

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name: SEVERN TRENT CLIMATE ACTION
Project Number: 2011-0482
Country: United Kingdom
Project Description: Financing of the regulated investment programme of Severn Trent Water Ltd, one of the UK's largest water and sewage utilities, for a total amount of GBP 1.342bn. The investments were completed over the period 2013-15.

Summary of Environmental and Social Assessment at Completion

EIB notes the following key Environmental and Social outcomes at Project Completion.

The promoter was requested to:

- Not commit any EIB funds against schemes that require an EIA according to EU an national without, prior to commitment, submitting the EIA and the non-technical summary of the EIA to the Bank for review and publication on the Bank's website
- Not commit any EIB funds against any scheme without receiving consent from the competent authority regarding the Habitats Directive and submitting the relevant forms to the Bank prior to the commitment of EIB funds

The Programme was strongly environmentally driven and has had predominantly positive effects on the environment. In particular, it contributes towards ensuring compliance with EU environmental directives, including the Urban Wastewater Treatment Directive and the Water Framework Directive. The Programme was based on requirements set by the quality and environmental regulators as well as:

- a Strategic Direction Statement providing a 25 year vision, including indicative planning of physical interventions over 5 regulatory periods.
- a Water Resource Management Plan providing a long-term view of the availability and demand for water throughout the service area (the most recent dating from 2009), which is a statutory requirement set out in the Water Act.

Climate change considerations pervade many of the programme's objectives, from ensuring the reliability of service levels in the future, including under extreme conditions, to creating greater climate resilience of the service area through improved water management. The key objectives of the programme include improving the resilience of STW's strategic network to reduce the risk of customers losing their water supply from all potential causes, including flooding of water treatment works, and to alleviate sewer flooding in urban areas. Resilience of water supply is also sought through a large investment component dedicated to loss reductions and water demand management, including through increased metering.

No significant environmental or social issues were reported by the promoter. The promoter fully complied with the conditions outlined in the finance contract related to the environment.



European Investment Bank (EIB)

Luxembourg, 22/12/2016

Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion based on reports from the promoter during Construction that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.