

Environmental and Social Data Sheet

Overview

Project Name:	AQP-WATER SECTOR UPGRADE SOUTHERN ITALY
Project Number:	20170333
Country:	ITALY
Project Description:	Financing of the Promoter's investments in the water and wastewater network of Puglia, Campania and Basilicata over the 2017-2022 period.
EIA required:	yes (multiple schemes)
This is an investment programme of multiple schemes, some requiring an EIA under Annex I of the EIA Directive 2014/52/EU amending Directive 2011/92/EC. Others will fall under Annex II of the EIA Directive.	
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

Environmental Assessment

The project consists of multiple small to medium-size interventions distributed around the service area of the Promoter (i.e. Acquedotto Pugliese S.p.A.), the historical provider of integrated water services in the service area known as ATO Puglia. Most components consist of improvement and expansion of water and wastewater infrastructure, including also water meters. Of particular importance is the partial refurbishment and upgrade of the two largest wastewater treatment plants (WWTPs) in the region: Bari East and Bari West, where the current Water Protection Plan estimates a required capacity of 821.394 p.e. in total (461.394 p.e. for Bari East and 360.000 p.e. for Bari West).

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 European legislation in the water sector, notably, the Urban Waste Water Treatment Directive 91/271/EEC and the Water Framework Directive (WFD) 2000/60/EC. In October 2016 Italian Authorities adopted the River Basin Management Plans (RBMPs) for the period 2016-2021, implementing the requirements of the WFD. These RBMPs were subject to a Strategic Environmental Assessment (SEA) in accordance with national legislation and the SEA Directive 2001/42/EC. The ATO Puglia falls under the RBMP known as "Appennino Meridionale".

The project is part of the investment programme approved by the local water authority (i.e. Autorità Idrica Pugliese) in 2016, and is based on the 30-year ATO Master Plan (Piano d'Ambito), which was approved in 2002 and revised in 2009. All capital expenditures to be considered under the project are also approved by the national economic regulator for Electricity, Gas, and Integrated Water Services (i.e. AEEGSI).

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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The project does not fall under the scope of the SEA Directive 2001/42/EC. Some project components fall under Annex II of the Environmental Impact Assessment Directive (2011/92/EC). Therefore, the decision whether an EIA is required is left with the competent authority (i.e. Region of Puglia) on the basis of the criteria defined in Annex III of the EIA Directive (2014/52/EU). Based on the requirements of the national EIA legislation, several project schemes related to the increase and/or upgrade of the wastewater collection, treatment and disposal infrastructure will require a full EIA.

The impacts that can be expected relate to noise nuisance and disturbance during construction that are temporary by nature and can be effectively mitigated according to established industrial practices. Some of the works to be implemented in the vicinity of Natura 2000 or other protected sites will require appropriate assessments in accordance with the requirements of the Habitats Directive 92/43/EEC.

The Puglia region is increasingly suffering from longer and more intense drought periods, generating additional pressure into an already scarce water resource. The project is expected to contribute to increasing resilience to the effects of climate change, and to generate energy savings through increased efficiency of the water supply and wastewater systems as well as improved efficiency of the Promoter in managing the systems.

Social Assessment, where applicable

The project is expected to bring important long-term benefits to the affected population by increasing the quality and reliability of water supply and wastewater services. The quality of life will improve as the project contributes to the protection of the environment from the pollution caused by discharging untreated effluents in water bodies.

Social impacts include possible disruption of services and traffic, noise and temporary occupation of public and private space, as well as safety hazards during the construction phase, which will be addressed as part of the planning for each sub-operation.

Public Consultation and Stakeholder Engagement

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

Other Environmental and Social Aspects

The Promoter has demonstrated sound practice with respect to environmental, health and safety management. In addition to procedures to meet regulatory requirements, the Promoter has a comprehensive environmental management system which is applied to new projects and monitors ongoing operations. The Promoter is certified to meet the requirements of the standards ISO 9001 (Quality Certification), ISO 14001 (Environmental Certification), ISO 50001 (Energy Management Certification) and OSHAS 18001 (Occupational Health and Safety).

Conclusions and Recommendations

The project is driven by the requirement to ensure compliance with EU relevant environmental directives and it will also contribute towards climate action objectives through applying mitigation and adaptation measures. All schemes under the project will be subject to the Promoter's compliance with the following requirements:

1. The promoter undertakes not to allocate Bank funds to project components that require a full EIA until the EIA and/or the necessary nature assessment have been

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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.
3. 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.