



PRESS RELEASE

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CAP Group receives first EIB green loan of €100 million to upgrade water infrastructure in Milan

- **The EIB will support CAP Group's 2022-2025 business plan, which includes operations worth €450 million over five years.**
- **The financing, which falls under the EIB's environmental policies and is in line with the Lombardy Region's Green New Deal, will support a €200 million investment plan aiming to improve the coverage, quality and resilience of water services in CAP Group's service area.**

CAP Group (the manager of integrated water services in Milan) has secured a €100 million loan from the European Investment Bank (EIB) to improve the coverage, quality and resilience of integrated water services in Milan. The financing will support the company's four-year plan, which includes €200 million for 44 projects aiming to minimise losses on its over 6 400 km of water network, improve the quality of water delivered and treated, enhance and improve its over 6 600 km of sewerage network, implement circular economy projects, and drastically reduce energy dependency and climate-changing emissions.

This is a major contribution to the development of CAP Group's 2022-2025 business plan, which amounts to €450 million in total — over €100 million a year. The EIB-financed investment plan covers 20 operations on the water network, 14 on the sewerage network, nine concerning wastewater treatment and one for other water-related activities.

These operations are vital to managing rainwater and improving the resilience of the system to climate change. They will optimise the process for reducing energy use and sewage sludge, and will continue to recover energy from waste with projects such as the Sesto San Giovanni Bioplatform, a combined waste-to-energy and wastewater treatment plant and an Italian first for industrial symbiosis with zero CO₂ emissions. The works will also be assessed in line with the Paris Agreements and the low-carbon targets of the EIB's [Climate Bank Roadmap](#).

This is one of the EIB's first green loans to the Italian water sector, and aims to enhance CAP Group's water management via a series of sustainability, climate action and environmental projects. The EIB is the EU climate bank and one of the world's largest lenders to the water sector, with over 1 600 projects and almost €79 billion in funding. In 2021, the EIB provided about €1.63 billion in financing for water projects, helping to give around 10 million people better access to drinking water.

EIB Vice-President Gelsomina Vigliotti said: “The EIB is the EU climate bank and one of the world's largest lenders to the water sector. This green loan will enable CAP Group to improve the quality of water delivered and treated and will strengthen the sewerage network to the benefit of over 2 million Lombardy residents, with a particular focus on sustainability, climate action and the environment.”

“We are delighted that the EIB is lending its support to the projects we plan to implement over the next few years,” said **CAP Group Chairman and Managing Director Alessandro Russo**. “This financing will enable us to apply an even more committed and determined approach to pursuing the objectives identified in our sustainability plan. These goals are centred on three core areas of action to address the main sustainability challenges of today and the near future: the circular economy, recovering materials and energy from waste, reducing emissions and the use of energy from non-renewable sources; protecting water resources by reducing inefficiencies and improving the quality of the water delivered; and improving the resilience of our service area.”



Background information

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It provides long-term financing for sound investments that contribute to EU policy. The Bank finances projects in four priority areas: infrastructure, innovation, climate and environment, and small and medium-sized enterprises (SMEs). **Between 2019 and 2022, the EIB Group provided €36 billion in financing for projects in Italy.**

CAP Group

CAP Group manages Milan's integrated water service following the in-house providing model, ensuring public sector control of the member organisations in compliance with the principles of transparency, accountability and participation. Decades-long expertise and highly skilled staff enable the public nature of water resources and management to be combined with managerial organisation of water services that can foster investment in the service area and enhance knowledge via IT tools. CAP Group's size and assets make it one of Italy's largest single utility companies.

It won the Top Utility Ten Years award in 2022, as the Italian utility company having received the most awards in the preceding ten years.

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