



Luxembourg, 24 November 2022

## Environmental and Social Data Sheet

### Overview

Project Name:	BUDAPEST TRAM AND TROLLEY ROLLING STOCK
Project Number:	2022-0318
Country:	Hungary
Project Description:	Comprehensive renewal of tram and trolley rolling stock and related infrastructure in Budapest in order to increase service and comfort levels in the City's public transport.
EIA required:	no
Project included in Carbon Footprint Exercise <sup>1</sup> :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

### Environmental and Social Assessment

The project is a major allocation under the Structural Program Loan "COHESION FUND FL IV (HU) (2015-0006)", targeting priority investments under the Transport and the Energy & Environment Operational Programmes and CEF in the EU programming period 2014-2020. The project was completed in January 2022.

#### Environmental Assessment

- Strategic Environmental Assessment (SEA): The project is part of Budapest Mobility Plan, approved in 2014. The Investment Programme of the Budapest Mobility Plan has gone through a strategic environmental assessment (SEA) process in 2019, in compliance with EU SEA Directive 2001/42.
- Environmental Impact Assessment (EIA): None of the project components required an EIA. The production of both tram rolling stock and trolleybuses took place in the manufacturers' factories; therefore, it falls outside the scope of Directive 2014/52/EC amending Directive 2011/92/EC. The limited infrastructure interventions (i.e. adjustments in three tram depots and some tram platforms, rehabilitation of a short section of trolleybus overhead cable) took place within the footprint of the existing infrastructures; as such do not fall within the scope of the EIA Directive.
- Environmental Impacts: The renewal of public transport fleets and related infrastructure improvements will reduce the current noise and vibration levels due to old vehicles obsolescence (e.g. rumble of old metal wheels on tram track). In addition, the investments will have the capacity to improve the quality of public transport services, helping thus to reduce reliance on private cars and maintain or increase public transport share. Adverse environmental impacts due to the project were minor and temporary and related to the limited interventions inside the footprint of the existing infrastructures.

<sup>1</sup> 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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- *Climate change mitigation and energy efficiency*: Due to the energy saving-traction systems and energy recovery capability through regenerating braking, in the new tram rolling stock and trolleybuses, the project is supposed to bring an environmental benefit due to lower energy consumption compared to the existing rolling stock/ vehicles and, consequently, indirect GHG emissions, which are expected to decrease during the operational phase. The GHG savings are however minor, as the project mainly targets renewal of existing assets to maintain the efficiency and competitiveness of public transport services.
- *Paris Alignment*: The project is considered to be aligned with the Paris Agreement according to the criteria set out in the EIB Climate Bank Roadmap (2020) because it supports public transport infrastructure and zero direct emissions mobile assets required for public transport services.

### **Social Assessment**

Given its nature, the project has not triggered any of the Bank's social standards. In social terms, the project is expected to provide more affordable mobility solutions and facilitate accessibility to the employment, education and health services. It will also support the city's urban development, contributing to making the urban area more liveable, sustainable and inclusive.

### **Public Consultation and Stakeholder Engagement**

The project was not subject to an EIA and did not require public consultation.

### **Other Environmental and Social Aspects**

Based on previous operations, the institutional capacity of the Promoter (Budapest Transport Centre BKK) and the Final Beneficiary (Budapest Transport Ltd. (BKV), on the management of the project's environmental issues, is deemed satisfactory.

## **Conclusions and Recommendations**

The project will have positive effects on the environment by improving the attractiveness of public transport, encouraging modal shift and reducing environmental impacts related to private cars use. Due to the technical specifications, the new rolling stock will have a better energy and environmental performance and will be accessible to people with reduced mobility.

The new trams and trolley buses will allow the replacement of existing rolling stock reaching the end of service life. No negative impact is expected from this component. The infrastructure interventions were limited and inside the footprint of the existing infrastructures, thus with minor and temporary environmental impacts.

The project will have positive net effects both from a social and an environmental point of view and is thus acceptable for EIB financing from an Environmental and Social standpoint.