

**Public**

## Environmental and Social Data Sheet

### Overview

Project Name:	MAV-START RAIL ROLLING STOCK
Project Number:	20200118
Country:	Hungary
Project Description:	Acquisition of 21 double decker Electric Multiple Units to be used for regional services in Hungary.
EIA required:	NO
Project included in Carbon Footprint Exercise <sup>1</sup> :	YES

### Environmental and Social Assessment

The project consists of the acquisition of 21 Electric Multiple Units (EMUs) for suburban and regional passenger railway services in Hungary as part of the rolling stock fleet renewal strategies of MAV-START.

The Project, entailing the manufacture of rail rolling stock in existing facilities, does not fall under either Annex I or Annex II of the Environmental Impact Assessment (EIA) Directive 2011/92/EU as amended.

The fleet will be authorised for operation in Hungary and will be equipped with state-of-the-art technology in terms of energy efficiency. It will be in conformity with the relevant requirements concerning noise and accessibility for persons with reduced mobility and persons with disabilities

There is no construction or significant renovation of fixed infrastructure related to this rolling stock investment. Manufacturing of these trains is expected to take place in existing plants in Belarus, Switzerland and Hungary. The Company has certified quality, environmental and occupational health and safety management systems in line with ISO 9001, ISO 45001, and ISO 14001 standards.

The maintenance of the new rolling stock will be carried out in the existing depot of Szolnok, near Budapest. In the context of the delivery of previous lots under the same framework agreement, the depot is being retrofitted (creation of recessed floor, underfloor wheel lathe and other minor works). These works are carried out within the area currently occupied by the railway, and there will be no additional land take. The works do not fall within the scope of the EIA Directive. These works of extension or modernisation of the depot are not part of the EIB financed project.

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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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The Project will result in scrapping of life expired vehicles. The Promoters decommission rolling stock according to their standard procedures, which include always the participation of one environmental protection expert to ensure consistency with prescribed national standards in the process of dismantling, re-use of useful spare components, recycling and scrapping (including decontamination).

The Project represents a replacement of existing obsolete rolling stock and an improvement of the availability and reliability of the fleet, which will hence increase the attractiveness of railway services in Hungary. The Project is expected to reduce carbon emissions in aggregate, both through reducing energy consumption per train x km (more efficient electric traction technology and introduction of regenerative braking) as well as by helping the rail sector to maintain or gain modal share in the passenger market by comparison with the “without project” scenario, in which the quality of rail services would deteriorate.

The project is expected to have positive environmental impact in terms of safety, energy savings, air pollution, noise and CO2 emissions

### **EIB Carbon Footprint Exercise**

The project is included on the following basis:

Estimated annual greenhouse gas emissions from the use of the project in a typical year of operation over a 30-year operating assessment period:

- Forecast absolute (gross) emissions are about 12,400 tonnes of CO2 equivalent; and
- Forecast emissions savings are about 25,400 tonnes of CO2 equivalent.

The project assessment boundaries are:

- In the absolute case: the new rolling stock operating on the Budapest suburban rail network.
- In the baseline case: the existing rolling stock operating on the same lines and the road (cars and bus) traffic diverted to rail as result of the project.

The forecasts in the baseline and absolute cases are based on project specific assumptions about electrical energy consumption of rail operations.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

These forecasts may differ from those of the Promoter due to different assumptions, boundaries and baselines

## **Conclusions and Recommendations**

The project complies with relevant EU and national environmental legislation and is acceptable to the Bank from an environmental perspective.