

Luxembourg, 23 July 2024

Environmental and Social Data Sheet

Overview

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| Project Name: | <i>DE WATERGROEP - SUSTAINABLE WATER SUPPLY</i> |
| Project Number: | <i>2023-0074</i> |
| Country: | <i>Belgium</i> |
| Project Description: | <i>The project is part of the 2023 - 2028 investment programme of “De Watergroep”, the largest water company in Flanders, Belgium. The investments consist of the extension and rehabilitation of the water supply network.</i> |
| EIA required: | <i>No. This is an investment programme made up of multiple schemes. All the schemes under the investment programme, have been screened out, meaning they do not require a full EIA study under Annex II of the EIA Directive 2014/52/EC amending Directive 2011/92/EC</i> |
| Project included in Carbon Footprint Exercise ¹ : | No |
| (details for projects included are provided in section: “EIB Carbon Footprint Exercise”) | |

Environmental and Social Assessment

The Promoter of the project is “De Watergroep”, the largest water company in Flanders, Belgium. De Watergroep provides drinking water to about 3.3 million customers in 177 municipalities in Flanders and wastewater services to 25 of these municipalities.

The proposed operation concerns the extension and rehabilitation of water supply networks in its service area.

Environmental Assessment

The project supports compliance with the requirements of the Drinking Water Directive (EU) 2020/2184 and is in line with the Water Framework Directive (2000/60/EC).

Environmental Impact Assessment (EIA) procedure

The competent authority is the “Vlaamse Milieumaatschappij”, the Flemish Environmental Agency. It is expected that none of the investments in the project will require an EIA study. The

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, 23 July 2024

Promoter has committed to send to the Bank all the screening out decisions related to the different project components, if required.

The project is in line with the River Basin Master Plans Scheldt and Meuse, which have been subject to a strategic environmental assessment in compliance with the Strategic Environmental Assessment (SEA) Directive 2001/42/EC.

Appropriate Assessment (AA)

The project components do not affect any Natura 2000 areas.

Environmental impacts

The project will have significant long-term positive environmental impact on ground and surface water resources. By rehabilitating the water supply network, water leakages will be reduced and less water sources will be needed to meet the water demand. In addition, the project contributes to continued compliance with the Drinking Water Directive (EU) 2020/2184 by extending and rehabilitating the existing water supply network.

Due to the nature of the works to be implemented, it is anticipated that the negative impacts to the environment will only be temporary, during the construction period. In that period, temporary impacts to the environment such as noise and dust may occur. In view of preventing and mitigating any impacts associated with the construction phase, mitigation measures will be included in the Environmental Management Plans of the work contracts and implemented by the Contractors during construction.

Climate Mitigation and Adaptation

The project is expected to positively contribute towards climate change mitigation and adaptation. Mitigation will be achieved by reducing water leakages which also reduces energy consumption needed to treat and supply water to customers. This will contribute towards the overall reduction of GHG emissions of the project. The rehabilitation of the drinking water network will also allow De Watergroep to better adapt to the identified climate change risk of increased frequency and magnitude of droughts.

The project has been assessed for Paris Alignment and is considered to be aligned both against low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (CBR).

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty is in scope and screened out of the PATH framework, because it is not considered high emitting nor high vulnerability.

Social Assessment, where applicable

The project will generally benefit public health, by ensuring the continued access to safe and reliable drinking water services at affordable tariffs. De Watergroep charges vulnerable groups a so-called "social tariff" that is equivalent to 20% of the water and wastewater tariffs that apply to ordinary households.

In addition, the project will increase the employment opportunities during the construction.

Public Consultation and Stakeholder Engagement

Public consultation takes place at different levels during the definition of investments and their detailed roll-out, for example at the definition of the major schemes during the scoping and implementation phase, which also includes the definition of compensatory measures in local communities for disruption caused, where applicable.



Luxembourg, 23 July 2024

The Flemish “Waterbeleidsnota” (Water policy document) 2020 - 2025 elaborates the Flemish Integrated Water management strategy. During its elaboration, a more extensive participation process than legally required, was included.

Where relevant, the Promoter will be required 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.

Other Environmental and Social Aspects

De Watergroep has received an “SDG (Social Development Goal) Champion” certificate from the United Nations through a Flemish networking organisation (VOKA) in 2022.

In 2022, De Watergroep also received the “Climate Smart Utility Award” from the International Water Association.

Conclusions and Recommendations

By extending and rehabilitating the water supply network, the project is expected to have a positive social and environmental impact and will contribute to the improvement of living conditions of the inhabitants in the service area of De Watergroep. The temporary negative impacts to the environment that may occur during the construction period, such as noise and dust, will be mitigated as much as possible.

All components covered by the project will be subject to the Promoter complying with the following requirements:

- The Promoter will be required to act according to the provisions of the relevant EU Directives, such as the EIA Directive (2011/92/EC) amended by the EIA Directive (2014/52/EC), the Habitats (92/43/EEC) and Birds (2009/147/EC) Directives, the Drinking Water Directive and the Water Framework Directive.
- The Promoter will be required not to allocate Bank funds to project components that require a full EIA study until the EIA study and/or the necessary nature assessment have been finalised and approved by the relevant competent authority. Once any EIA study is available, the Promoter will provide the Bank with an electronic copy of the EIA, for publication on the EIB website.
- The Promoter undertakes to provide to the Bank, any decisions issued by the competent authority that screen out project components and the main reasons for not requiring EIA with the reference to the relevant criteria listed in Annex III of the EIA Directive (if relevant).

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