

## Environmental and Social Data Sheet

### Overview

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| Project Name:        | <i>Grupo Ruiz Clean Bus Fleet</i>  |
| Project Number:      | 2019-0592  |
| Country:             | <i>Spain</i>   |
| Project Description: | <i>The current project is presented under the Clean Urban Transport Programme Loan Spain (2018-0060). It consists of: (i) the investment in 32 electric and 141 CNG buses to provide urban and interurban transport services in 6 cities in Spain; and (ii) the construction of associated infrastructure needs, including the construction of three electric charging stations and the implementation of passenger information systems (ITS).</i> |

EIA required: no

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

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

### Environmental and Social Assessment

#### Environmental Assessment

The project is proposed to be financed under a Programme Loan approved on July 17th 2018 that aims to support both public and private promoters operating under a public service contract responsible for transport of passengers in urban areas in Spanish municipalities (Clean Urban Transport Programme Loan Spain).

The project is in line with the Spanish Strategy on Urban and local Sustainability (2011, Ministry of Environment and Ministry of Fomento); the Law on Sustainable Economy (2011, Government of Spain); the Infrastructures, Transport and Housing Plan (PITVI, 2012, Ministry of Fomento); and the National Plan on Air Quality and Protection of the Atmosphere 2017-2019 (Plan Aire II, Ministry of Agriculture, Food and Environment).

The manufacturing of rolling stock (buses), software and IT systems for bus operation and the installation of recharging stations in existing depots do not fall within the scope of the EIA Directive 2011/92/EC amended by Directive 2014/52/EU. Therefore, no EIA will be required. The buses being replaced in the concessions of Madrid, Badajoz, Toledo, Salamanca and Murcia, which are ongoing concessions from the Promoter, will either be scrapped or

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<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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dismantled if they have reached the end of their life, or given to the concessionaire administration, who will be responsible to scrap or dismantled them.

For those vehicles that will not reach their end of life within the concession and are not taken over by the administration, they will be used by the Promoter until the end of their life.

In the absence of an end of life regulatory framework for buses, the Bank will require the Promoter to inform the Bank how the buses being replaced will be disposed of<sup>2</sup>.

The diesel and CNG buses that will be replaced in Mallorca do not belong to the Promoter, who just won the right to provide interurban bus services in Mallorca, but to another concessionaire.

If the buses being replaced are re-used, they are likely to be used on other networks of the former operator or otherwise sold to other operators, which may be in other countries. If the buses are redeployed or sold, a positive environmental impact is expected, since the buses will replace even older assets in the second hand market. This substitution typically reduces the level of particulates and pollutants emitted by the buses, which in many cities is regarded as a major benefit due to the very poor air quality they experience. Normal practice is for older vehicles that are still in use to be firstly moved to less busy lines and then to be progressively retired from service and used for spare parts.

Overall, the project is expected to have a positive environmental impact. The renewal and improvement of public transport including the deployment of electric technology will contribute to reduced pollution and noise, as well as to low-carbon transport and will allow an increase in energy efficiency. In addition, the investments will have the capacity to improve the quality of public transport services in Madrid, Mallorca, Badajoz, Toledo, Salamanca and Murcia, helping thus reduce reliance on private cars and maintain or increase public transport share.

Given the nature of the project, no impacts on Natura 2000 or other protected sites are expected.

Impacts during the construction phase of the infrastructure components are expected to be minimal.

### **Social Assessment**

The project activities and outputs are not likely to trigger any of the Bank's social standards. Infrastructure construction activities will be small and will be carried out within the footprint of existing facilities owned by the Promoter. Therefore, no expropriation or resettlement is foreseen within the project.

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

Given that the project finances the purchase of buses and some small-scale works for the operation of these buses in existing depots, public consultation is not required.

## **Conclusions and Recommendations**

The project is expected to have a positive environmental impact. The renewal and improvement of public transport including the deployment of electric technology will contribute

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<sup>2</sup> Old buses can be disposed either directly by the operator or through a dealer who takes over the vehicle. Life expired vehicles or damaged vehicles are normally handed over to demolishers or stored for parts in the depots.

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to reduced pollution and noise, as well as low-carbon transport and will allow an increase in energy efficiency. In addition, the investments will have the capacity to improve the quality of public transport services, helping thus reduce reliance on private cars and maintain or increase public transport share.

#### **Undertakings**

- The Promoter undertakes not to sell to third parties (except to the concessionaire administration or to the new concessionaire responsible for taking over the public transport service) old diesel and CNG buses being replaced by EIB financed CNG and e-buses as of the date of the signature of the contract with the Bank.
- The Promoter undertakes to scrap, at the end of their life, all diesel and CNG buses being replaced by the buses financed by the EIB (except for those having been sold to the third parties indicated above and those having been sold to other parties before the signature of the contract with the Bank).  
The Promoter undertakes to inform the Bank how these buses have been scrapped and to provide the relevant scrapping certificate(s), in line with EU and national regulation and industry best practice.
- For e-buses sold in the second hand market, the Promoter undertakes to inform the Bank of the purchaser and country of operation.

Subject to these conditions being met, the project is acceptable for EIB financing in E&S terms.