



Luxembourg, 14 October 2024

## Environmental and Social Data Sheet

### Overview

Project Name: NAVARRA NILSA WASTEWATER CIRCULAR ECONOMY  
 Project Number: 2024-0151  
 Country: SPAIN  
 Project Description: The project concerns the financing of wastewater treatment schemes forming part of NILSA's investment programme over the period 2023-2030.

EIA required: no

Project included in Carbon Footprint Exercise<sup>1</sup>: no

### Environmental and Social Assessment

#### Environmental Assessment

NILSA, the project promoter, is a public company within the regional Government of Navarra, providing wastewater treatment and solid waste services. Navarra is characterized by a rural context, with a high percentage of its population living in small municipalities, many of them with fewer than 1000 inhabitants. NILSA's perimeter of wastewater treatment activities covers most of the region.

The EIB operation will support NILSA's 2023-2030 wastewater treatment investment programme, consisting of i) construction of new wastewater treatment plants (WWTP) in small agglomerations, providing biological wastewater treatment to all agglomerations over 100 inhabitants, and adequate treatment to those with fewer than 100 inhabitants; ii) the rehabilitation and extension of existing wastewater treatment plants and, iii) support to centralized sewage sludge treatment systems in Arazuri and Tudela wastewater treatment plants. Arazuri WWTP will increase its solar drying and composting facilities, and Tudela WWTP will implement anaerobic digestion to produce biogas, together with sludge treatment and solar drying facilities for agricultural reuse. After implementation, NILSA will cover over 90% of the energy demand of its wastewater treatment activities and will also contribute to circular economy by reusing 100% of the sewage sludge produced in all wastewater treatment facilities.

The Spanish legislation has fully transposed the relevant EU Directives, including the EIA Directive 2014/52/EU amending Directive 2011/92/EC. The latest amendment of the national act on EIA procedures (Law 21/2013) entered into force on 9th December 2013. The *Ministerio para la Transición Ecológica y el Reto Demográfico* is the competent authority. It may delegate responsibility for EIA regulation and implementation to regional governments (*Comunidades Autónomas*). It is the case of Navarra for this project. All schemes comply with *Ley Foral de Navarra 17/2020*, which regulates activities having an impact on the environment. The *Department of Rural Development and Environment* of the Government of Navarra is the competent authority. As required by the national Water Law, the Ebro and Cantábrico River

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.



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Basin Authorities must approve the investments, depending on the location of the wastewater treated facilities.

NILSA's investment program is embedded into Navarra's Urban Water Management Master Plan 2019-2030. This Plan aligns with the principles of the Water Framework Directive 2000/60/EC and defines the Government of Navarra's strategy against climate change and the promotion of circular economy in the water sector. Approved in May 2019, it was subject to a strategic environmental assessment according to the SEA Directive 2001/42/EC.

NILSA is in full compliance with the requirements of the Urban Waste Water Directive (WWTD) 91/271/EEC. The sludge treatment component anticipates some of the requirements of the revision of the WWTD. After completion of the works, NILSA is expected to cover over 90% of its wastewater treatment energy needs with the biogas production. It is also expected that 100% of the sewage sludge produced by NILSA's WWTPs will be centralized, treated, and reused in agriculture. Therefore, the project will contribute to Climate Mitigation and Circular Economy.

Some small-sized schemes are located in Natura 2000 areas. The competent authority concludes that the investment plan is considered to have little impact. It is justified by the small size and nature of the works, together with the positive environmental impact after completion. As required by Ley Foral 17/2020, all schemes follow a *Estudio de Afecciones Ambientales*. A simplified environmental assessment has been carried out. However, the competent authority has concluded that Tudela WWTP's sludge treatment component (Fase 2) requires an integrated environmental permit (*Autorización Ambiental Integrada*) due to the volumes of sludge to treat. This authorization will define conditions and mitigation measures to take into consideration during the phase of construction and operation.

#### **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**

Negative social impacts are expected to be only temporary (e.g. occupation of public and private space, safety hazards during construction, traffic, noise) and will be addressed as part of the planning for the implementation of each scheme.

NILSA, as part of its social responsibility, counts on a Gender Equality Plan 2022-2026.

#### **Public Consultation and Stakeholder Engagement**

The Promoter is requested 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-making process, where relevant, in accordance with the Aarhus Convention.

#### **Other Environmental and Social Aspects**

NILSA is an experienced promoter and has the required experience for the implementation of the schemes according to the environmental and social requirements. During the project's due diligence, it has demonstrated sound practice with respect to environmental, health and safety management. In addition to procedures to meet regulatory requirements, the Promoter has a comprehensive environmental management system which is applied to new projects and monitors ongoing operations. It has the following certifications: ISO 9001 (Quality Certification), ISO 14001 (Environmental Certification), ISO 45001 (Occupational Health and Safety), UNE 93200 (Transparency) and UNE 166002 (RD&I).



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## Conclusions and Recommendations

The project ensures compliance with relevant EU environmental directives and will bring environmental quality improvement to the beneficiary waters. It will also contribute towards climate mitigation and circular economy. All schemes under the project will be subject to the Promoter's compliance with the following requirements:

- The promoter undertakes not to allocate Bank funds to programme components that require a full EIA until the EIA and/or the necessary nature assessment have been finalised 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.
- The promoter shall not commit any EIB funds against any scheme that impacts nature conservation sites, without receiving from the relevant competent authorities the declaration under Art. 6(3) of the Habitats Directive that there are no significant effects and informing the Bank of such declaration having been obtained.
- The promoter undertakes to provide to the Bank, if requested, any decision and subsequent justification that screens out project components from the requirement of a full EIA as well as the decisions issued by the competent authorities regarding the Habitats and Birds Directives. Under these conditions, the operation is acceptable for EIB financing in environmental and social terms.