

Luxembourg, 13 October 2016

Environmental and Social Data Sheet

Overview

Project Name: MM WATER INFRASTRUCTURE UPGRADE
Project Number: 20150851
Country: Italy
Project Description: 2016-2020 water and wastewater investment programme in MM's service area in the City of Milan.

EIA required: yes

This is an investment programme made up of multiple schemes. Some of them might require an EIA under Annex II of the EIA Directive 2011/92/EC as amended by Directive 2014/52/EU.

Project included in Carbon Footprint Exercise¹: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The programme concerns the 2016-2020 water and wastewater investments of MM S.p.A. ("MM" or the "Promoter"), which serves a resident population of over 1.3 million inhabitants in the metropolitan area of Milan and approximately 700,000 work commuters and visitors. The programme is composed of schemes that are included in the master plan ("*Piano d'Ambito*") as regularly updated with the local authority ("*ATO unico della Città metropolitana di Milano*", previously "*ATO Città di Milano*") and the national economic regulator ("*AEEGSI*").

The master plan of the ATO service area constitutes the planning framework of the proposed operation, which is not subject to a Strategic Environmental Assessment ("SEA") according to Directive 2001/42/EC. It has been revised in 2015 in order to comply with the Regional Water Protection Plan ("*Piano di Tutela Delle Acque – PTA*") and to implement the requirements of the Water Framework Directive 2000/60/EC ("WFD"). The PTA is subject to a SEA.

The programme concerns mainly rehabilitation and upgrades of existing infrastructures. As such, it is expected to bring about important lasting environmental benefits that outweigh the negative impacts which occur mainly during construction (traffic, noise and dust). The timing and nature of the works included in the programme are geared towards compliance with EC Directives, in particular the WFD and the Urban Wastewater Treatment Directive 91/271/EEC, and the respect of the service standards in the concession agreement.

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.

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Some of the schemes might fall under Annex II of the Environmental Impact Assessment Directive (2011/92/EC) as amended by Directive 2014/52/EU. Should an EIA be required, the Promoter will be obliged to make the Non-Technical Summary ("NTS") of the EIAs publicly available. None of the schemes is expected to have an impact on protected sites.

The Promoter is experienced in its sector and familiar with the environmental and related procedures required to minimise negative impacts. It has a system of quality control with UNI EN ISO 9001 quality certification, UNI EN ISO 14001 environmental certification and UNI EN CEI ISO 50001 energy management certification.

The programme's area is mainly vulnerable to higher intensities of extreme rainfall events that are projected to increase due to climate change and have an impact on the sustainability and design of hydraulic infrastructure. The programme, through investments in improved wastewater collection and drainage infrastructure, also includes elements of adaptation to climate change. The programme is also expected to contribute to water and energy savings through increased efficiency of the water and wastewater systems and improved efficiency of the Promoter in managing the systems. Therefore the project contributes to the Bank's objective of Climate Action (Adaptation and Mitigation).

Social Assessment, where applicable

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

Public Consultation and Stakeholder Engagement

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

Other Environmental and Social Aspects

N.A.

Conclusions and Recommendations

This operation is fully driven by compliance with the EU relevant environmental directives, customer service and health considerations. All schemes covered by the programme will be subject to the Promoter complying with the following requirements:

1. The Promoter undertakes not to allocate Bank funds to programme components that require a full EIA until the EIA and/or the necessary biodiversity assessment have been finalised and approved by the relevant competent authorities, and the NTS of the EIA has been made available to the public. Once any EIA is available, the promoter will provide the Bank with an electronic copy of its NTS for publication on the EIB website.
2. The Promoter shall not commit any EIB funds against any scheme that impacts nature conservation sites, without receiving from the relevant competent authorities the declaration under Art. 6(3) of the Habitats Directive to confirm that there are no significant effects. The Promoter shall inform the Bank that such a declaration has been obtained.

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3. The Promoter undertakes to provide to the Bank, if requested, any decisions and subsequent justification that screen out project components from the requirement of a full EIA as well as the decisions issued by the competent authorities regarding the Habitats and Birds Directives.

The Promoter will be required to act according to the provisions of the relevant EU directives, including the EIA, Habitats and Birds Directives. Under these conditions the operation is acceptable to the Bank's financing.

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