Luxembourg, 2nd June 2020

Public

Environmental and Social Data Sheet

Overview

Project Name:	VINKOVCI & OTHERS WATER (SPL 20140375)
Project Number:	20180729
Country:	CROATIA
Project Description:	The project aims to secure compliance with the Urban Wastewater Directive for the Vinkovči, Otok, Ivankovo and Cerna agglomerations. The project will provide additional 8,269 connections to the sewer system realizing an overall connection (coverage) rate in the agglomerations of around 85 %. It will also upgrade treatment standards to tertiary levels to ensure compliance of discharges to a sensitive water course in the Black Sea area.
EIA required:	no
Project included in Carbon Footprint Exercise[1]:	no

Environmental and Social Assessment

Environmental Assessment

The project is located in Vinkovči and its surrounding municipalities of Ivankovo, Otok and Cerna within Vukovar-Srijem County that lies on the Eastern part of Croatia, close to the border with Serbia. The project area comprises about 57,400 inhabitants. The Project Beneficiary Vinkovački Vodovod I Kanalizacija d.o.o. (VViK) is a public owned company, established for the provision of public water supply and wastewater services in Vinkovči and sixteen neighbouring agglomerations.

Of the existing wastewater systems in the project area the only functioning sewer networks are in Vinkovči and Otok. The only functioning wastewater treatment plant (WWTP) is in Vinkovči with installed treatment capacity of 43,000 population equivalent (PE). It provides secondary treatment (conventional biological process) to an average daily flow of 9,000 m^3. Treated wastewater is discharged to the Bosut river. The small treatment plants in Otok, Cerna and Ivankovo currently are not operational.

The project specifically comprises extension, reconstruction and commissioning of more than 212 km of sewerage network including pumping stations in the project area, upgrade of Vinkovči WWTP to the tertiary treatment level. Three small-scale plants in Otok, Cerna and Ivankovo will be upgraded by installing mechanical sludge dewatering equipment in each and put into operation. Dewatered sludge in the WWTPs will be applied to agricultural areas.

[1] Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

Luxembourg, 2nd June 2020

By minimising discharges of wastewater pollutants, the project contributes to achieving compliance with the Urban Wastewater Treatment Directive 91/271/EEC and the Water Framework Directive 2000/60/EC.

The Constitution of the Republic of Croatia defines water as a resource of particular interest for which special protection regulations apply. The primary legislation relating to the water sector includes the following Acts: The Environmental Protection Act, The Water Act and The Water Management Financing Act. In addition to these acts, there are approximately 40 subordinate water management acts. The legal framework for water management complies with the EU Acquis.

A Project Implementation Unit (PIU) is already established by the VViK. Technical assistance is made available to support the PIU with the preparation and implementation of the project, including the setting up of an environmental and social monitoring and reporting system.

The project stems from and is consistent with the River Basin Management Plan (RBMP) approved in 2016, and which covers both the Danube river and the Adriatic sea basins, and aims to ensure transposition of the definitions and objectives of the WFD.

The project components fall under Annex II of the EIA directive (2014/52/EU amending Directive 2011/92/EC). A screening was done by the competent authority - the Ministry of Environmental Protection and Physical Planning (MoEPPP) -, which concluded with a negative screening (Decision from 7 December 2016), that was made available to the public. All location permits and construction permits for the project components have been issued. As required by the Action Plan set for the fulfilment of the EIA/SEA (in the format agreed with the Commission services), the compliance of the environmental procedures was checked by the MoEPPP and confirmed through the opinion issued on 20 July 2017. The Strategic Environmental Impact Study was undertaken in May 2016 in compliance with the SEA Directive (2001/42/EC).

The overall environmental impact of the project is positive as it will end the discharge of insufficiently treated effluent into the rivers of Bosut and its tributaries. There may be some negative impacts arising during the construction phase (noise, traffic, dust), but most of these will remain temporary. In some limited cases, network components are in the immediate vicinity of or in Natura 2000 areas. However, it is understood that the foreseen pipes will be located beneath existing roads. The discharge pipe for WWTP Otok will cross the Natura 2000 areas HR2001414 and HR1000006 conveying the treated effluent to the River Spačva, tributary of Bosut. On the basis that the discharge will not deteriorate the current status of this water body, the screening report concludes there will be no significant impact to the habitats and species and their conservation objectives. All related certificates of no significant impact on the mentioned areas, signed by the competent authority, have been shared with the Bank.

The Project will contribute to Climate Action Mitigation due mainly to the reduction of the methane emissions from septic tanks.

Social Assessment

Social impacts during construction, demolition or rehabilitation works include the disruption to services, noise, and temporary occupation of private space, traffic disruptions, and safety hazards. All these impacts will require project management measures to minimise the negative disturbance, inconvenience and impacts.

The positive social impacts of the project are the improvements in public health as well as the job opportunities created during the implementation.

Conclusions and Recommendations

This operation is fully driven by compliance with the relevant EU environmental directives and health considerations. The project will contribute to increasing service levels in terms of efficacy and reliability of the wastewater treatment and disposal in the agglomerations of Vinkovči, Ivankovo, Otak and Cerna, contributing also to Croatia's long-term economic development. Overall, the project will generate positive impacts on the environment and public health and it will also provide long-term socio-economic benefits to the local population in the form of employment opportunities and improved quality of life.

In view of the above findings the project is acceptable for EIB financing from the perspective of environmental and social compliance.