

Environmental and Social Data Sheet

Overview

Project Name:	MALTA EU FUNDS 2014 - 2020
Project Number:	2015-0723
Country:	Malta
Project Description:	Co-financing of small projects under Malta's Operational Programmes for the programming period 2014 - 2020 under the European Regional Development Fund, the European Social Fund and the Cohesion Fund.
EIA required:	Multiple-scheme operation. Some of the schemes may fall under Annex I or II of the EIA Directive and may be screened in.
Project included in Carbon Footprint Exercise ¹ :	no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The operation concerns the co-financing of Malta's two Operational Programmes (OP) for the 2014-2020 programming period, namely OP I "Fostering a competitive and sustainable economy to meet our challenges", financed through the ERDF and the Cohesion Fund, OP II "Investing in human capital to create more opportunities and promote the wellbeing of society", financed through the ESF.

OP I required a SEA to be carried out in line with SEA Directive 2001/42/EC since the proposed interventions could have an effect on the environment. On the other hand, OP II did not require a SEA, since the programme mainly focuses on capacity building, training, policy design, human resources management, provision of services, studies, campaigns, outreach programmes, support services, promotion and advice and guidance activities and no significant environmental effects are envisaged. A copy of the SEA for OP I has been provided to the Bank.

The EIA Directive 2011/92/EU (as amended) has been transposed into the national legislation by the 2007 EIA Regulations (S.L. 504.79). It is possible that some schemes fall under its Annex I or Annex II. Should any scheme under this operation fall under Annex II and be "screened in" by the Competent Authority (Environment and Resource Authority), or fall under Annex I, the Promoter shall deliver the NTS of EIAs to the Bank, if applicable, before the Bank funds are allocated.

The Maltese Natura 2000 network encompasses 32 sites under the Habitats Directive (Sites of Community Importance) and 13 under the Birds Directive (Special Protection Areas). These include 5 marine sites. The terrestrial sites under the Habitats Directive cover over 13.6% of the land area.

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.

Luxembourg, 7th July 2016

Some of the schemes financed under this operation are likely to be located in Natura 2000 areas or in their surroundings, particularly as far as OP I is concerned as it encompasses measures Interventions aiming to address the national challenges of biodiversity loss, in line with Malta's National Biodiversity Strategy and Action Plan 2012-2020, adaptation to climate change and conservation of species in natural sites including Natura 2000 sites. In these cases, the Competent Authority has to provide evidence of the compliance with the Habitats (92/43/EEC) and Birds (2009/147/EC) Directives (Form A/B or equivalent) before the Bank funds are allocated.

Climate change remains a challenge for Malta, both in terms of mitigation (e.g. striking a balance between energy production, security of supply and GHG emission reduction targets) and adaptation (e.g. vulnerability of key infrastructure and economic activities to sea level rise, water scarcity, etc.). Malta has put in place a number of policy instruments aimed directly at targeting climate action, particularly the 2009 National Strategy for Policy and Abatement Measures Relating to the Reduction of Greenhouse Gas Emissions, the 2012 National Climate Change Adaptation Strategy and the 2015 Climate Action Act.

Both mitigation and adaptation aspects are addressed under OP I across a number of priority axes. As with regards to mitigation, Priority Axis 4 includes measures to foster the use of renewable energy sources and energy efficiency for households, enterprises and the public sector and Priority Axis 7 foresees actions to promote modal shift (e.g. alternative modes of transport by sea), in order to reduce road congestion and reduce transport emissions).

As for adaptation, Priority Axis 5 includes adaptation measures in the conservation of protected sites and Priority Axis 10 foresees interventions to enhance awareness on water conservation optimise the use and quality of ground water and increase the use of alternative sources of water supply.

Social Assessment

No separate social assessment has been carried out. However this operation is expected to have significant positive social externalities, particularly as far as OP II is concerned. Priority Axis 1 of this OP will focus on access to employment for job seekers and inactive people as well as increasing the employability of young people. In addition, actions under Priority Axis 2 are geared towards people at risk of poverty and social exclusion, for instance through measures supporting social enterprises. Finally, Priority Axis 3 will focus on improving education and providing training and lifelong learning to address the issue of early school leavers which represents a significant challenge in Malta.

Public Consultation and Stakeholder Engagement

Both the OP I and the SEA report have undergone public consultation in 2014. In addition, Malta has prepared management plans or conservation orders for all its terrestrial Natura 2000 sites and a public consultation for these plans has been carried out.

Conclusions and Recommendations

The overall environmental and social impacts of this operation are expected to be positive (i.e.: investments in renewable energy, energy efficiency, sustainable transport, water and waste management, education and training, etc.). Potential negative effects (e.g. dust and noise during construction) will be alleviated by implementing effective mitigation measures.

The institutional capacity of the Promoter to manage the environmental and social issues is deemed adequate and therefore, subject to conditions mentioned above, the project is acceptable to the Bank in environmental and social terms.