

## Environmental and Social Data Sheet

### Overview

Project Name:	Portugal Water Supply and Sanitation
Project Number:	2016-0104
Country:	Portugal
Project Description:	2015-2021 investment programme of Águas de Portugal for the construction and rehabilitation of supra-municipal bulk and retail water supply and wastewater collection and treatment facilities in mainland Portugal.
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 2014/52/EU amending Directive 2011/92/EC	
Project included in Carbon Footprint Exercise <sup>1</sup> :	no
(details for projects included are provided in section: “EIB Carbon Footprint Exercise”)	

### Environmental and Social Assessment

#### Environmental Assessment

The project consists of more than 1,000 small to medium-size interventions distributed around the service areas of Águas de Portugal (i.e. AdP) Group, the historical provider of bulk water and wastewater services in Portugal. Most components consist of improvement and expansion of bulk water supply and wastewater management systems at supramunicipal level as well as some interventions at municipal services' level.

The project is geared towards increasing the quality and coverage of water and wastewater services, and improving the operational efficiency of the Promoter. As such, the project is expected to contribute to ensuring compliance with key European legislation in the water sector, notably the Water Framework Directive 2000/60/EC (i.e. WFD), the Urban Waste Water Treatment Directive 91/271/EEC (i.e. UWWTD), and the Drinking Water Directive 98/83/EC.

The project is an important cornerstone of PENSAAR 2020, a reform strategy of the water sector adopted in April 2015 by national authorities and aimed at restoring the sustainability of the sector. PENSAAR 2020 was subject to a Strategic Environmental Assessment (i.e. SEA) according to the requirements of the SEA Directive 2001/42/EC and national legislation (Decreto-Lei n. 232/2007 of 15<sup>th</sup> of June). The “organic law” (i.e. Decreto-Lei n.56/2012 of 12<sup>th</sup> of March) establishes the Portuguese Environmental Agency (i.e. PEA) as the Competent

<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.

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Authority with regard to environmental legislation. The PEA also operates as the National Water Authority for all of Portugal's mainland River Basin District Administrations.

By reducing the discharge of untreated effluents in water bodies, the project will contribute to achieving the environmental objectives set in the River Basin Management Plans (i.e. RBMPs) implementing the requirements of the WFD (transposed into Portuguese Law by the Water Law 58/2005). In June 2016, the Council of Ministers adopted the eight RBMPs for mainland Portugal for the 2016-2021 period. The RBMPs were subject to a SEA according to European and national legislation.

Some schemes might fall under Annex II of the EIA Directive 2014/52/EC (yet to be transposed into national legislation). None of the schemes is expected to have an impact on nature conservation sites.

The Project is expected to generate energy savings through increased efficiency of the water and wastewater systems and improved efficiency of the Promoter in managing the systems. A limited amount of components will also increase the resilience to the effects of climate change. Therefore the project will contribute to the Bank's objective of Climate Action (both mitigation and adaptation).

### **Social Assessment, where applicable**

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

### **Public Consultation and Stakeholder Engagement**

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

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

N/A

## **Conclusions and Recommendations**

The project is driven by the need to ensure compliance with EU relevant environmental directives and will also contribute towards climate action through mitigation and adaptation measures. As such, it is expected to bring long lasting environmental and health improvements. All schemes covered by the project 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 nature assessment have been finalised and approved by the relevant competent authority. Once any EIA is available, the promoter will provide the Bank with an electronic copy of its Non-Technical Summary (NTS) and full copy of the EIA, 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 that there are no significant effects and informing the Bank of such declaration having been obtained.



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The promoter undertakes to provide to the Bank, if requested, any decision 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. Under these conditions the operation is acceptable for EIB financing in environmental and social terms.