

Luxembourg, 04.07.2023

Environmental and Social Data Sheet

Overview

Project Name:	<i>ISP LOAN FOR PUBLIC SECTOR AND CLIMATE</i>
Project Number:	<i>2023-0031</i>
Country:	<i>Italy</i>
Project Description:	<i>Intermediated loan to Intesa Sanpaolo Spa, aimed at supporting lending to local public institutions and publicly owned companies. The loan will be dedicated to urban development, primarily sustainable water supply projects, the modernisation of the transport sector, and bioprocessing of waste (often in complementarity with the Italian RRF).</i>
EIA required:	<i>Multi – sector schemes Some of the schemes may require an EIA if screened-in by the Competent Authority.</i>
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The Project, structured as a multi-beneficiary intermediated loan, concerns the provision of intermediated financing for investments in three sectors: public transport, water and waste. The Project is expected to finance investments in public transport buses and associated infrastructure such as depots, rehabilitation or improvement of water supply networks and infrastructure and vehicles, equipment and dedicated infrastructure for separate collection, transfer and transport of source segregated recyclable materials and bio-waste.

Compliance with applicable Environmental Legislation

The financial intermediary (FI), Intesa Sanpaolo Spa (ISP), estimated that 75% of the potential investments in the water and waste sectors and 25% of the investments in public transport will fall under the scope of the EIA Directive 2014/52/EU amending Directive 2011/92/EU and will therefore require examination by the Competent Authority and a decision, based on Annex III criteria, on the requirement of an EIA. The remaining investments, such as vehicles for public transport or waste collection and transport, fall outside the scope of the EIA Directive.

The FI shall ensure that all investments comply with the relevant EU Environmental Directives such as the EIA Directive, Habitat/Natura 2000 Directives, Waste Framework Directive and Water Framework Directive. For schemes that require an EIA, the FI shall undertake to deliver to the Bank a copy of the EIA study including a Non-Technical Summary (NTS).

Climate change mitigation and Paris Alignment

The Project is aligned with the Paris Agreement according to Annex 2 of the EIB Climate Bank Roadmap (2020), because it supports investments in public transport infrastructure and vehicles, rehabilitation or improvement of water supply networks and infrastructure and

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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vehicles, equipment and dedicated infrastructure for separate collection, transfer and transport of source segregated recyclable materials and bio-waste.

The Project provides a substantial contribution to Climate Mitigation according to Annex 4 of EIB's Climate Bank Roadmap and a substantial contribution to Environmental Sustainability.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty ISP is in scope (financial intermediary) and screened in the PATH framework due to the total size of its assets (>30 bn). The counterparty already meets the requirements of the EIB PATH framework with its existing alignment plans and no additional contractual undertakings are expected to be required at this stage.

Conclusions and Recommendations

The FI's E&S policies and management capacity to comply with EIB requirements have been assessed and found to be adequate and commensurate with the E&S risk of the typology of potential schemes to be financed.

For schemes requiring an EIA, the FI shall request from the final beneficiaries and send the complete EIA report, including the NTS, to the Bank prior to allocation.

In view of the above, the operation is considered acceptable for EIB financing from an environmental and social point of view.