

## InvestEU Scoreboard

### Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: ACQUE BRESCIANE GREEN LOAN

Type of approval :

- Individual financing or investment operation or  
 Framework Operation

Name of the final recipient: ACQUE BRESCIANE SRL

Country(-ies) of implementation: Italy

Short description of the financing or investment operation:

The EIB financing will amount to a maximum EUR 45m amortising SSSR loan of up to 18 years (4 years of grace).

The Project concerns the 2021-2023 wastewater investment programme of AB, a private law incorporated entity operating in the regulated sector of Integrated Water Services ("IWS"). AB provides its services to 94 municipalities, serving 560,000 inhabitants across the area known as Ambito Territoriale Ottimale ("ATO") of Brescia. The ATO corresponds to the administrative borders of the Province of Brescia in the Lombardy Region.

The Project is expected to invest both in wastewater collection and treatment & storage. It will be deployed on the basis of the Promoter's "Programma di interventi", which is a 4-year rolling investment programme included in the tariff proposal for the new regulatory period 2020-2023. Investments aim at ensuring compliance with tighter environmental requirements set by national and EU legislation, notably the EU Urban Wastewater Treatment Directive 91/271/EC as amended by 98/15/EC ("UWWTD") and the Water Framework Directive (2000/60/EC).

In fact, some investments included in the Project will contribute to closing the infringement procedure opened against Italy for failing to meet the requirements of the UWWTD (Cases 2014/2059 and 2017/2181). The project will also contribute to meeting the customer service standards set by the in-house agreement.

### Public Statement

The project supports investments in wastewater infrastructure by Acque Bresciane("AB"), a publicly owned utility providing Integrated Water Services in the Lombardy Region, Italy. It ensures compliance with key European regulations in the water sector, and improves the coverage and quality of wastewater services. The project contributes to the Bank's policy objectives of Sustainable Energy and Natural Resources as well as Climate Action and Environmental Sustainability. It addresses a number of market failures through positive externalities in the form of environmental and public health benefits, notably improved quality of recipient waters and reduced greenhouse gas emissions from wastewater infrastructure. These benefits are not reflected in market prices and would not be realised to the same extent without public intervention.

Furthermore, the project addresses a chronic investment gap in water services in Italy and provides long-term finance at attractive terms compared to traditional banking funding. The EIB tenor goes beyond the tenor offered by the commercial banks, implying effective "time-subordination" of the EIB loan vis-à-vis other lenders. As AB will raise additional financing in the next 3 years to support their ambitious

investment programme, the presence of the EIB loan may likely have positive impact on the confidence of other financiers.

**Pillar 3** - Market failure or sub-optimal investment situation addressed by the financing or investment operation (**Excellent**)

**Pillar 4** - Financial and technical contribution by the Implementing Partner (**Very Good**)

**Pillar 5** - Impact of the financing or investment operation (**Good**)

**Pillar 7 - Complementary indicators****Key project characteristics****Expected at PCR**

Start of works	01.01.2021
End of works	31.12.2023
Project investment cost	100.07 MEUR
EIB eligible investment mobilised	95.20 MEUR
External EIB multiplier	2.12
Mandate eligible investment mobilized	95.20 MEUR
Mandate multiplier effect	20.24
Mandate leverage effect	9.57
Amount of private financing	25.40 MEUR
Co-financing with national promotional banks	6.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	4,402.00 MWh/a
Employment during construction temporary jobs	627 person years
Employment during operation - new permanent jobs	0 FTE

**Outputs****Expected at PCR**

Capacity of sewage treatment plant constructed (new or extension)	50,399 p.e.
Length of new sewers installed	159.00 km
Length of sewers rehabilitated	53.00 km

**Outcomes****Expected at PCR**

Energy consumption Sewage	0.45 kWh/m <sup>3</sup>
Wastewater treated to acceptable standards (p.e.)	469,377.00 p.e.
Persons benefitting from improved sanitation services	436,972