

## Environmental and Social Data Sheet

### Overview

Project Name: *21 Rete Gas Distribution Network*  
Project Number: *2016-0514*  
Country: *Italy*  
Project Description: *Replacement, upgrading and extension of the Promoter's gas distribution networks throughout Italy in the 2017-2020 period.*

EIA required: no  
Project included in Carbon Footprint Exercise<sup>1</sup>: yes

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

### Environmental and Social Assessment

#### Environmental Assessment

The Programme comprises the following types of gas distribution network investments: network extension (with new connections), pipe replacement (cast iron and unprotected steel pipes replaced by polyethylene and protected steel); corrosion prevention and other network refurbishments.

The activities will be undertaken using standard technologies and the promoter is experienced. The main impacts occur during construction, are temporary in nature, and can be mitigated using work practices established in the sector.

Based on the technical characteristics, location and potential impacts of the investments envisaged and considering the criteria established under the national legislation no Environmental Impact Assessment ("EIA") studies are required for any Programme components.

The operation will provide environmental benefits through some reduction of methane leaks and through the substitution of more polluting fuel sources by gas.

#### EIB Carbon Footprint Exercise

The estimated annual absolute emissions of the programme in a standard year of operation are 183 kt CO<sub>2</sub>eq. The estimated emissions savings are 36 kt CO<sub>2</sub>eq/year. The absolute emissions include the emissions related to incremental gas supplied to serve the new connections. The baseline comprises the emissions related to fuel consumption (LPG and heating oil), which would be needed to meet the incremental demand without the gas distribution network extension. The network rehabilitation part of the programme is planned to realize some loss reduction. This amount is also added to the baseline, since those emissions

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<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

Luxembourg, 13 December 2016

would take place if the network rehabilitation was not completed. For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

### **Social Assessment**

The investments will take place in concession areas of the Promoter dispersed throughout Italy. For programme components to be implemented in areas with significant archaeological and urban heritage, the promoter has processes in place to ensure that the reinstatement of excavated areas is carried out rigorously, that the surface disturbance is minimised and in any case reinstated, and that in the case of any archaeological discoveries the relevant authorities are involved. The appraisal visit confirmed that due care was taken when areas of potential interest were discovered.

### **Other Environmental and Social Aspects**

The promoter has provided evidence of sound practice with respect to environmental management and confirmed that all new projects are assessed for environmental impact. In addition to systems to meet regulatory requirements, the promoter has a comprehensive environmental management system which assesses new projects and monitors on-going operations and follows regulations regarding management of cultural heritage assets.

The promoter is accredited to meet the standards of ISO 9001; ISO 14001 and OSHAS 18001. Site visits demonstrated the appropriate implementation of health, safety, security and environmental standards.

## **Conclusions and Recommendations**

The Programme will allow the Promoter to reinforce and continue developing its gas distribution networks to enhance safety and reliability and to meet demand for new connections. The Programme will provide environmental benefits through a reduction of gas leaks, energy efficiency measures and the substitution of more polluting fuels by gas.

The Promoter undertakes not to allocate the Bank's funds to any project component of the programme that requires an Environmental Impact Assessment ("EIA") until such assessment is approved by the competent authority, the construction permit issued, and both EIA and permit procedures are satisfactory to the Bank. An electronic copy of the Environmental Impact Studies ("EIS") and their Non-Technical Summary ("NTS") must be provided to the Bank when the NTS is made available to the public. A copy of the final consent from the competent authority must be provided to the Bank prior to start of construction.

Based on the environmental and social information provided by the Promoter and considering the technical characteristics of the project as well as the Promoter's undertaking, the Project is acceptable for EIB financing in E&S terms.

PJ/SQM/ECSO 17.10.2016