

Environmental and Social Data Sheet¹

Overview

Project Name:	PWN - SUSTAINABLE DRINKING WATER SUPPLY II
Project Number:	2025-0345
Country:	Netherlands
Project Description:	The operation will co-finance part of the 2026-2029 investment programme of PWN, the fourth-largest water supply company in the Netherlands. The investments will extend and rehabilitate the drinking water distribution networks (hereinafter the "Operation").

E&S Risk Categorisation:	Low risk
Invest EU sustainability proofing required	Yes
Project included in Carbon Footprint Exercise ² :	No

Environmental and Social Assessment

This is the fifth operation with PWN (Waterleidingbedrijf Noord-Holland – North Holland Province Water Company) as Promoter.

Environmental Assessment

The Operation will co-finance part of PWN's 2026-2029 investment programme, consisting of the extension and rehabilitation of the distribution network as well as the installation of smart water meters. The programme is developed by an experienced promoter and takes into consideration environmental and social aspects as required by European and national requirements. The Dutch legislation complies with the relevant EU Directives (Drinking Water Directive (EU) 2020/2184, Strategic Environmental Assessment Directive 2001/42/EC, Environmental Impact Assessment Directive 2014/52/EU, Water Framework Directive 2000/60/EC, Birds Directive 2009/147/EC, Habitats Directive 92/43/EEC). The Promoter is well aware of these requirements and acts accordingly.

Strategic Environmental Assessment (SEA) procedure

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.

Most of the key investments fall within higher level strategic frameworks, such as the River Basin Management Plan, National Water Plan, Provincial Water Plans, and local Spatial Plans. These plans have all undergone Strategic Environmental Assessments (SEA) as per the Directive 2001/42/EC.

Environmental Impact Assessment (EIA) procedure and Appropriate Assessments (AAs)

The Operation includes multiple investments. At the time of the appraisal, none of the investments require an EIA nor are they expected to impact any Natura 2000 areas. Nevertheless, in case any EIA studies and/or AAs will be required, the Promoter will be required not to allocate Bank funds to these components until the EIA study and/or the necessary AAs have been finalised and approved by the relevant competent authority, which is generally the Province of North-Holland. The EIAs and AAs (if required) will be published on the EIB website.

Environmental impacts

The investments in the rehabilitation of the distribution networks and in the smart water meters are expected to reduce water leakages, pipe bursts and water consumption, which will lead to a reduction of the water intake, treatment and pumping requirements and thus a reduction in the energy consumption. On the contrary, the extension of the distribution network to provide drinking water supply to new housing will lead to some additional water demand. The additional water demand is met by the water supply sources that are included in the Rhine River Basin Management Plan (RBMP) and are compliant with the Water Framework Directive (WFD) principles.

The Operation is deemed fully consistent with the objectives of the Rhine RBMP. Other negative impacts are expected to occur mainly during construction (traffic, noise, dust and drainage) and can be easily mitigated.

Climate Assessment

Climate change mitigation:

The rehabilitation of the networks is expected to reduce water losses since the new pipes will have less leakages than the existing pipes and because of a reduction in pipe bursts. The installation of the smart water meters is expected to reduce the water consumption. Together they will reduce the water intake, treatment and pumping requirements and thus the energy consumption and the greenhouse gas emissions.

Climate change adaptation:

The reduction in water losses and water consumption will also support the Promoter to adapt to the expected higher temperatures in summer, which could lead to an increased peak water demand and the expected longer droughts in summer which could impact the water quality and availability of the surface and groundwater supply sources, increase peak water demand, reduce groundwater levels and thus increase ground settlement and lead to more damages in the distribution network.

Paris Alignment of projects:

The Operation 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 PWN is in scope and screened out of the PATH framework, because it is not considered high emitting nor high vulnerability.

Social Assessment

The Operation will generally benefit public health, by providing drinking water supply to new housing, and by increasing reliability and water supply security. The Operation will also increase the water efficiency and thus energy efficiency of the Promoter which helps to maintain affordable water supply despite the increasing energy prices. The Operation will yield lasting positive social benefits and improve the living conditions of the people in the service area of PWN.

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 these types of investments, and the mitigation of expected adverse social impacts will be addressed as part of the planning for each scheme.

Public Consultation and Stakeholder Engagement

In its "Ondernemingsvisie 2025-2030", the Promoter states its ambition to be a reliable partner towards clients, partners and affected population, investing in relations with stakeholders and clients and actively sharing knowledge and information. All works are published on the Promoter's website. Consultations with affected communities and interested parties take place in line with the requirements of the relevant EU Directives.

Conclusions and Recommendations

By extending, rehabilitating and upgrading the water supply networks and installing smart water meters, the Operation is expected to generate a net 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 PWN in the Netherlands. The Operation is deemed fully consistent with the objectives of the Rhine River Basin Management Plan. 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:

- the permitting processes identified limited residual environmental risk in the relevant documentation - subject to the implementation of the measures envisaged in the permits -,
- the mitigating impact of the Operation on climate change and the low climate vulnerability risk, and
- the low social risk,

it was concluded that no further sustainability proofing is needed.

Environmental and Social Conditions

All components covered by the Operation 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 and/or an appropriate assessment (if relevant) until the EIA study and/or the necessary appropriate assessments have been finalised and approved by the relevant competent authority. Once any EIA study and/or appropriate assessment is available, the Promoter will provide the Bank with an electronic copy of the document, 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 implement the measures required to mitigate impacts, associated with the project (if relevant).

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