Environmental and Social Data Sheet

Overview

Project Name: IRISH WATER INVESTMENT PROGRAMME I - ERVIA

Project Number: 2015-0224
Country: Ireland

Project Description: Part financing Irish Water regulatory capex programme approved

under the first regulatory review period

EIA required: yes

Non-Technical Summary of Strategic Environmental Assessment of the Water Services Strategic Plan was provided and published on EIB website. For the projects the Promoter shall provide the link to a website where the NTSs are published or send copies to the Bank.

Project included in Carbon Footprint Exercise¹: no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

Environmental and social due diligence has followed the programme lending approach according to EIB's procedures and standards i.e. due diligence was focussed on the Promoter's capacity and capability to implement the programme in line with EIB environmental and social standards and requirements.

Schemes that will be financed through this operation will deliver the objectives and targets identified in Irish Water's Water Services Strategic Plan, which has undergone in 2015 a strategic environmental assessment in compliance with the EU SEA Directive 2001/42/EC. Majority of the waste water treatment plants and some water supply projects are likely to require a comprehensive Environmental Impact Assessment according to EIA Directive 2011/92/EU or appropriate assessment according to the Habitats Directive 92/43/EC.

Impacts during the construction and operation phase are expected to be mitigated by good practice and work organisation following the competent authorities' requirements.

The Promoter shall not commit any EIB funds against schemes that require an EIA or biodiversity assessment according to EU and national law without, prior to commitment, receiving consent from the competent authority, and the Non-Technical Summary of the EIA having been made available to the public. The Promoter shall store and maintain updated the relevant documents supporting compliance with EU environmental legislation, to be provided to the Bank upon request.

Irish Water is supported by its parent company ERVIA - an experienced energy utility with a good capacity and capability to implement the programme. The programme is acceptable in environmental terms for Bank's financing.

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.

Environmental and Social Assessment

Environmental Assessment

The programme concerns altogether about 30 water supply, sewage and wastewater treatment schemes located throughout Ireland. It also includes nationwide water conservation programme and the lead strategy implementation programme. The latter will address water quality problems that result from lead in the distribution network and internal plumbing. The project is expected to contribute substantially to achieve compliance with the Urban Waste Water Treatment Directive 91/271/EEC and Drinking Water Directive 98/83/EC as well as to the improvement of the reliability and quality of service to customers.

Water supply schemes will generate considerable health benefits by alleviating the risk of water contamination. Some of the schemes concern water supplies zones on the Remedial Action List established by the Environmental Protection Agency.

The programme includes construction or modernisation of waste water treatment plants in areas where Ireland still does not comply with the EU Urban Waste Water Treatment Directive requirements. In September 2013, the EU Commission issued a Letter of Formal Notice to Ireland - EU Infringement Case No. 2013/2056, with regard to failure to comply with the requirements of the Urban Waste Water Treatment Directive 91/271/EEC. The programme is expected to generate long term environmental benefits.

The Environmental Protection Agency is the technical and environmental regulator for drinking water and waste water services in Ireland and monitors and enforces standards to protect the quality of drinking water for the consumer.

Projects requiring the abstraction of surface water for a municipal water supply require a Water Abstraction Order. *An Bord Pleanala* is the competent authority in relation to Water Abstraction Orders and must take into account the potential impact of the abstraction on the environment, riparian owners and navigation waters. An appropriate assessment of the abstraction may also be required to be undertaken where the abstraction has the potential to impact on a Natura 2000 site.

Discharges of municipal wastewater require the granting of a Wastewater Discharge License/Certificate from the Environmental Protection Agency and may also require an Appropriate Assessment where the discharge has the potential to impact on a Natura 2000 site.

Projects included in the portfolio have not been subject to Art. 4(7) derogation of the Water Framework Directive.

In general, EIAs are published on the Local Authority's website dedicated to the public consultation of a given scheme during the period of consultation. Irish Water will provide a website link to access Environmental Impact Statements, full reports or Non-Technical Summary, prior to financing by Irish Water scheme concerned.

The Environmental Regulation function in Irish Water organisation is responsible for ensuring that the utility develops its plans and programmes to meet national and European regulatory expectations with regards to environmental standards and compliance.

One of the components supported through the loan will address high water losses in the network estimated currently at 49%. Water conservation measures are in line with the National Climate Change Adaptation Framework and are considered no-regret robust measures under the River Basin Management Plans. Hence, climate action component of this loan is estimated at about 10%.

Social Assessment

Apart from health benefits, improved reliability and quality of services the project will generate social benefits in terms of unlocking growth potential in some agglomerations. Lack of adequate water supply and wastewater services poses a development constraint for certain parts of Ireland, which this project will help to alleviate.

Other Environmental and Social Aspects

Irish Water is in the process of implementing the requirements of ISO50001 to support the objective to achieve energy efficiency saving of 33% by 2020. As part of this energy management system, Irish Water will be required to consider energy performance improvement opportunities and operational control in the design of new, modified and renovated facilities, equipment, systems and processes that can have a significant impact on its energy performance. The results of this energy performance evaluation shall be incorporated where appropriate into the specification, design and procurement activities of the relevant projects.

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