

Luxembourg, 5th October 2017

Environmental and Social Data Sheet

Overview

Project Name: BRIANZACQUE WATER INVESTMENTS
Project Number: 20170330
Country: Italy
Project Description: Investments in water and waste water infrastructure in the Province of Monza and Brianza (Lombardy Region) during the period 2017 - 2021
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/EC amending Directive 2011/92/EC.
Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The project concerns the 2017-2021 investment programme in water and waste water infrastructure of BrianzAcque Srl ("BA" and/or the "Promoter"). BA is a publicly owned utility providing Integrated Water Services ("IWS") to ca. 860,000 persons in the service area of Monza and Brianza known as "ATO MB", corresponding to the administrative borders of the Province of Monza and Brianza, in the Lombardy Region in Italy. The project is composed of schemes that are included in the master plan ("*Piano d'Ambito*") of the ATO MB, regularly updated with the local authority ("*Ente di Governo d'Ambito della Provincia di Monza e Brianza*"), and the national economic regulator ("*AEEGSI*").

The master plan of the ATO MB constitutes the planning framework of the proposed operation, and is not subject to a Strategic Environmental Impact Assessment ("SEA") according to Directive 2001/42/EC. However, the project is designed to meet the requirements of the Regional River Basin Management Plan ("*Piano di Tutela delle Acque della Regione Lombardia, PTA*"), which is part of the national implementation of the Water Framework Directive 2000/60/EC, hence subject to a SEA. The revised PTA has been adopted by regional authorities in July 2017.

The timing and nature of the works included in the project are geared towards compliance with EU Directives, in particular the Water Framework Directive 2000/60/EC and the Urban Waste Water Treatment Directive 91/271/EEC, and the respect of the service standards defined in the in-house providing concession, which governs the activities of BA in the ATO MB. AEEGSI sets and controls compliance with the agreed service standards.

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 concerns the rehabilitation and upgrade of existing water and waste water infrastructures, the construction of storm water retention tanks, the extension of sewers systems and distribution networks, as well as general interventions notably IT improvements. As such, it is expected to bring about important lasting environmental benefits (e.g. higher ecological quality of surface and groundwater, reduced water losses) that outweigh the negative impacts which occur mainly during construction (traffic, noise and dust). None of the works will be implemented inside or in the vicinity of Natura 2000 or other protected sites.

Some project schemes might fall under Annex II of the Environmental Impact Assessment ("EIA") Directive. Therefore, the decision whether an EIA is required is left to the competent authority on the basis of the criteria defined in Annex III of the EIA Directive.

In accordance with the strategic orientations of the "Regional Action Plan on Climate Change Adaptation in Lombardy", the project is expected to increase resilience to the effects of climate change, notably through investments in storm water tanks which will reduce the risks of flooding related to more frequent and intense rainfall events (climate adaptation). The operation will also generate energy savings through increased efficiency of the water and wastewater systems as well as improved efficiency of the Promoter in managing the systems, hence contributing to reducing greenhouse gas emissions (climate mitigation).

Social Assessment, where applicable

By increasing the quality and reliability of water supply and wastewater services, the project is expected to bring substantial health advantages and environmental quality improvements to the affected population.

Social negative impacts are only temporary and 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 the implementation of each scheme.

Public Consultation and Stakeholder Engagement

The Promoter will be requested to ensure compliance with national and European environmental legislation, notably to facilitate public access to environmental information and guarantee public consultation during the environmental decision process, where relevant, in accordance with the Aarhus Convention.

Other Environmental and Social Aspects

During the project's due diligence, 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:

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1. The Promoter undertakes not to allocate Bank funds to project schemes 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.
3. The Promoter undertakes to provide to the Bank, if requested, any decision and subsequent justification that screen out project schemes 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.