

Luxembourg, 24th November 2022

Environmental and Social Data Sheet

Overview

Project Name: FGV SUSTAINABLE RAIL INFRA & ROLLING STOCK FL

Project Number: 2022-0069

Country: Spain

Project Description: *The project concerns Comunidad Valenciana's (CV) multi-annual investment programme for urban public transport and regional rail infrastructure and rolling stock, encompassing safety, digitalisation, upgrade and new capacity investments. It will be implemented by Ferrocarrils de la Generalitat Valenciana's (FGV), the public railway company fully owned by CV, responsible for operation and management of regional railway, metro and tramway. The project will be co-financed by ERDF and RRF funding.*

EIA required: to be checked at allocation stage

Project included in Carbon Footprint Exercise¹: to be checked at allocation stage

Environmental and Social Assessment

Environmental Assessment

The purpose of this Framework Loan (FL) is to provide financial support for the implementation of the actions foreseen in the regional strategy for sustainable mobility for the period 2018-2029 and the regional Climate Strategy. These strategies are also going to be supported by the European Commission through the Regional Development Fund Program ERDF for 2021-2027 and Next Generation EU grants under the Recovery and Resilience Facility (RRF). The plans aim at improving the quality of public transport services and consequently reducing reliance on private cars and maintain or increase the public transport share of urban mobility.

The potential schemes to be financed under this framework loan will contribute to modernizing the existing public transport network infrastructure and acquiring new rail rolling stock, as well as improving the coverage, quality, safety and accessibility of the public transport services, thus favouring the use of public transport and promoting intermodality and modal transfer away from private cars.

The regional strategy for sustainable mobility for the period 2018-2029 has gone through a Strategic Environmental Assessment (SEA) process, in compliance with EU SEA Directive 2001/42.

None of the potential schemes fall under Annex I of EIA Directive 2014/52/EU amending Directive 2011/92/EU.

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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Some of the schemes may fall under Annex II of EIA Directive, and require a screening by the competent authority. The infrastructure works (metro and tramway extensions) fall under annex II of the Directive 2014/52/EU amending the EIA Directive 2011/92/EU. Manufacturing of rolling stock does not fall within the scope of the EIA Directive. Therefore, no EIA will be required for this type of schemes.

For each sub-operation, where and if applicable, the requirements of the EIA Directive 2014/52/EU amending the Directive 2011/92/EU, the Birds Directive 2009/147/EC and the Habitats Directive 92/43/EEC will be assessed at allocation stage.

Comunidad Valenciana ("CV") is the Promoter and borrower of this operation but the schemes will be implemented by Ferrocarrils de la Generalitat Valenciana (FGV), which is a Valencian public railway company owned by CV. This is the 8th operation with FGV as implementing agency to support the public transport sector in Comunidad Valenciana Region. Previous operations have confirmed the Promoter's capacity to implement the planned investments according to EU environmental legislation.

The Promoter - CV – and the implementing agency –FGV- are obliged 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.

Environmental Impacts

Potential environmental impacts of the schemes will be assessed by the Competent Authority in the environmental screening process and will be assessed by the Bank when the schemes are submitted for allocation under the Framework Loan. In case of fleet renewals, the Bank's services will assess FGV's arrangements for the scrapping of decommissioned rolling stock, prior to allocation and at project completion.

The schemes could have temporary environmental impacts during the construction phase. These impacts are expected to be limited and related to the diversion of local traffic, pollution, construction and demolition noise and vibration. Mitigation measures will be applied in line with the relevant legislation and construction best practices.

The proposed schemes are expected to foster a balanced development of public transport and ultimately encourage a shift away from private cars. The proposed framework loan will contribute to reducing environmental externalities (CO₂ emissions and other air pollutants, noise).

Location, Natura 2000 and Biodiversity issues

Given the nature of the project, with schemes located in a consolidated urban environment, no impacts on Natura 2000 or other protected sites are expected. Nevertheless, compliance with the provisions of the Habitats and Birds Directives (92/43/EEC and 2009/147/EC respectively) will be further checked at the allocation stage.

Social Assessment, where applicable

The schemes are generally expected to bring positive social benefits through improved public transport and accessibility. Some schemes, in particular, those related to the extension of the public transport, might require land acquisition but no major social impacts are expected. This will be verified prior to allocation of individual schemes.



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Public Consultation and Stakeholder Engagement

Public consultations and stakeholder engagement were carried out between June 2018 and November 2018 for the Regional Sustainable Urban Mobility Strategy as part of the SEA processes. The public consultation is on-going for the European Regional Development Fund Program (ERDF) of the Valencian Community 2021-2027. Schemes subject to full EIA will be subject to public consultation.

Other Environmental and Social Aspects

The Promoter provided information relative to 13 small schemes (below EUR 25m each) forming a first allocation for this framework loan. These 13 schemes include: (i) the renovation of existing stations and depots within the existing premises; (ii) universal accessibility measures in stations; (iii) signalling improvements at level crossings and other safety, security and IT measures; (iv) track doubling and electrification of some railway line sections. The Promoter confirmed that these 13 schemes do not require an EIA nor have an impact on Natura 2000 or other protected sites and thus comply with relevant provisions of the environmental EU Directives, including the EIA directive, Habitats (92/43/EEC) and Birds (2009/147/EC) Directives.

Conclusions and Recommendations

The schemes to be financed are expected to have a limited negative environmental impact during construction but a positive impact during operation. The project is expected to contribute to an overall improvement of the urban environment and quality of life for citizens, through the promotion of sustainable urban mobility.

The standard conditions for framework loans apply. Prior to the allocation of EIB funds against any specific scheme, the Promoter is to provide to the Bank the confirmation that schemes comply with relevant provisions of the environmental EU Directives, including EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives.

Should any scheme under this framework loan fall under Annex II and be “screened in” by the Competent Authority, the Promoter shall deliver the full EIA report to the Bank before the Bank funds are allocated. The Bank will also require the Promoter to make the Non-Technical Summary (NTS) of the EIA available to the public through publication on its website.

For schemes falling under Annex II and “screened out” by the Competent Authority based on Annex III criteria, the Promoter shall deliver a copy of the respective decision, before allocation.

For schemes that concern replacement of rolling stock, the Promoter will inform the Bank on its scrapping arrangements prior to allocation and provide an update at project completion.

The Promoter will ensure that a climate risk and vulnerability assessment is carried out for the schemes to be financed that require an Environmental Impact Study, in compliance with EU environmental legislation. For this purpose, either the Spanish methodology for the analysis of adaptation to climate change of transport infrastructures published by Cedex (Revista de Ingeniería Civil 197/2020), the European Commission guidance on climate vulnerability, or specific methodologies developed to the Bank's satisfaction by other regional or state railway administrations, may be used as a reference.



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Under those conditions, the project is acceptable for EIB financing in environmental and social terms.