

Environmental and Social Data Sheet

Overview

Project Name: LAZIO UMBRIA MARCHE EARTHQUAKE RECOVERY FL
Project Number: 2016-0810
Country: Italy
Project Description: Loans to CDP and to the Republic of Italy to partially support the reconstruction and restoration of residential, industrial and public buildings, including preventive measures, affected by the earthquakes of August and October 2016 in Lazio, Umbria, Marche and Abruzzo regions and neighbouring provinces.

EIA required: Multiple-scheme operation. Some of the schemes may fall under Annex I or II of the EIA Directive and may be screened in.

Project included in Carbon Footprint Exercise¹: No

Environmental and Social Assessment

Environmental Assessment

The purpose of this framework loan is to finance partially the reconstruction of the area devastated by the successive earthquakes, between August-October 2016 and January 2017, affecting the regions of Abruzzo, Lazio, Marche and Umbria. The area concerned is mountainous and sparsely populated. Basic economic activities are agriculture and tourism as, except for the region of Marche, which has is a dynamic industrial area. Damages have been incurred on private and public buildings, economic and environmental assets, cultural and natural heritage and basic infrastructure. The seismic events have paralysed the normal livelihood of the affected area. Some historical centres, such as Amatrice, are completely destroyed and will have to be entirely reconstructed and, thus, in many cases, re-designed to comply with state-of-the-art safety measures.

The Italian government has approved three decrees in October, December and February, posteriorly one single law, encompassing the reconstruction measures and the organisation structure to carry out the reconstruction, the Special Commissioner. This body, in collaboration with the regions, the Special Deputy Commissioners and the municipalities, is in charge of the damages assessment, eligibility criteria and quality assurance from the technical, environmental, economic and financial point of view. The reconstruction in some places will involve new urban planning. These plans will be subject to Strategic Environmental Assessment. Other legal provisions are being prepared to manage emergency measures as well as to enhance the competence of the Special Commissioner in order to facilitate the

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.

Luxembourg, 15th June 2017

reconstruction of private buildings and to coordinate efficiently the regional reconstruction offices.

The project concerns rehabilitation or reconstruction on the same site. However, it is possible that some schemes fall under the EIA Directive 2011/92/EU, Annex II. Should any scheme under this operation fall under Annex II and be “screened in” by the Competent Authority, or fall under Annex I, the Promoter shall deliver the NTS of EIAs to the Bank, if applicable, before the Bank funds are allocated.

Although the great majority of the reconstruction will focus on population and economic activity, the affected regions also include special natural protection areas, therefore the Competent Authority has to provide evidence of the compliance with the Habitats (92/43/EEC) and Birds (2009/147/EC) Directives (Form A/B or equivalent) before the Bank funds are allocated.

The overall environmental and social impacts of the operations are expected to be positive since the main aim of the reconstruction is to re-establish, as far as possible and when the safety criteria allow it, the previous configuration of affected municipalities and population nuclei, particularly the areas of high historical and cultural value, to restore residents' quality of life and to minimise disruptions to business activities in area with declining demography. Moreover, the reconstruction of buildings and the replacement of productive equipment will also be taken as an opportunity to improve their energy efficiency performance, thus contributing to climate change mitigation.

The Italian government has a single authority with regard to Natura 2000 areas and environmental impact statements, which is considered more effective to assess impacts and is located in the municipality, province, region or central government according to the nature of the scheme and its impact.

The institutional capacity of the promoter to manage the environmental and social issues is deemed good or adequate, depending on their previous experience with the Bank.

Social Assessment, where applicable

The reconstruction of damaged public and private buildings is to be done in their original location and resettlements are possible only in well-defined cases and subject to appropriate justification and verification by the competent authorities.

The earthquake had a very negative impact in the quality of life of the regions affected and has jeopardised the socio-economic development of an area with difficult geographic and demographic conditions. The Bank's contribution will help to initiate a reconstruction that will take some time.

Public Consultation and Stakeholder Engagement

Some municipalities have been completely destroyed in the successive earthquake waves. The reconstruction will involve the elaboration of new urban plans that will have to take into account safety measures. The urban plans are subject to public consultation before approval.

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Conclusions and Recommendations

The Promoter will be required to act according to the provisions of the relevant EU Directives, including SEA (2001/42/EC), EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives and Water Framework Directive (2000/60/EC) as transposed into national law. In projects, where applicable, the Promoter will be requested to deliver the NTS of EIAs to the Bank before Bank funds are allocated. In addition, for projects above EUR 50 million, the Promoter should also deliver the full EIA Study to the Bank before funds are allocated. The Promoter will send the SEAs or a link to it of the new urban plans when they are approved by the Competent Authority.

For Schemes having a potential impact on protected areas including Natura 2000 sites, the Promoter will provide evidence of the compliance with the Habitats and Birds Directives (if applicable) before the Bank funds are allocated. Subject to the conditions described above, the project is acceptable in environmental and social terms.

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