

Environmental and Social Data Sheet

Overview

Project Name: CAP HOLDING SETTORE IDRICO MILANO (2014-0352)
 Project Number: 2014-0352
 Country: ITALY
 Project Description: Multi-scheme investments (all schemes with an investment cost below EUR 25 M) in water and wastewater sector over the period 2014-2017.

EIA required: yes

This is a programme made up of multiple schemes. Some of them might require an EIA

Project included in Carbon Footprint Exercise: no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The operation will support CAP Holding 2014-2017 Investment Programme in the provinces of Milan and Monza-Brianza. It will ensure compliance with environmental standards set by the Water Framework Directive 2000/60/EC and the Urban Waste Water Directive 91/271/EEC, with which Italy is still not fully compliant. It will also contribute to improve the quality of the water supplied as required by the Drinking Water Directive 98/83/EC together with a more efficient water supply service to customers.

The *Programma di Tutela delle Acque*, corresponds to the WFD's River Basin Management Plans, and defines the priorities for the relevant investments in the water sector. This Programme was approved by the Regional Authority with date 13 April 2006, having been subject to a strategic environmental assessment according to the SEA Directive 2001/42/EC.

Part of the investment will improve the resilience of the water supply system, in particular by reducing dependence on groundwater of poor quality with high nitrates and requiring a more advanced and energy-demanding treatment. The Promoter shows a good environmental awareness.

This operation is therefore fully driven by environmental and customers' service and health considerations, making it acceptable for EIB financing. As some works might require a full EIA according to directive 2011/92/EC or affect protected areas, the operation will be subject to the Promoter complying with the following requirements:

- The Promoter undertakes not to allocate the Bank funds to programme components that require an EIA until the necessary assessment has been finalised and approved by the competent authority. Once any EIS is available, the Promoter will provide the Bank with an electronic copy of its Non-Technical Summary (NTS) for publication on the EIB website.
- The Promoter undertakes to provide to the Bank, if requested, with any decisions that screen out project components from being subjected to a full EIA.
- The Promoter shall not commit any EIB funds against any scheme that may have potential effects on a site of nature conservation importance, without receiving the conclusions of the appropriate assessment carried out according to Articles 6(3)

and/or 6(4) of the Habitats and Birds Directives from the competent Authority and informing the Bank that the confirmation that there are no significant impacts has been obtained.

Environmental and Social Assessment

Environmental Assessment

The EIA Directive 2011/92/EU, Birds Directive 2009/147/EC, Habitats Directive 92/43/EC and SEA Directive 2001/42/EC have all been transposed into Italian legislation. The verification of the environmental compliance is implicitly incorporated into the procedures.

The schemes will have a number of impacts on the environment, both positive and negative. The highest positive effects can be expected from the wastewater components, seeking compliance with the EC Urban Waste Water Treatment Directive 91/271/EC as amended by Directive 98/15/EC, as well as the requirements under the Water Framework Directive 2000/60/EC. These are expected to result in an improvement of the quality of the water bodies receiving the wastewaters. Some other components will support CAP Holding in complying with the requirements of the Drinking Water Directive 98/83/EC on the quality of water intended for human consumption and increasing the resilience of the systems. Some schemes could have an impact on the environment, notably in the construction phase.

CAP Holding has a strong environment and responsible energy consumption policy in place demonstrated by the significant percentage of its energy consumption coming from renewable sources –e.g. biogas from the digestion of wastewater sludge-. It exceeded one third of the total consumption in 2012.

It has promoted several initiatives to raise awareness of responsible water consumption, which also includes environmental education at schools.

The Promoter is well aware of the requirements of the Italian and European legislation and is ISO 14001:2004 certified (Environmental Management Systems).

Social Assessment, where applicable

Social impacts include the possible disruption of services, noise and temporary occupation of public or private space, traffic disruptions, and safety hazards, common for this type of projects in urban environments, and will be addressed as part of the planning permissions.

Public Consultation and Stakeholder Engagement, where required

The Promoter has to ensure compliance with national and European environmental and nature regulations and facilitate the access by the public to environmentally relevant information in accordance with the Aarhus Convention.

Other Environmental and Social Aspects

The Promoter has a very customer-oriented policy in place, in order to provide a transparent and efficient service. Some initiatives have been launched during the last 3 years in this sense, such as a monitoring survey for customer satisfaction, the redesign of the bill presentation in a clearer way to the customers, an online billing service, smartphone apps and insurance schemes against leaks within the private property.

CAP Holding recently carried out several international cooperation initiatives in Kenya, Peru and Senegal.