Luxembourg, 7th February 2012

Environmental and Social Data Sheet

Overview

Project Name: Snam Rete Infrastrutture II

Project Number: 2011-0118

Country: Italy

Project Description:

The project concerns the construction and commercial operation of new gas transmission infrastructure in the north of Italy. It intends to facilitate gas flows from east to west in order to maintain the security of gas supply in the north-eastern region, a large consumption area in Italy. The project has three main components:

i) The first component is a gas pipeline from Poggio Renatico to Cremona. It will have a length of 149 km, a nominal diameter of 1200mm, a peak capacity of 23 MSm^3/d, and will be operated at a maximum pressure of 75 barg.

ii) The second component is a gas pipeline from Zimella to Cervignano. It will have a length of 171 km, a nominal diameter of 1400mm, a peak capacity of 50 MSm^3/d, and will be operated at a maximum pressure of 75 barg. This component includes

iii) The third component is a station at Sergnano that will connect the DN1400 pipeline Zimella-Cervignano to the national gas network and that will prepare also for the tie-in of future infrastructure planned.

EIA: Required

Project included in Carbon Footprint Exercise[1]: No

(Details are provided in section: "Carbon Footprint")

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

Both pipelines have been subject to environmental assessments including an evaluation of nature conservation issues. The assessment of the Zimella-Cervignano pipeline comprises the new connecting station at Sergnano. Environmental authorizations have been granted by the competent authority in 2009 and 2011. Impacts identified in the EIAs are typical for this type of investment, mainly temporary and related to the construction phase. The assessments also show that the pipelines will cross several Natura2000 sites, but conclude that there will be no significant negative residual impacts provided the identified mitigation measures are properly implemented. The conclusions of the EIAs are acceptable to the Bank.

Environmental and Social Assessment

Environmental Impact and Mitigation

The pipeline components fall by their technical characteristics (length and diameter) under Annex I of the Directive 97/11/EC and amendments. EIAs had been submitted in 2006 and 2009, including assessments of Natura2000 issues as requested in the Habitats and Birds directives.

The pipelines display typical impacts, i.e. mainly temporary impacts related to construction works (clearing of rights of way, noise, dust, increased traffic, temporary access restrictions,

[1] Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

construction camps and lay-down areas, waste disposal, crossing of highways and rails). These impacts can usually be well managed by appropriate measures taken by the construction company in order to avoid unacceptable nuisance levels to other parties and the public. Typical, but often longer lasting construction activities concern the crossing of large water ways, as the case for both pipelines.

Modern installation technologies such as horizontal drilling will contribute to reducing construction impacts. Pipeline routes are determined in a way to avoid environmentally sensitive areas to the extent possible, and to comply with operational safety requirements. The pipelines will be underground and follow existing rights of way where appropriate, thus maintaining the integrity of sensitive zones, albeit sometimes fractioning areas through the rights of way and above ground block valve stations that are required for proper maintenance and safety reasons. EIAs and permits from the competent authority do address provisions required for construction activities in Natura2000 sites concerned.

EIB Carbon Footprint Exercise

Project is not included - the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

Social Assessment

The main social impacts of the project concern the compensation for leasing the pipeline's right of way, the purchase of land for above ground valve stations and the compensation for the loss of crops. Compensations are usually set by law. The promoter informed that in several cases it had to enforce rights of way and acceptance of compensations by land owners through expropriation procedures under the national legal system. Other social impacts are the temporary employment effect resulting from construction works.

Public Consultation and Stakeholder Engagement

The promoter informed that the public has been appropriately consulted through notification in local and national newspapers, and municipality boards. EIA documents have been made available also on the website of the competent authority. Extensive consultation with environmental authorities and other stakeholders was carried out and results incorporated into the design of the pipelines. The promoter is not aware of any outstanding environmental issue that could raise opposition from stakeholders involved.