

Public

Environmental and Social Data Sheet

Overview

Project Name:	BAWAG PSK URBAN DEVELOPMENT
Project Number:	2020-0238
Country:	Austria
Project Description:	The Project consists of an intermediated Framework Loan to finance urban development and social infrastructure in Austria.
EIA required:	This is a multi-scheme operation. Some of the schemes may require an EIA under Annex II of the EIA Directive.
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The EIB operation is structured as a Framework Loan to support construction and modernisation of urban infrastructure and services in Austrian local governments and public utilities of different sizes. The operation will support wide range of investments – both construction of new and retrofitting of existing infrastructure - in eligible sectors: education and sport, culture, social inclusion, water and solid waste management, sustainable transport and climate resilience. The investments will be implemented by public sector entities (including municipalities, municipal associations, and local authorities, private and public utilities). The eligible selected sectors and investments will fall well within the constitutional responsibilities of the municipalities, forming part of their integrated local development plans, reflecting urban planning processes which also actively involve local population and other relevant stakeholders. The Bank has a good previous experience in financing municipal sector in Austria, whose overall regulatory framework is considered robust, including application of the environmental legislation.

The Project will partly contribute to objectives of the Integrated National Energy and Climate Plan for Austria as well the ÖSTRAT - Strategy for Sustainable Development of the Federal Government and Federal Provinces in Austria by promoting high efficient building standards and renovations focused on energy efficiency measures but also promoting sustainable transport, biodiversity and climate resilience. Through the allocation procedure, the Promoter will be requested to give priority to schemes with high climate mitigation impact.

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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The relevant EU Directives, including EIA 2014/52/EU (amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) and Energy Performance of Buildings (2010/31/EU), have been transposed into national legislation.

Given the nature, scale and location of the sub-projects, the investments are likely not to be subject to EIA as defined under the EIA Directive 2014/52/EU (amending 2011/92/EU). However, it cannot be excluded at this stage. Concrete schemes will be known at allocation phase, and the Promoter (the intermediary bank) will be requested to ensure that the relevant provisions of the national environmental legislation have been respected with regard to the appropriate environmental assessment.

The facilities supported from this operation shall be publicly accessible and shall serve to wider public. The investments shall enhance attractiveness of the city and contribute to economic development, generate new jobs and additional income opportunities for the municipalities as well as other SMEs in the area. Selected investments will contribute to enhanced public mobility and use of non-motorised transport (e.g. bicycles).

Most of the supported sectors are expected to have a positive environmental impact, particularly through energy efficiency measures, sustainable mobility, water and solid waste management and afforestation.

Social Assessment, where applicable

While concrete benefits are not known at this stage, the operation is expected to have an urban regeneration effect in the local areas through improved provision and quality of public infrastructure promoting more sustainable and socially inclusive communities. Given that the sub-projects will be publicly-owned of different kind (including community centres, sport facilities) and open to the wider public, it is expected that one main benefit is the improved quality of life of the surrounding community and their potential to be a catalyst for social inclusion and the integration of minority communities.

The operation is expected to generate positive economic and social externalities, in the form of job creation and a wide variety of benefits to the local economy and their contribution to economic growth (largely in terms of gross value added).

Public Consultation and Stakeholder Engagement

Details on public consultation of individual investments are not known at this stage. However, all investments shall form part of their integrated local development plans. Local urban planning processes in Austria actively involve local population and other relevant stakeholders.

Conclusions and Recommendations

The operation is envisaged to bring overall significant positive environmental, economic and social benefits, including energy savings and climate change mitigants. Negative environmental impacts are expected to occur only short term during the implementation.

The Promoter will be required to act according to the provisions of the relevant EU Directives, including SEA (2001/42/EC), EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives and Water Framework Directive (2000/60/EC) as transposed into national law. In projects where applicable, the Promoter will be requested to deliver the EIAs to the Bank before Bank funds are allocated. For Schemes having a potential impact on protected areas including Natura 2000 sites, the Promoters have to provide

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evidence of the compliance (including screening) with the Habitats and Birds Directives (if applicable) before the Bank funds are allocated. For schemes triggering art. 4.7 of the Water Framework Directive (WFD), the promoter has to provide evidence of the compliance with the WFD before the Bank funds are allocated.

The capacity of the Promoter to manage the environmental and social issues is deemed satisfactory. Therefore, subject to the conditions mentioned above, this operation is acceptable for the Bank in environmental and social terms.