



Luxembourg, 24 November 2022

Environmental and Social Data Sheet

Overview

Project Name: MUNICH UNDERGROUND ROLLING STOCK
 Project Number: 2021-0677
 Country: Germany
 Project Description: The project concerns the purchase of underground trainsets, including an initial stock of spare parts and specific maintenance equipment, for the Munich underground by the local public transport provider Stadtwerke München; the project also encompasses related management and supervision services.

EIA required: No

Project included in Carbon Footprint Exercise¹: No

(details for projects included are provided in section: “EIB Carbon Footprint Exercise”)

Environmental and Social Assessment

Public urban transport is considered essential as part of the strategic urban development of the City of Munich, capital of the German federal state of Bavaria. The shift from private motorized transport to public and non-motorized transport is a key objective of the city’s urban mobility planning.

The project concerns the purchase, management and supervision of underground train sets, including initial stock of spare parts and specific maintenance equipment. The promoter is Stadtwerke München, operating the Munich public transport system via its subsidiary, Münchner Verkehrsgesellschaft.

The newly purchased trainsets will mainly replace existing trains at the end of their economic and technical life and partially add supplementary capacity to accommodate the expected additional demand of public transport in the City of Munich.

Environmental Assessment

Manufacturing of underground rolling stock will take place in the manufacturers’ plants and falls outside the scope of the Environmental Impact Assessment (EIA) Directive 2014/52 /EU (amending Directive 2011/92/EU). The existing maintenance workshops and depots will be

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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used to maintain the new vehicles and no additional infrastructure is needed to operate the new trainsets. Therefore, no EIA is required for this project.

Environmental Impact

The partial renewal and expansion of the underground train fleet will maintain the competitiveness of the public transport services delivered by the Promoter, and thus contribute to maintaining and improving public transport share, and potentially reducing the use of private car in the urban environment of Munich, with the subsequent reduction of air and noise pollution and CO₂ emissions. The new trainsets have a significant higher energy efficiency compared to those replaced, mainly due the regenerative braking technology.

The Promoter aims to re-use as many components as possible of the obsolete underground vehicles that will be replaced. The remaining components that cannot be re-used will be scrapped in line with applicable EU and national legislation by certified companies. The Promoter expects that almost all parts of the scrapped components will be recycled, contributing to the transition to a circular economy.

Paris alignment and GHG emissions of the project

The project investment contributes to climate mitigation in maintaining the efficiency and competitiveness of public transport services. The project is considered Paris aligned and eligible following annex 2 of EIB's Climate Bank Roadmap, as it concerns zero direct emission mobile assets. The GHG savings are minor, however, as the project only targets renewal of existing assets.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty and borrower Stadtwerke München GmbH is in scope and screened in to the PATH framework, because it is considered high emitting.

- The borrower has agreed to develop its decarbonisation plan and publicly disclose an updated alignment plan by the second anniversary of the signature of the project's Finance Contract.

The City of Munich intends to be climate neutral by 2035, the town administration by 2030. The administration was asked to develop a roadmap for a climate neutral Munich in 2035. The town council decided in January 2022 that this roadmap should allow for a transparent controlling of the carbon targets.

Public Consultation and Stakeholder Engagement

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

The update of the Public Transport Plan (Fortschreibung des Nahverkehrsplans der Landeshauptstadt München, Teil Qualitätsstandards, Endbericht, 2019) including the required quality standards for underground rolling stock, was disseminated and consulted with the professional community and also the broader public.



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Other Environmental and Social Aspects

“Ecological sustainability and contributing to a climate-neutral Munich is one of the five strategic goals of the Promoter. Since 2020, the Promoter has been publishing yearly sustainability reports aligned with the “Global Reporting Initiative Standards (GRI)” reporting on the achievement of this goal and on the accomplishment of the relevant UN SDGs.

The Promoter has established a Corporate Governance Code for business partners with references to human rights, labour standards, child work, environmental protection, etc. and will be implementing the German “Supply Chain Act” from 2023 on.

The Promoter is signatory of the German diversity Charta.

The Promoter also publishes a yearly report on Occupational Health and Safety.

The Promoter is an experienced transport operator and its institutional capacity to manage the environmental issues is deemed good.

Conclusions and Recommendations

The purchase of new underground vehicles is expected to have positive environmental impacts, mainly by ensuring that existing public transport services in Munich can be maintained and even improved. Without the project, individual car use would rise therefore increasing emissions and energy consumption of the transport sector.

In line with the PATH framework, the counterparty will be asked for the production and publication of a decarbonisation plan and to not invest in incompatible activities.

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