

Environmental and Social Data Sheet

Overview

Project Name: VIZCAYA WATER & SEWERAGE (2015-0717)
 Project Number: 20150717
 Country: SPAIN
 Project Description: Financing of investments in the extension and modernisation of the water and sewerage infrastructure in the province of Vizcaya, Spain.

EIA required: yes

This is a programme made up of multiple schemes. Some schemes might require an EIA. The Promoter shall provide the link to the website where the NTSs are published or send copies to the Bank.

Project included in Carbon Footprint Exercise: no

Environmental and Social Assessment

Environmental Assessment

Compliance with applicable Environmental Legislation (regional Law 3/1998 of 27 February, of environmental protection in the Basque Country), national (Law 21/2013 of 9 December, of environmental evaluation of projects) and EU (EIA Directive 2011/92/EU) is inherent to the definition of the Promoter's project cycle.

In compliance with the requirements of the Water Framework Directive 2000/60/EC, the Royal Decree 1/2016 of 08 January approved the River Basin Master Plan (RBMP) of Second Cycle 2015-2021 for the *Cantábrico Oriental*. This RBMP integrates competences from both the Basque country (responsible for the internal basins) and the Central Government (for the multiregional basins). It has been subject to a Strategic Environmental Assessment (SEA) as required by the SEA Directive 2001/42/EC. Water investments required to achieve environmental targets set by the RBMP are included in the proposed operation that complies with the above mentioned directive.

Consortio de Aguas de Bilbao Bizkaia (CABB) is the promoter of the investments and will be the implementing agency for this operation. Most of the components are subject to the simplified procedure of environmental assessment. CABB is the competent authority as established in Law 3/98 of environment in the Basque Country. The only component falling under Annex I of the EIA Directive thus requiring a full EIA concerns the Arratia River hydropower generation scheme. In this case, the competent environmental authority is the Cantábrico River Basin Authority under the responsibility of the Ministry of Agriculture and Environment of the Central Government. Only one component is located in a Natura 2000 area: the Aulesti waste water treatment plant, designed for a treatment capacity of 834 population equivalent.

Territorio Histórico de Vizcaya has made exceptional progress since 1979 after the approval of the Bilbao Sanitation Master Plan to clean-up the pollution in rivers, the Nervion River estuary and sea water caused by the heavy industrial pollution and domestic wastewater. None of the infringement cases that the European Commission has for non-compliance with the Urban Waste Water treatment Directive 91/271/EEC relates to the service area of CABB.

Climate Change Adaptation and Mitigation

Different scenarios foresee more extreme weather conditions, presumably as consequence of climate change for the Basque Country. Statistics show longer periods with no rainfall during the last years. This results in more frequent drought periods, floods and sewer overflows. The

Department of Environment and Regional Planning of the regional government highlights that *the majority of water supplies show an average to very high vulnerability due to changes in water yield. It also mentions that, the peak flow of the rivers will increase by 20% and, consequently, the flood-prone area (by 3%), with a 15% rise in economic losses due to flooding by 2050. In the River Nervion basin, maximum rainfall will rise by 14% between 2001 and 2050, which will increase its peak flow and its flood-prone zone. Urban areas are at greatest risk due to flooding.*

In June 2015, the Basque Government approved its Climate Change Strategy in line with the targets set by the European Union-, which aims at minimizing its vulnerability while progressing towards a sustainable economy. The proposed investments comply with this strategy through ensuring the resilience of water supply systems to climate change. The water component concerning the *Comarca de las Encartaciones* Phase I and II aims at improving the capacity and operation of water transfer between the two different water sources supplying the area of Bilbao. It will secure the supply to the population during drought periods and hence it is expected to improve climate change resilience of the system. The storm water storage infrastructure to be financed under this operation will also improve the capacity of the existing collection systems during extreme rain events, meaning less overflows of untreated sewage will occur.

Rainfall patterns have been properly updated and incorporated into hydrological models and climate change effects are taken into consideration during the project preparation phase of the investments.

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. All these impacts, especially for those located in urban areas, will require strict management to minimize the negative disturbances, inconveniences and impacts common for this type of project and will be addressed in the planning permission.

Public Consultation and Stakeholder Engagement

Public consultation takes place at all levels of the definition of investments. As part of its internal procedure, CABB consults all entities concerned e.g. municipalities, Territorio Histórico de Vizcaya, Agencia Vasca del Agua, the Basque Government, etc. at an early stage of the project even if it is not required. Comments are properly taken into consideration and they often result in changes to the designs.

Other Environmental and Social Aspects

N/A

Conclusions and Recommendations

Most of the proposed investments aim at anticipating climate change consequences of floods and droughts by increasing the resilience of bulk water and storm water collection systems. This programme will also ensure compliance with the environmental standards set by relevant EU legislation i.e. Urban Wastewater Treatment Directive (91/271/EEC), the Water Framework Directive (2000/60/EC) and the Drinking Water Directive (98/83/EC). The storm water storage facilities will also ensure that discharges during heavy rain conditions comply with the legal requirements set by the Urban Waste Water Treatment Directive (91/271/EEC).

Through the wastewater schemes, the proposed investments will have a high positive environmental impact on surface water quality. The water supply components will also ensure and improve the quality of the bulk water supply service provided to the municipalities. The resilience of the water supply to the area of Bilbao will significantly improve through the

connection of the two main water sources. The operation will also have a positive social impact through the generation of local employment during construction.

Consortio de Aguas de Bilbao Bizkaia (CABB) shows good environmental awareness and has developed operating procedures to optimise the performance and cost-effectiveness of its systems. The approval process of the investments complies with the requirements of the EIA (2011/92/EU) and SEA Directives (2001/42/EC).

No funds will be allocated to components that would require an EIA until the necessary assessment has been finalised and approved by the competent authority. The EIA will be published on the EIB website. The Bank will also be informed of the conclusion of the appropriate assessment under the Habitats 92/43/EEC and Birds 2009/147/EC Directives carried out from the competent Authority.

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