

## Environmental and Social Data Sheet

### Overview

Project Name:	FL REGIONE FRIULI INFRASTRUCTURE
Project Number:	2017-0411
Country:	Italy
Project Description:	Framework Loan for public sector entities to finance the construction and refurbishment of public infrastructures in the territory of the Region of Friuli-Venezia Giulia.
EIA required:	This is multi-scheme investment programme. Individual schemes might fall under Annex II of the EIA Directive and need to be screened by the Competent Authority.
Project included in Carbon Footprint Exercise:	No

### Environmental and Social Assessment

#### Environmental Assessment

The Project supports the regional development objectives of the Friuli-Venezia Giulia (FVG) region outlined in its Strategic Plan (*2014-2018 Piano Strategico Regione Autonoma Friuli Venezia Giulia*, and in its successive updates). The Promoter is the regional government of FVG (*Regione Autonoma Friuli-Venezia Giulia*). Final beneficiaries are public entities (including the Territorial Unions of Municipalities), industrial parks, public companies and businesses.

The Bank's loan will finance selected priorities of FVG's multi-annual investment plan based on the aforementioned strategy. They include schemes with a focus on earthquake resilience (particularly with regard to education and social facilities), the enhancement of public infrastructure for fostering economic development in remote areas, as well as promotion of SMEs, targeting business infrastructure and increased competitiveness of local enterprises. The majority of the schemes are small and will be developed in consolidated urban areas.

Relevant environment EU Directives have been transposed into national legislation (SEA Directive, EIA Directive, Birds and Habitats Directives, Energy Performance of Buildings Directive). The region has a database accessible through the Internet where the process of EIA implementation can be followed. (<http://lexview-int.regione.fvg.it/serviziovia/ricerca.asp>)

In the FVG region, Strategic Environmental Assessment (SEA) for planning and scheduling actions are covered by State regulations. At regional level, the SEA competent authorities are the regions or other local authorities (provinces, municipalities, etc.) to which SEA competences can be delegated. The Strategic Plan, on which the investment programme is based, is a general framework document outlining the government action and therefore not subject to SEA.

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Some of the schemes may fall under Annex II of EIA Directive 2014/52/EU (amending Directive 2011/92/EU), requiring an EIA screening by the national competent authority on the basis of Annex III to determine the need for a full EIA.

All planned works that could have a significant impact on Sites of Community Importance (SCI) and Special Protection Areas (SPA) are subject to impact assessment. The reference national legislation is Presidential Decree 357/1997, which transposes the Habitats Directive 92/43/EEC.

Protected Natura 2000 sites in the region are not expected to be affected by the operation. The Promoter reports that for the schemes currently included in this operation, administrative procedures are not required for development and environmental permits.

Most schemes related to earthquake resilience of schools and public infrastructure are refurbishments of existing buildings and building structures. Whenever schools have to be rebuilt from scratch in order to meet the required standards for earthquake resilience, they will be constructed as NZEBs, according to the highest legally binding energy standards.

The environmental impacts of the financed schemes are expected to be short-lived and reversible, at a level, which is deemed acceptable. Potential negative environmental effects (e.g. dust and noise during construction) are to be alleviated by implementing effective mitigation measures.

With regard to controls, the activities are carried out by the Region via the Regional Environmental Protection Agency for the Friuli-Venezia Giulia region (ARPA FVG), with the exception of environmental impact assessment procedures, for which monitoring activities are carried out pursuant to Presidential Decree 357/1997 on the State and Regional Forestry Department.

## **Social Assessment**

No separate social impact assessment has been carried out for the Project. However, in the context of this Framework Loan it is expected that the social impact of this operation will be overall positive, supporting the Bank's involvement.

The FVG region faces high seismic risks, and the current status of numerous school buildings is below the legal safety requirements. The envisaged measures will not only increase the safety of students in case of earthquakes but will also improve the learning environment, as some of the buildings have not been renovated for many years or even decades.

Moreover, the Project is deemed to have a positive impact on employment. Schemes targeting business infrastructure, i.e. in industrial parks, will increase the competitiveness of local businesses and the overall innovative capacity of the region. The supported investments are aligned with the regional smart specialisation strategy, allowing a distinct differentiation in areas of competitive advantage.

Furthermore, upgrading of tourism assets is expected to have a positive impact on tourism development in the region, a major driver of the regional economy. Finally, schemes targeting public infrastructure aim at economic development in and connectivity of remote areas, thus increasing accessibility of citizens living in these areas.

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Given the scope of the operation there are no significant areas of concern with respect to the EIB social standards.

## **Public Consultation and Stakeholder Engagement**

All schemes subject to EIA will have public consultation. The region applies the national legal framework with regards to EIA and SEA transposed directives.

## **Conclusions and Recommendations**

Overall, the schemes under this operation are expected to generate a wide range of positive environmental and social impact, despite some possible minor negative effects during the construction period.

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 as transposed into national law. In schemes requiring EIA, the Promoter will be requested to deliver the Non-Technical Summary (NTS) to the Bank.

The Promoter shall not commit any EIB funds against schemes that require an EIA or biodiversity assessment according to EU and national law without, prior to commitment, receiving the consent from the competent authority, and the Non-Technical Summary of the EIA having been made available to the public.

For schemes having a potential impact on protected areas, including Natura 2000 sites, the Promoter has to provide evidence of the compliance (including screening) with the Habitats and Birds Directives (if applicable).

The institutional capacity of the Promoter to manage the environmental and social issues is deemed good. Therefore, subject to the conditions mentioned above, this operation is acceptable for the Bank in environmental and social terms.