



Luxembourg, 3 June 2024

Environmental and Social Data Sheet

Overview

Project Name:	HELSINKI REGION WATER INVESTMENTS
Project Number:	2023-0843
Country:	Finland
Project Description:	The Project co-finances part of the 2024-2027 investment programme in water and wastewater services of the Helsinki Region Environmental Services ("HSY") authority in the Helsinki metropolitan area.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

This is the second operation with the Helsinki Region Environmental Services Authority ("HSY"), a public entity responsible for the waterworks of the cities of Espoo, Helsinki, Kauniainen and Vantaa as well as the waste management services, and the regional and environmental information services provided in the Helsinki metropolitan area, Finland.

The Programme is developed by an experienced promoter and takes into consideration environmental and social aspects as required by European and National requirements. The Finnish legislation complies with the relevant EU Directives (Drinking Water Directive 2020/2184, Urban Wastewater Treatment Directive (91/271/EEC), SEA Directive 2001/42/EC, EIA Directive 2011/92/EU as amended by the Directive 2014/52/EU, Birds Directive 2009/147/EC, Habitats Directive 92/43/EEC). The Promoter is well aware of these requirements and acts accordingly. In fact, the treatment objectives set out by the Promoter are stricter than those imposed by the Urban Wastewater Treatment Directive (91/271/EEC) and the regional standards (HELCOM's Recommendation 28E/5, 2007), taking into account the sensitivity of the Baltic Sea ecosystem. Biological secondary and tertiary treatment stages enhance nutrients removal ensuring effluent concentrations of total nitrogen and phosphorus at exceptionally low levels.

The Project will co-finance investment schemes that form part of the Promoter's investment programme for 2024-2027. The main categories of the Programme are upgrading and renewal of water supply distribution networks and treatment facilities (mainly increase of the capacity, replacing aging lines with new ones, pumping stations and water towers) as well as extension of the supply network to new residential areas. Furthermore, around 25% of the Programme focuses on the rehabilitation of existing sewerage networks including the separation of combined sewerage to separate systems to the extent possible.

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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At the time of appraisal, none of the sub-projects under the Programme requires an EIA (Environmental Impact Assessment) as defined under the EIA Directive 2014/52/EU, amending 2011/92/EU. None of the sub-projects are located inside or near a Natura 2000 site, either. Nevertheless, given that annual revisions may result in slight changes of the Programme (in terms of the type and location of each scheme), some new sub-projects under the Programme in the future may be subject to EIA screening by the relevant competent authority under the Directive 2011/92/EC as amended by the EIA Directive 2014/52/EC. In case a sub-project requires a full EIA, its implementation will not start before receiving first all the necessary approvals from the Competent Authority. In this case, the Bank will also require from the Promoter to provide a full copy of the EIA in order to be published on the EIB website.

The investments under the Programme are expected in general to have long-term positive environmental benefits. The Programme aims at increasing the water supply network security as it includes major investments on replacing aging transport mains and distribution pipelines which will reduce water losses and thus have a positive impact on the usage of surface water resources, which cover the largest part of HSY's demand.

The rehabilitation works along the existing sewerage network focus partly on the separation of the combined sewer network to separate systems for sewerage collection and urban storm water management. Besides strengthening climate resilience against urban flooding, these investments will result in significantly reducing pollution due to overflows of effluent in the streets. Moreover, the rehabilitation of the existing sewerage networks will significantly reduce leakages along the network resulting in protecting the aquifer from pollution. Finally, the renovation works at the Viikinmäki Wastewater Treatment plant (WWTP), will improve the operational efficiency of the wastewater and sludge treatment processes and increase their capacity ensuring effluent concentrations of total nitrogen and phosphorus being discharged at exceptionally low levels in the Baltic Sea and thus protecting its marine ecosystem.

The Project's environmental impact at the construction stage will be short-lived and reversible, and at a level deemed acceptable. Some of the expected negative effects include increased heavy traffic, noise and dust during construction, which will be alleviated by appropriate mitigation measures concerning site organisation and construction management.

Climate Adaptation and Mitigation

The Project is expected to positively contribute towards climate change mitigation and adaptation. Mitigation will be achieved by a number of efficiency improvement measures, including but not limited to reduction of water losses and leakages through large scale transfer and replacement of transport mains and distribution lines within District Metered Areas (DMAs). This can result in operating at lower pressures, which in turn can contribute to saving energy in the whole system.

Moreover, the renovation works at the existing Vikinmaki WWTP will optimize operational efficiency of the wastewater and sludge treatment processes and thus will contribute to reduction of greenhouse gas emissions through reduction of N₂O emissions from wastewater treatment and increased biogas production.

Furthermore, the Project is expected to contribute significantly to adaptation given that a large part of the investments on sewerage network rehabilitation is dedicated to the separation of the combined sewerage system into two systems, one for the sewerage collection and one for the urban stormwater management. This will strengthen the climate resilience of the whole system against urban flooding. Moreover, the rehabilitation of the water supply network will reduce further the leakages along the network, increase the interconnectivity of the supply zones and increase the capacity. This will result in general in improving significantly the operational efficiency and reliability of the whole supply system.

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).



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EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty, the Helsinki Region Environmental Services Authority (“HSY”) is in scope and screened out of the PATH framework, because it is not considered high emitting or high vulnerability.

Social Assessment

The proposed investments will improve access to safe drinking water and sustain high water quality standards to the service area and will result in a more climate resilient and robust water supply system. This will yield lasting positive social benefits, including improving the living conditions of the inhabitants within Helsinki’s metropolitan service area and thus be beneficial for the public health. In addition, the rehabilitation works along the sewerage networks, and the extension and renovation of the existing Viikinmäki WWTP will contribute to reduction of nuisance for local residents from the discharge of combined sewage. The improved effluent treatment will enhance the coastal area’s attractiveness for recreational activity. The works will also contribute to local employment creation during the construction period.

The negative social impacts of the Project are only temporary such as the possible disruption of water services and traffic, and noise and temporary occupation of public and private space. They are common for this type of projects in urban environments and will be addressed as part of the planning permission for the relevant schemes.

Public Consultation and Stakeholder Engagement

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

The capacity of the Promoter to manage and monitor the environmental, social and climate related issues is deemed very good.

Conclusions and Recommendations

The Project contributes towards the fulfilment of SDGs, particularly SDG 3 on “Good Health and Well-being”, SDG 6 on “Clean water and sanitation”, SDG 11 on “Sustainable Cities and Communities” and SDG 13 on “Climate Action”.

Overall, the Project has positive net social and environmental benefits. By rehabilitating, upgrading and increasing the capacity of the water and wastewater treatment facilities, and improving the performance of existing and new drinking water supply and sewerage systems, the Project is expected to generate a positive impact on the environment and will contribute to the improvement of living conditions of the inhabitants within Helsinki’s metropolitan service area. In addition, the renovation and extension of the Viikinmäki WWTP, will optimize the treatment process thus contributing to the protection of the marine ecosystem in the Baltic Sea.

All project components covered by the Programme 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, including the EIA (2014/52/EC) amending the EIA Directive 2011/92/EC, Habitats (92/43/EEC) and Birds (2009/147/EC) Directives, the Drinking Water Directive and the Urban Wastewater Directive.
- The Promoter will be required not to allocate Bank funds to project components that require a full EIA until the EIA and/or the necessary nature assessment have been finalized and approved by the relevant competent authority. Once any EIA is available, the promoter will provide the Bank with an electronic copy of the EIA, for publication on the EIB website.



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- The Promoter undertakes to provide to the Bank, if requested, 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.

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