European Investment Bank

Luxembourg, 15 June 2023

Environmental and Social Data Sheet

Overview

Project Name:	BANI KENANEH WATER SUPPLY PROJECT
Project Number:	2018-0717
Country:	Jordan
Project Description:	The Project consists of the upgrade of the existing water supply system in the Bani Kenaneh district.

EIA required:	yes
Project included in Carbon Footprint Exercise[1]:	no

Environmental and Social Assessment

Environmental Assessment

The Project concerns the upgrade of the existing water supply system in the Bani Kenaneh district in the Irbid Governorate of Jordan. The upgrade consists of measures for the reduction of non-revenue water, the replacement of outdated network pipes and the rehabilitation of existing water supply infrastructure, such as pipes and pumping stations. In addition, the existing supply will be diversified through the construction of new transmission pipeline that will enable the transfer of potable water from the existing Zabda reservoir to the Project area. The promoter of the project is the Ministry of Water and Irrigation (MWI).

Compliance with applicable Environmental Legislation

The project will comply with national environmental requirements as defined in the Jordanian Environmental Protection Law No.52:2006. Environmental Impact Assessment Regulation No.37:2005 sets out the requirements for the Environmental and Social Impact Assessment (ESIA). A complete and approved by the Ministry of Environment ESIA is required in order to obtain environmental clearance and the environmental permit for the project, which then complements other non-environmental permitting requirements such as the construction license. A draft ESIA was prepared in September 2022 as part of the feasibility study for the project and was submitted to the Ministry of Environment for approval. The preliminary approval of the ESIA by the competent authority was issued in November 2022, which has been published on the EIB website. The final environmental permit will be issued as part of the site approval permit requested by the promoter, in accordance with the Instructions for the Selection of Locations for Development Activities of 2018.

According to the EU EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU, all components of the project fall under Annex II with the obligation to prepare a full EIA being subject to the decision of the competent authority. The promoter confirms that the project will not affect any protected 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.

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The project has a significant contribution to climate change adaptation according to the EIB's relevant guideline as it contributes to the conservation of water resources through the reduction of water losses and measures to ensure a more resilient water supply in the area.

The preliminary ESIA has identified a number of positive environmental impacts:

- Establishment of a reliable and resilient water supply.
- More efficient use of water resources.
- Environmental benefits in relation to the local groundwater.

The document also concludes that the construction phase of the proposed project will include disruptions to air quality, noise levels, and traffic within the project areas. However, these will be temporary impacts limited to the construction phase of the project and would be eliminated once the project is in its operation phase.

Social Assessment

Improvements to the water supply network will reduce the level of supply interruption that local communities currently experience, where the insufficient public supply forces residents to buy water from tankers on a frequent basis. By improving the service quality and reliability, the project will benefit people at all levels of society. It would also improve the lives of women, who are generally in charge of water supply issues at home. In addition, commercial and industrial activities would benefit as result of the project. Overall, the conclusion of the promoter's assessment is that the proposed project is expected to have a positive impact on the local community.

Land will need to be acquired as part of the project for the construction of the new water storage reservoir and pumping station. The institutional and administrative framework that governs land acquisition in Jordan is the Land Acquisition Law No.12/1987. The law states that any land acquisition process must be undertaken by the Government of Jordan represented by a governmental entity. For this project, the governmental entity is the Water Authority of Jordan. The law on broad terms requires that all land acquisitions that take place for any project must be for the public benefit and must be undertaken through fair compensation measures. The project land acquisition is estimated to affect a total of nine private land owners and the land in question is mostly planted with olive trees. The Promoter has already commenced the land acquisition process in accordance with local legislation and taking into account EIB requirements.

Public Consultation and Stakeholder Engagement

As part of the feasibility study for the project a scoping session with project stakeholders was held online on 20 July 2022. In addition to that several visits were made to the Bani Kenanah area to engage with local residents and land owners.

Conclusions and Recommendations

The ESIA and ESMP for the project have been developed in accordance to EIB requirements and aim to ensure that potential impacts are sufficiently monitored and mitigation measures are implemented. They conclude that the overall anticipated environmental and social impacts of the operation are deemed positive. Minor negative (temporary) impacts during the construction will be compensated by considerable social, public health and environmental benefits. The project will also contribute towards improved climate adaptation.

Considering the above, the project is acceptable for EIB financing from an environmental and social point of view.