

Environmental and Social Data Sheet

Overview

Project Name:	SVS - NORTH BOHEMIAN WATER INFRASTRUCTURE
Project Number:	2025-0033
Country:	Czech Republic
Project Description:	The project covers various investments related to the rehabilitation, modernization and development of the water and wastewater infrastructure in the Ústí nad Labem region
E&S Risk categorisation	Low

Project included in Carbon Footprint Exercise¹: yes

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

Environmental and Social Assessment

Environmental Assessment

The Promoter of this operation is the Severoceska Vodarenska Spolecnost AS (SVS), the regional water utility responsible for providing water and wastewater services within North Bohemian region of the Czech Republic.

The project concerns the Promoter's 2025-2030 Investment Plan focusing on investments in the Usti and Labam region. The scope of the programme includes the development and upgrading of drinking water production treatment and distribution facilities, wastewater collection and treatment systems.

The investments are planned to improve the resilience, availability and safety of the drinking water supplies to address identified climate change related risks such as increased temperatures and droughts. Regarding the wastewater infrastructure the planned investments will improve surface water quality by increasing treatment capacity of plants and closing down several storm water outfalls in combined sewers.

The project also contributes to continued compliance with the EU Drinking Water Directive 2020/2184, the EU Urban Wastewater Treatment Directives 91/271/EEC and 2024/3019 and the Water Framework Directive 2000/60/EC as it will ensure safe provision of drinking water and sanitation services to the concerned population.

Strategic Environmental Assessment (SEA) procedure

Individual components themselves have not been subject to an SEA. However, the investment plan is aligned with the Programme of Measures of the latest River Basin Management Plans

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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(RMBP) for the river Elbe and Oder basins approved by the government in January 2022. These RMBPs were subject to a SEA procedure as required by the Water Framework Directive 2000/60/EC. Prior to their approval, the SEA procedure had been concluded in the course of 2021. The SEA competent authority at the time was the Ministry of Agriculture.

Environmental Impact Assessment (EIA) procedure

The EIA Directive (2014/52/EC) amending the EIA Directive 2011/92/EC, is fully transposed in The Czech Republic. Given the scope of the project, the EIA procedure falls under the jurisdiction of the regions. For this project the competent authority is the Ústí and Labem Region, Department of the Environment and Agriculture (Ústecký kraj, Odbor životního prostředí a zemědělství).

Regarding the sub-projects under the project, to date no requirement for an EIA or any impact on nature protected areas including Natura 2000 areas has been identified. Implementation of the sub-projects is expected to take place within the boundaries of existing water and wastewater treatment plant sites owned by the Promoter or within the Promoter's service area, which is predominantly located within urban environment or following, to the extent possible, existing routes of water mains and sewers.

Given that the project is an investment programme, the environmental screening process of the project components is still ongoing and as a result, some of the project components may fall under Annex II of the EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU. This means that the decision as to whether an EIA is required or not, is left with the competent authority based on the criteria defined in Annex III of the Directive. Nevertheless, in case some components under the programme require a full EIA according to Directive 2011/92/EC as amended by Directive 2014/52/EU, the Promoter is obliged to inform the Bank accordingly and the respective EIAs will be published on the EIB website.

Environmental impacts

The project is expected to have significant positive long lasting environmental benefits, such as reduced pollution of surface waters by providing appropriate treatment of wastewater collected from currently un-serviced customers and closing storm overflows in combined sewer, as well as more efficient use of water resources. Investments in the infrastructure will contribute to achieving compliance with EU environmental legislation.

Negative impacts to the environment are assessed only as minor ones. During construction, temporary impacts on the environment such as noise and dust may occur. The prevention and mitigation of any of such impacts during the construction phase, will be done through adoption of the recommendations of environmental management practices to be implemented by contractors. During the operational phase, the negative impacts will be mitigated by the operational and control practices adopted by the promoter.

Climate Mitigation and Adaptation

The project is expected to positively contribute towards climate change mitigation and adaptation.

Mitigation will be achieved by several performance improvement measures, including but not limited to, energy efficiency interventions in water production facilities, reducing water losses in the water network, connecting currently un-serviced customers to a centralized wastewater collection and treatment system and increasing own energy generating capacity through use of renewables such as biogas production. These measures will contribute towards the overall reduction of energy requirements and will result in reduction of GHG emission.



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Adaptation to identified physical climate risks, such as increased frequency and magnitude of extreme temperatures and droughts, will be mainly achieved by increasing the production capacity of water treatment plants.

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).

EIB Carbon Footprint Exercise

Estimated annual emissions of the project in a standard year of operation are 23 kT CO₂/year absolute (gross) and -1 kT CO₂/year relative (net). This corresponds to an annual estimated emissions savings of 1,000 tons of CO₂ equivalent. These emissions concern the operation of the water and wastewater infrastructure included in the investment programme. The adopted baseline scenario does not consider the planned energy efficiency improvements, increase in own energy generation due to more extensive use of renewables, increase in water production and treatment of sewage from currently un-connected population.

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

EIB Paris Alignment for Counterparties (PATH) Framework

The core business of the Promoter is to provide water supply and sanitation services. It is a public sector entity and therefore in scope of the PATH framework. However, since it is not active in high emitting sectors, nor considered high vulnerability, it is screened out of the PATH framework.

Social Assessment

The proposed investments will improve access to safe drinking water and sanitation. The investments will result in more resilient and reliable water and sanitation services at affordable prices. This will yield lasting positive social benefits, including improving the living conditions of the inhabitants within the service area of the Promoter and thus they will be beneficial for the public health.

Public Consultation and Stakeholder Engagement

Regarding the sub-projects included in the project's scope, where relevant, 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. Consultations with affected communities and interested parties are to take place in line with the requirements of the Directives.

Other Environmental and Social Aspects

During the project's due diligence, the Promoter has demonstrated sound practice with respect to environmental, health and safety management. In addition to procedures to meet regulatory requirements, the utility has a comprehensive environmental management system, which is applied to new projects and monitors ongoing operations as well.

Conclusions and Recommendations

By developing and upgrading the water and sewerage infrastructure the project is expected to generate significant positive impacts on the environment and social capital and to contribute to the improvement of living conditions of the inhabitants within the service area of the Promoter.

All project components covered by the programme 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, including the EIA (2014/52/EC) amending the EIA Directive 2011/92/EC, Habitats (92/43/EEC) and Birds (2009/147/EC) Directives, EU Drinking Water Directive 2020/2184, the EU Urban Waste Water Treatment Directives 91/271/EEC and 2024/3019 and the Water Framework Directive 2000/60/EC.
- The Promoter will be required not to allocate Bank funds to project 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.
- The Promoter undertakes to provide to the Bank, if requested, any decisions issued by the competent authority that screen out project components and the main reasons for not requiring EIA with the reference to the relevant criteria listed in Annex III of the EIA Directive.
- With regards to any project component aimed at the expansion of groundwater production capacity within the Promoter's service area, before any disbursement of the Bank's funds, the Promoter will be required to submit to the Bank of all environmental decisions of the competent environmental authority.

Considered the above, the Project is acceptable for EIB financing from an environmental and social point of view.