

## InvestEU Scoreboard <sup>(1)</sup>

### Presentation of the financing or investment operation

Implementing Partner: EIB

Name of the Operation: MM WATER INFRASTRUCTURE UPGRADE II

Type of approval: Individual financing or investment operation

Name of the final recipient: MM SPA

Country(-ies) of implementation: Italy

Short description of the financing or investment operation:

The Project concerns MM's 2025-2029 investment plan in water and energy efficiency, circular economy and flood resilience.

The purpose of the Project is to contribute to the MM's plan to increase the reliability and resilience of the water supply, reduce sewer flooding, improve the quality and efficiency of wastewater collection and treatment services and develop IT systems and infrastructure that relate to the optimisation of the operation of the integrated water service.

### Public Statement

The Project aligns with the InvestEU eligible area of Environment, supporting investments in drinking water supply and sanitation in Lombardy, Italy. It ensures compliance with EU water and wastewater regulations and enhances service coverage and quality, including in Milan. The operation contributes to the Bank's policy objectives of Sustainable Energy and Natural Resources, as well as Climate Action and Environmental Sustainability, and is consistent with the Water Resilience Programme.

It addresses market failures by generating environmental and public health benefits, such as improved resilience to droughts and heavy rainfall, and reduced pollution exposure, which are not fully captured in water tariffs. These outcomes would not be realized to the same extent without public intervention. The Project also tackles a persistent investment gap in Italy's water sector and offers long-term financing on more favorable terms than commercial banking funding.

The EIB's role as anchor investor is expected to attract additional investors, strengthen the utility's financial position, and diversify its funding sources. EIB support brings tangible financial value by lowering funding costs and offering longer tenors than typically available, and it is expected to accelerate its overall implementation. This is particularly relevant in today's volatile market environment.

Given the counterparty's ambitious investment plan and increased exposure to the Bank, the guarantee significantly enhances the EIB's contribution in terms of loan amount, tenor, and risk profile.

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 (Excellent)**

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

**Pillar 5 - Impact of the financing or investment operation (Very 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 7 - Complementary indicators <sup>(2)</sup>****Key project indicators****Expected at PCR**

Start of works	01.01.2025
End of works	31.12.2029
Project investment cost	276.69 MEUR
Mandate eligible investment mobilized	276.69 MEUR
Mandate multiplier effect	728.13
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	7,000.00 MWh/a
Climate Action indicator	45.45% Contribution to climate change adaptation (transversal) / 8.15% Mitigation - Waste and Wastewater GHG reduction
Employment during construction - temporary jobs	1,600 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 rehabilitated	2,286,000 p.e.
Capacity of water treatment plant constructed (new or extension)	15,000 m3/d
Capacity of water treatment plant rehabilitated	45,000 m3/d
Domestic connections to water supply created	750 Units
Length of new sewers installed	5.00 km
Length of sewers rehabilitated	20.00 km
Length of new water mains or distribution pipes installed	10.00 km
Length of water mains or distribution pipes rehabilitated	40.00 km
Digitalisation– PROJECT based share of project investment cost	4.00 %

(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.

Contribution to TechEU	0.00 %
------------------------	--------

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

Energy consumption water supply	0.32 kWh/m3
Non-revenue water	9.43 %
Persons with reduced exposure to drought risk	1,369,715.00 Persons
Persons facing reduced risk of river or urban flooding	1,369,715 Persons