

Environmental and Social Data Sheet

Overview

Project Name: ABBANOIA WATER INVESTMENTS
Project Number: 2018-0038
Country: Italy
Project Description: Investments in water and wastewater infrastructure in the Sardinia Region during the period 2018-2022.

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 2018-2022 wastewater investment programme of Abbanoia, a publicly owned utility providing Integrated Water Services (“IWS”) in the autonomous Region of Sardinia, in Italy. The Promoter’s service area - known as “*Ambito Territoriale Ottimale della Regione Sardegna*” – has a total population of ca. 1,650,000 inhabitants.

The activities of Abbanoia are under the supervision of the regional authority (i.e. Ente di Governo dell’Ambito Sardegna, EGAS), an entity of public law representing the municipalities of Sardinia, and the national economic regulator (i.e. ARERA). In terms of environmental regulation, the Regional Environmental Protection Agency of Sardinia (i.e. ARPAS) is responsible for monitoring the quality of water bodies and ensuring compliance with environmental permits issued by the competent authorities (e.g. effluent discharge standards). The Health Authority (i.e. ATS Sardegna) is responsible for monitoring compliance with the drinking water quality standards.

The project consists of numerous small to medium size investments aimed at upgrading and optimising the existing water production, transfer and distribution systems as well as the wastewater collection and treatment works. The timing and nature of the works included in the project are geared towards compliance with national and European legislation, notably the Urban Wastewater Treatment Directive (91/271/EEC) and the respect of the service standards defined in the concession agreement, which governs the Promoter’s activities in the service area.

The planning framework of the project is the regional 30-y master plan (“*Piano d’Ambito della Regione Sardegna*”), approved in 2002. In addition, the project is designed to meet the

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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requirements of the regional River Basin Management Plan (*"Piano di gestione delle acque del distretto idrografico della Sardegna"*), which is part of the national implementation of the Water Framework Directive 2000/60/EC. The Italian Authorities adopted all River Basin Management Plans (RBMPs) for the period 2016-2021, in October 2016. The RBMPs were all subject to a Strategic Environmental Assessment in accordance with the requirements of the Directive 2001/42/EC.

Some project schemes fall under Annex II of the Environmental Impact Assessment ("EIA") Directive 2014/52/EC amending Directive 2011/92/EC. Therefore, the decision whether an EIA is required is left to the competent authority namely the Environmental Department of the Region of Sardinia (*"Assessore della Difesa dell'Ambiente"*), based on the criteria defined in Annex III of the EIA Directive.

Some project schemes will be implemented inside or near Natura 2000 or other protected sites. In such instances, the Competent Authority will determine whether the impacts on the Natura 2000 sites are likely to be significant and where relevant, request an appropriate assessment be undertaken in accordance with the provisions of the Art. 6 (3) of the Habitats Directive 92/43/EEC. To date, all screening decisions have confirmed that the works are not expected to have any significant impact on Natura 2000 sites.

The operation will contribute to reducing water losses, increasing the availability of water resources and improving the overall quality and reliability of IWS, particularly in the face of climate related risks. The project will thus deliver substantial environmental quality improvements and health benefits that outweigh the negative impacts, which occur mainly during construction (e.g. traffic, noise and dust) and can be effectively mitigated according to established sectoral practices.

The Region of Sardinia is increasingly suffering from longer and more intense drought periods, generating additional pressure into an already scarce water resource. The project is therefore expected to contribute to Climate Adaptation by supporting investments that increase resilience to climate related risks. It also comprise energy efficiency components, hence reducing GHG emissions.

Social Assessment, where applicable

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. Furthermore, all EIAs will be made available to the public on the EIB website.

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 has the following certifications: ISO 9001 (Quality Certification), ISO 14001 (Environmental Certification), ISO 50001 (Energy Management Certification) and OSHAS 18001 (Occupational Health and Safety).

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Conclusions and Recommendations

The project is driven by the requirement to ensure compliance with relevant EU environmental directives and it will also contribute towards improved climate resilience and emissions reductions. 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 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.