

Luxembourg, 23 September 2021

Public

Environmental and Social Data Sheet

Overview

Project Name: *DIAKHITEL - STUDENT LOAN VI*
 Project Number: *2021-0199*
 Country: *Hungary*
 Project Description: The Project consists of financing student loans for students in higher education institutions, post-secondary vocational education, training programmes and adult learning programmes in Hungary.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The Project finances students' higher education, vocational training and adult education studies, but no capital investment in infrastructure is foreseen. The education activities will be carried out in already existing and authorised higher education facilities. The project does not fall under any of Annexes of the Environmental Impact Assessment Directive – Directive 2014/52/EU amending Directive 2011/92/EU and therefore, not requiring screening or EIA Report.

Social Assessment, where applicable

By supporting different student loan schemes, the Project aims to promote access to higher, vocational and adult education. Social benefits of higher education include increased productivity of labour force contributing to inclusive economic growth, development and poverty reduction, increased tax collection, increased female productivity by improving women's labour market conditions, environmental sustainability and reduced crime. There are some intangible social benefits harder to measure and relating to having a more educated society including active political participation and the quality of the democratic process. Moreover, 55% of the higher education students' mothers and 61% of their fathers did not attend higher education, which indicates that the promoter supports social mobility.

The Promoter has measures in place aimed at encouraging women to take up student loans. Currently, 56% of all student loan takers are women. The Gender Tag is, therefore, 'Significant'.

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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Other Environmental and Social Aspects

Students from the most disadvantaged backgrounds (including those students from single-parent or low-income families, and Roma and other ethnic minority students, and students with disabilities, and students from micro-regions with deep poverty etc.) should receive special attention. This addresses socio-economic inequalities and encourages access to tertiary education for all.

Students targeted under this operation are in principle above 18 years of age, and thus not subject to the "Anti-Paedophilia Act" recently passed by the Hungarian parliament. Nevertheless, the service will monitor if any future legal developments may affect the principle of equal access and fair treatment in access to higher education.

Conclusions and Recommendations

As the project will contribute to improved access to higher education, vocational training and education opportunities for those students, who otherwise would not have the financial means, this student loan operation is likely to generate positive social effects, both at individual and societal level. Undertakings foresee: a) an obligatory monitoring and evaluation mechanism and study to gain regular insights into the status of socio-economically disadvantaged student loan borrowers; b) an obligation to report any changes to the eligibility criteria for the student loan products financed under this Project and shall seek for the Bank's approval to proceed with these changes.

In light of the above, the project is acceptable for EIB financing in environmental and social terms.