

InvestEU Scoreboard ⁽¹⁾

Presentation of the financing or investment operation

Implementing Partner: EIB

Name of the Operation: SMAT WATER INVESTMENTS GREEN LOAN II

Type of approval: Individual financing or investment operation

Name of the final recipient: SOCIETA METROPOLITANA ACQUE TORINO

Country(-ies) of implementation: Italy

Short description of the financing or investment operation:

The Project will finance the Promoter's 2025-2027 investments in water and wastewater infrastructure in the Province of Turin, located in the northern Italian region of Piedmont. The related components include the extension and rehabilitation of water supply networks, rehabilitation of reservoirs and other related works with the application of best available technologies. In the area of sanitation and wastewater, the Project concerns investments to extend and rehabilitate sewer systems and wastewater treatment plants, among others. Additional Project components include the installation of remote-control systems aimed at increasing efficiency in the operation and maintenance of both current and future assets and networks.

Public Statement

The Project is aligned to the InvestEU eligible area of Environment as it supports investments in drinking water supply and sanitation infrastructure in the Piedmont region in Italy. The operation will ensure compliance with key European regulations in the water and wastewater sector and will improve the coverage and quality of water supply and sanitation services in the region including the City of Turin. The Project will contribute to the Bank's policy objectives of Sustainable Energy and Natural Resources as well as Climate Action and Environmental Sustainability.

It will address a number of market failures through positive externalities in the form of environmental and public health benefits, notably improved resilience of water distribution systems against future droughts, heavy precipitation events and reduced exposure to pollution. These benefits are not reflected in water tariffs and would not be realised to the same extent without public intervention. Furthermore, the Project will address a chronic and significant investment gap in water and sanitation services in Italy and will provide long term finance at attractive terms compared to commercial banking funding. EIB's participation as an anchor investor will facilitate the crowding-in of other potential investors and will positively impact the utility's financial stability and financial diversification.

The EIB support is expected to bring a tangible financial value added by lowering the Project's cost of funding and offering a tenor longer than the one normally proposed by other financiers. Considering the Project's funding needs, it is expected that the EIB support will accelerate its overall implementation. The value added brought by the Bank's long-term financing is tangible, impacted by the ongoing geopolitical situation.

Given the Counterparty's ambitious investment plan, resulting in higher debt levels and increased exposure to the Bank, the InvestEU guarantee significantly enhances the EIB's contribution in terms of loan amount, tenor, and risk structure (unsecured).

The EIB could not provide such type of financing support, or not to the same extent or at the same quantum, without support from the InvestEU guarantee.

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

Pillar 4 - Financial and technical contribution by the implementing partner (Good)

(1) This Scoreboard of indicators reflects the information presented to the InvestEU Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

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

Pillar 7 - Complementary indicators ⁽²⁾**Key project indicators****Expected at PCR**

Start of works	01.01.2025
End of works	31.12.2027
Project investment cost	400.03 MEUR
Mandate eligible investment mobilized	334.90 MEUR
Mandate multiplier effect	440.66
Mandate leverage effect	263.16
Amount of private financing	0.00 MEUR
Percentage of EIB financing dedicated to SME/Mid-Caps	0.00 %
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	50.02% Contribution to climate change adaptation (transversal)
Employment during construction - temporary jobs	4,350 person years
Employment during operation - new permanent jobs	0 FTE
Gender Tag	No Significant contribution to Gender Equality

Outputs**Expected at PCR**

Capacity of sewage treatment plant constructed (new or extension)	3,800 p.e.
Capacity of sewage treatment plant rehabilitated	52,500 p.e.
Capacity of water treatment plant constructed (new or extension)	52,000 m3/d
Capacity of water treatment plant rehabilitated	357,278 m3/d
Length of new sewers installed	16.20 km
Length of sewers rehabilitated	87.50 km
Length of new water mains or distribution pipes installed	30.10 km
Length of water mains or distribution pipes rehabilitated	139.80 km

Outcomes**Expected at PCR**

(2) The abbreviation PCR stands for Project Completion Report. EIB internal methodologies are used in order to calculate the figures presented in this document. The Promoter's estimates might differ.

Wastewater treated to acceptable standards (p.e.)	33,310.00 p.e.
Persons benefitting from improved sanitation services	1,974,355 Persons