

Public

Environmental and Social Data Sheet

Overview

Project Name: *UKRAINE PUBLIC BUILDINGS ENERGY EFFICIENCY*
Project Number: *2019-0128*
Country: *UKRAINE*
Project Description: *Framework loan aimed at thermal refurbishment of public buildings in Ukraine.*

EIA required: no

Project included in Carbon Footprint Exercise¹: yes

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

Environmental and Social Assessment

Environmental Assessment

The EIB loan will be a sovereign loan to the Republic of Ukraine channelled to local authorities (the Final Beneficiaries).

The Project foresees installation in public buildings of modern energy efficiency equipment such as meters and control systems, modernization of heating, ventilation and lighting systems as well as the necessary works to increase the performance of the building envelope (facade, roof, slab insulation, basement ceilings, windows and doors replacement). On a case-by-case basis, cooling systems and the integration of renewable energy sources and adequate Covid19 response measures will be included in the project.

Most of the individual investment schemes currently envisaged under this loan are small and are expected to have limited environmental and social impacts. The reconstruction works will only have minor temporary negative impacts during the construction period due to construction noise and dust, etc. Once the works are completed, it is expected that the environmental impact will be positive. This Project intends to bring environmental benefits by supporting Energy Efficiency investments that reduce consumption and thus help to mitigate climate change.

Most, and probably all, of the schemes would not require an EIA as foreseen under the Ukrainian EIA legislation and they would not require, if they were in the EU, an EIA under

¹ 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 CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

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directive 2011/92/EC, as amended by Directive 2014/52/EC. Should any scheme included under this Framework Loan require an EIA Report, it would be subject to the Bank's standard review. The Promoter shall deliver to the Bank a confirmation that the schemes have no significant impact on protected areas, as documented in the EIA Reports where applicable.

The Promoter will implement these refurbishment investment schemes in accordance with the principles of the Energy Performance of Buildings Directive 2010/31/EU as amended by Directive 2018/844/EU and with the Ukrainian Law "On Energy Performance of Buildings", which entered into force on the 23.07.2018.

EIB Carbon Footprint Exercise

The "perimeter" of the Project is the refurbished buildings and for the purpose of the EIB Carbon Footprint; the Bank considered that they are all heated by gas, 50% directly from an onsite boiler and 50% through gas fired district heating with additional distribution losses.

The Project will generate net emissions savings of approximately 62,000 tonnes of CO₂ equivalent per year. The absolute emissions of the buildings after Project completion are estimated at 55,500 tonnes of CO₂ equivalent per year. 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 costs.

Social Assessment

The Project will contribute to the improvement of public social infrastructure. The Promoter and the Final Beneficiaries, supported by external Technical Assistance, will prepare and implement social management and stakeholder engagement plans.

Other Environmental and Social Aspects

Ukraine has ratified all ILO fundamental conventions. Occupational health safety, as well as labour related provisions will be included in the Project operational manual; including provisions related to freedom of association, specific requirements in the schemes involve removal of asbestos.

The Final Beneficiaries' environmental and social capacity will be strengthened with Technical Assistance for project schemes. The EIB will provide additional Technical Assistance for the identification, management and monitoring of any environmental and social impacts and risks triggered by the investment schemes and financed under the Framework Loan at local level.

Conclusions and Recommendations

The Promoter shall, and shall procure that the Final Beneficiaries will:

- implement and operate the Project in compliance with EIB Environmental and Social Standards, and procure that the contracts, which it signs with contractors, will contain provisions that require contractors to comply with International Labour Organization standards as well as with occupational health and safety standards;

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- prepare an Environmental and Social Management Framework as part of its operational manual and in line with EIB standards, including i) screening criteria for standards triggers, ii) stakeholder engagement framework, iii) environmental and health & safety plan, iv) waste management plan and v) monitoring fiches. When needed, specific Environmental and Social Management Plans will be prepared, commensurate to the size and complexity of the impact identified.
- establish a grievance mechanism accessible for all stakeholders, including but not limited to population benefiting from the refurbished buildings, employees working in the refurbished buildings and employees of subcontractors in charge of the works.
- not use the Bank's funding for sub-projects that require an Environmental and Social Impact Assessment Study according to national without/prior to such study being finalised and approved by the competent authority;

Under these terms, it is considered that the Final Beneficiaries and the Promoter, will appropriately address environmental and social issues and ensure that the schemes to be financed under this Loan meet the Bank's requirements.