



Luxembourg, 07/09/2022

Environmental and Social Data Sheet

Overview

Project Name:	SG European Green Transportation Equipment FL
Project Number:	2022-0119
Country:	France – Regional EU Countries
Project Description:	The proposed operation aims at supporting green investments for the renewal of urban and interurban mobile assets for the provision of services under public services contracts (e.g. bikes, buses, coaches, rail vehicles, metros, trams) as well as investments in digitalization primarily in France and across Europe.
EIA required:	no for rolling stock acquisition but might be required for associated facilities
Project included in Carbon Footprint Exercise ¹ :	to be checked at allocation stage for rail rolling stock in particular

Environmental and Social Assessment

Environmental Assessment

The project consists of a Framework Loan (“FL”) to the French bank Société Générale (SG) to support both public and private promoters’ investments in the renewal of urban and interurban mobile assets for the provision of services under public services contracts (e.g. bikes, buses, coaches, rail vehicles, metros, trams) as well as investments in digitalization primarily in France and across Europe.

The project focuses on Alternative Fuels (“AF”) vehicles operated under a public service obligation contract and targets zero-emission buses (electricity and hydrogen) and the associated infrastructure needs, such as charging and refuelling, software and IT systems. Renewal of other urban and interurban public transport zero-emission vehicles (rail rolling stock, metros and tramways) will also be eligible for financing.

The acquisition of rolling stock, software and IT systems for vehicles operation as well as charging infrastructure 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 for these components. However, the need for an Environmental Impact Assessment (EIA) may vary depending on the characteristics of the associated facilities.

For example, hydrogen production and storage may fall under Annex II of the EIA directive, and therefore the Bank will require prior to allocation of any investments related to the production and distribution of hydrogen, the screening decision of the Competent Authority and the EIA if required. Hydrogen production and storage facilities may also have to comply with the SEVESO III Directive (Directive 2012/18/EU) if storage capacity is above the lower-tier threshold of 5 tons, and the Bank will verify compliance at the time of allocation of such schemes.

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 adaptation of existing depots for the vehicles falls under Annex II of the EIA Directive 2011/92/EC amended by Directive 2014/52/EU. Adaptation of existing facilities is usually screened out as environmental impacts are low and no land acquisition is normally required. If a screening is however required, the Promoters shall provide to the Bank the screening decision in the context of the EIA Directive and if required the EIA and approval of the competent authorities prior to the allocation of these components.

Given the nature of the components to be financed, no impacts on Natura 2000 or other protected sites are expected.

Impacts during the construction phase of the infrastructure components (charging and refuelling stations and adaptation of existing depots for the vehicles) are expected to be minimal.

In any case, as for the other environmental and social aspects as well as compliance with applicable directives, further assessment will be carried out at allocation stage.

The sub-operations will be financed through the Societe Generale as intermediary bank. Societe Generale has adopted the Equator principles since September 2007 incorporating environmental and social assessment and categorisation procedures. Beside this, Societe Generale is a founding signatory of the Principles for Responsible Banking, signed by 130 banks worldwide.

SG's environmental and social framework is fully aligned with the UNEP FI's Principles for Positive Impact Finance (PPIF) and its Assessment Framework as well as with the International Capital Market Association (ICMA) Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines.

This Framework has been reviewed by second party (ISS-ESG²) who published its opinion confirming these alignments.

Based on the previous operations with the EIB, the capacity of the intermediary bank is expected to be satisfactory.

Overall, the project is expected to have a positive environmental impact. The renewal and improvement of vehicle fleets including the deployment of zero tailpipe -emissions technology will contribute to reduced pollution and noise, as well as low-carbon transport and will allow an increase in energy efficiency. In addition, foreseen investments will have the capacity to improve the quality and attractiveness of public transport services, helping thus to reduce reliance on private cars and the associated negative environmental externalities in terms of reduction of noise, GHG emissions and pollution.

Social Assessment

Potential infrastructure construction activities are expected to be carried out in all cases within the existing right-of-way and facilities owned by the final beneficiaries and/or on the street, therefore no expropriation or resettlement is foreseen within the project

Public Consultation and Stakeholder Engagement

Given the nature of the components to be financed, no public consultation is expected. However, the final beneficiaries will be asked to provide to the Bank information about the public consultation (timeline, outcomes) if applicable.

² [ISS ESG Gateway – ISS Corporate Solutions](#)



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Conclusions and Recommendations

The project is expected to have a positive environmental impact. The renewal and improvement of vehicle fleets including the deployment of zero-emission technologies will contribute to reduced pollution and noise, as well as an increase in energy efficiency. In addition, some 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.

Disbursement conditions

For associated facilities (depots, hydrogen production, storage or refuelling stations), if applicable, the final beneficiaries shall provide the Bank the screening decision in the context of the EIA Directive and if required the EIA and approval of the competent authorities prior to allocation of these components.

For any investments related to hydrogen production or storage with more than 5 tons of storage capacity, the final beneficiaries will submit to the Bank the notification send to the competent authority as required by the SEVESO III Directive (Directive 2012/18/EU) prior to allocation of these components.

Undertakings

The final beneficiaries will undertake to inform the Bank about the end-of-life vehicles disposal procedures for the replaced vehicles before allocation and provide more detailed information at completion of each sub-operation.

Subject to these conditions being met, the project is acceptable for EIB financing in environmental and social terms