit for a specific investment.

The Vilnius wastewater treatment plant is not located inside a protected natural area but borders the Neris River, a Natura 2000 site. As part of the EIA, the impact of the renovation works at the plant were assessed. It was concluded that there is no botanically valuable vegetation at the plant site. The site is industrial, free of protected animals and no negative impact on biodiversity is expected, neither during site reconstruction nor during operations.

Environmental impacts

The investments in reducing water leakages will lead to a reduction of water abstraction from the groundwater wells, thus reducing the impact of the groundwater wells on the environment. These as well as the other investments in increasing the water and energy efficiency will reduce VV's energy consumption.

The extension of the sewer collection system and improvements in the Vilnius wastewater treatment plant will reduce pollution to groundwater and surface water, thereby improving the quality of water bodies as required by the River Basin Management Plan (RBMP) and contributing to achieving the environmental objective of the Water Framework Directive 2000/60/EC (WFD).

The project is deemed fully consistent with the objectives of the RBMPs and is expected to bring substantial health advantages and lasting environmental benefits in the form of increased service coverage and quality, and reduced pollution to ground- and surface water. The benefits are expected to outweigh the negative impacts, which occur mainly during construction (traffic, noise, dust and drainage) and can be easily mitigated.

Climate Assessment

Climate Change Mitigation

The extension and rehabilitation of the networks and pumping stations as well as the investments in digitalisation are expected to reduce the energy consumption and thus the greenhouse gas emissions.

Climate Change Adaptation

The extension of the drinking water treatment will improve the drinking water quality for VV's customers, counterbalancing the impact of climate change on the water quality in shallow



groundwater sources. Also, the investments in monitoring the groundwater wells will support VV in adapting to the impacts of climate change on shallow groundwater sources.

The construction of public water fountains will allow the population of Vilnius to better deal with the increasing heat waves as a result of climate change.

The increase in stormwater buffer capacity in Vilnius wastewater treatment plant will allow the plant to better manage the increased precipitation intensity due to climate change, whilst also reducing flood risks.

Paris alignment

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.

EIB Paris Alignment for Counterparties (PATH) Framework

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

EIB Carbon Footprint Exercise

It was estimated that the project has an absolute emission of 23 kT CO₂/year and results in a small reduction of the emission of less than 1 kT CO₂/year. The EIB Carbon Footprint methodology 11.3 was used for these estimations. The carbon emissions from the Vilnius WWTP are based on the latest average loads to the Vilnius WWTP for 2024.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be pro-rated according to the EIB lending amount signed in that year, as a proportion of project cost.

Social Assessment

The proposed investments will increase the population with access to clean drinking water and sewage networks, improve the treatment of wastewater and reduce the discharge of untreated sewage to ground- and surface water. The reduced pollution will be beneficial for public health. The project will also increase the energy efficiency of the Promoter and thus prevent increasing costs for the population especially with the increasing energy prices. The project will yield lasting positive social benefits and improve the living conditions of the people in the service area of VV.

The works will also contribute to employment creation during construction. Temporary adverse social impacts may include the following: disruption of services and traffic, noise, temporary occupation of public and private space, and health and safety hazards during construction. Such impacts are common for this type of project, and the mitigation of expected adverse social impacts will be addressed as part of the planning for each scheme.

Public Consultation and Stakeholder Engagement

Public consultation takes place at different levels during the definition of investments and their detailed roll-out depending on the type of investment.

In the course of the project preparation, all the screening decisions and the required EIA for the reconstruction of the Vilnius WWTP, were made public as required by the applicable Environmental Impact Assessment legislation in Lithuania.

Under the EIA process, on 17, 18 and 21st April 2015, the Promoter informed all stakeholders and the public about the proposed rehabilitation works for the Vilnius WWTP. The general public was informed about the public hearing regarding the presentation of the EIA report, which took place on the 21st September 2015.



Finally on 5th January 2016, the Environmental Protection Agency published the EIA information. During the consultation period, no comments were received with respect to the project component.

There was a public consultation process for the Vilnius Green City Action Plan 2024-2029 which includes an assessment of the water supply and wastewater situation in Vilnius City with key challenges and obstacles to be solved in the future.

Where relevant, the Promoter will be required 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.

Other Environmental and Social Aspects

Since 2003, VV has been certified according to the requirements of ISO 9001 (quality management systems) and ISO 14001 (Environmental Management Systems) standards.

Conclusions and Recommendations

By rehabilitating and upgrading the water supply and wastewater facilities, the project is expected to generate a positive impact on the environment; support climate change mitigation and adaptation; and contribute to the improvement of living conditions of the inhabitants in the service area of Vilniaus Vandenys in Lithuania. The project is deemed fully consistent with the objectives of the RBMP. The benefits are expected to outweigh the negative impacts, which occur mainly during construction (traffic, noise, dust and drainage) and can be easily mitigated.

The Bank reviewed the environmental, climate and social aspects of the project. Considering that (i) the permitting processes identified limited residual environmental risk in the relevant documentation - subject to the implementation of the measures envisaged in the permits -, (ii) the mitigating impact of the project on climate change and the low climate vulnerability risk, and (iii) the low social risk, it was concluded that no further sustainability proofing is needed.

All components covered by the project will be subject to the Promoter complying with the following requirements:

- The Promoter will be required to act according to the provisions of the relevant EU Directives, EIA Directive (2011/92/EC) amended by the EIA Directive (2014/52/EC), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives.
- The Promoter will be required not to allocate Bank funds to project components that require a full EIA study until the EIA study and/or the necessary appropriate assessments have been finalised and approved by the relevant competent authority. Once any EIA study is available, the Promoter will provide the Bank with an electronic copy of the EIA study, for publication on the EIB website.
- The Promoter will be required to provide to the Bank, any decisions issued by the competent authority that screen out project components and the main reasons for not requiring an EIA study with the reference to the relevant criteria listed in Annex III of the EIA Directive (if relevant).
- The Promoter will be required to include measures to mitigate impacts, associated with the construction phase, in the Environmental Management Plans of the work contracts to be implemented by the Contractors during construction.

Based on the information available and with appropriate conditions and monitoring, the project is acceptable for EIB financing in environmental and social terms.