

Environmental and Social Data Sheet

Overview

Project Name:	<i>WATER INFRASTRUCTURE MODERNISATION II</i>
Project Number:	<i>2012-0207</i>
Country:	<i>Georgia</i>
Project Description:	<i>Investments to build, rehabilitate and modernise municipal water sector infrastructure</i>
EIA required:	<i>NO</i>
Project included in Carbon Footprint Exercise ¹ :	<u><i>NO</i></u>
(Details are provided in section: "Carbon Footprint")	

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

The Programme is strongly environmentally and socially driven and therefore has predominantly positive effects for the beneficiaries and the environment. Most of the works to be carried out under the Programme are upgrades of existing sites, with limited impact related mainly to the construction phase

Georgia has been one of the few countries of the former Soviet Union to actively develop its environmental legislation. It is not a candidate EU member state so there is no transposition of full alignment with the EU acquis. In accordance with Bank guidelines, the promoter will hence be required, to follow the appropriate EU environmental and social principles, standards and practices, subject to local conditions.

Given the small size of the individual programme schemes, according to the promoter no EIA is required under national law. An EIA would also not be expected to be required if it had been in the EU. Nonetheless the usual environmental undertakings have been included, requiring the NTS of any required EIA to be sent to the Bank as well as the relevant consents issued for projects with potential impacts on nature conservation sites.

In addition, for all programme schemes the Promoter shall submit Fiches to the EIB for approval, including an environment information section, accompanied where applicable, with the respective documents and environmental consents issued by the relevant Georgian authorities.

Given the generally positive impacts and the general legislative framework and safeguards, the Project is considered sound for EIB financing.

Environmental and Social Assessment

Environmental Assessment

The promoter is the United Water Supply Company of Georgia (UWSCG). Compliance with applicable Environmental Legislation (national and EU) is inherent to the definition of the Programme. Specifically, the Promoter has to comply with the requirements found in the laws

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.

On Environmental Protection of December 10, 1996 (the "Environmental Protection Law"), On State Ecological Expertise of October 15, 1996 (the "Ecology Law"), On Environmental Permit of October 15, 1996, On Subsoil of May 17, 1996 (the "Subsoil Law"), On Protection of Atmospheric Air of June 22, 1999 (the "Air Protection Law") and On Water of October 16, 1997, and with SEA Directive 2001/42/EC, EIA Directive 2011/92/EU, as well as with the Habitats Directive 92/43/EEC and Birds Directive 2009/147/EC. Compliance with national legislation and the EU environmental and social principles, standards and practices has to be evidenced within the approval process of Fiches for all Programme components. The Programme will provide a significant positive environmental and public health impact and contribute to meeting the country's needs in the water and sanitation sector, in line with EU Environmental Legislation, in particular Water Framework Directive 2000/60/EC. The Programme is the second operation with the UWSCG in Georgia. Both the past and present operation are addressed to small municipalities around the country. The two largest cities, Tbilisi and Batumi, are treated by separate projects. The water sector faces big challenges in terms of quality of service and the technical and financial sustainability. The present Programmes carried out together with the UWSCG attempt to address these issues by focussing on water supply, metering, billing, to create sustainable systems, so as to be able, in a next phase, to focus more on sanitation measures. Presently there are no operational wastewater treatment plants in Georgia, and the priority is given to sanitation and wastewater treatment investments in the largest cities only. The Fiches will have to document the water and sanitation strategy for each service area.

The Programme is strongly driven by environmental and water quality concerns, and energy efficiency. Most of the works to be carried out under the Programme in the urban areas are upgrades of existing sites, reducing the overall impact of construction works.

Relevance on Climate Action

The EIB technical services estimate that roughly 10% of the investment contributes to climate change mitigation through the application of best available technologies with high level of energy efficiency and therefore emission savings, and to climate change adaptation through the protection of existing surface and ground water sources from pollution and/or over abstraction.

EIB Carbon Footprint Exercise

The programme is not included – according to the EIB Carbon Footprint Methodologies this programme is below the methodology thresholds for detailed evaluation.

Public Consultation and Stakeholder Engagement, where required

Public consultation will take place at all levels of the definition and preparation of investments where required for compliance with local legislation and principles standards and practices of the Bank.

Other Environmental and Social Aspects

n/a

PJ/ECSO