



Luxembourg, 14.12.2022

## Environmental and Social Data Sheet

### Overview

Project Name:	MADRID CITY OF JUSTICE PPP (Stage I)
Project Number:	2022-0320
Country:	Spain
Project Description:	The Project concerns the Madrid City of Justice that is a new urban development to be designed, built, financed, operated and maintained under a concession agreement. The new judiciary complex will constitute the largest site dedicated to justice in Europe and will integrate in one single place all existing judicial bodies and services of the city of Madrid that are under the responsibility of the Autonomous Region of Madrid (Comunidad Autónoma de Madrid, CAM).
EIA required:	To be decided based on the final design proposed by the Concessionaire
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

This operation (The Project) follows a two-stage approval process, as it is customary for Public Private Partnership (PPP) operations. The present Stage I analyses the project and the contractual framework currently available. In a subsequent Stage II, the Bank services will analyse the Lender Technical Advisor (LTA) report, the final design and the contractual framework.

The Project includes the construction of a building compound that will host various Civil and Criminal Courts. It also comprises associated facilities and ancillary infrastructure such as warehouses, archives, energy production infrastructure, car parks, hospitality, postal and bank services, retail and office spaces, a sports hall and a nursery school. The Project will additionally include the provision of pedestrian and green areas. The Project will deliver a total 375.000 m<sup>2</sup> of new efficient floor space.

The site will also host a new intermodal hub that will provide public transport services and facilitate the interchange between metro, commuter rail, buses and taxis. The hub is outside of the scope of the concession and the Bank’s operation but it is also promoted by the CAM, in line with similar interchange nodes already existing in the Region. In addition, new residential

<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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.



Luxembourg, 14.12.2022

buildings, education and retail facilities are also under development in the vicinity, contributing to create a new mixed and integrated neighbourhood.

It will be built in a plot located in Valdebebas, in the northeast part of the city, which is a neighbourhood under development adjacent to the Madrid-Barajas airport. Valdebebas already hosts other landmark facilities such as the new public hospital built as a response to the Covid crisis (Zendal Emergency Hospital), the Madrid Trade Fair and the Real Madrid Campus.

## Environmental Assessment

The Project is part of the urban development plan named “UNP.04.01 Ciudad Aeroportuaria y Parque de Valdebebas” (CAPV) for which a Strategic Environmental Assessment (SEA) has been performed in compliance with the EU SEA Directive 2001/142.

The SEA was initially performed in 2003 as part of the original CAPV urban development plan. Both documents were modified in 2013<sup>2</sup> and included additional environmental conditions in line with the updated environmental legislation (i.e. regarding decontamination and treatment of landfills, emissions, integration of green areas, promotion of sustainable mobility, use of water resources, etc.).

Originally, the Project was meant to be built over two plots (with planning references AP-007 and AP-006). However, plot AP-007 was used in 2020 to build the Zendal Emergency Hospital and the Institute of Forensic Medicine, as part of the emergency response to the Covid Crisis. Therefore, the CAM needed to adapt the City of Justice development to fit in the plot AP-006, together with the transport hub.

The CAM is, consequently, undertaking a further modification to the planning documents (Plan Especial de Ordenación) in order to reflect the changes regarding the nature of the activities to be implemented in the plots and integrate the two new facilities (the hospital and the forensic medicine institute). The document includes a simplified SEA, being it justified as a modification over an already approved program in a limited area, as per the provisions of the relevant legislation. Nevertheless, it is a comprehensive document that includes an Archaeological report, a Traffic and Mobility Study, a Noise Study and a Pollution Study.

The updated “Plan Especial de Ordenación” is expected to be initially approved by the Competent Authority in November 2022. The document will then be submitted to public consultation and it is expected to obtain final approval in the first quarter of 2023.

The Project is procured as a PPP. A conceptual design (Anteproyecto de construcción y explotación) has been elaborated by the CAM in 2022. According to the tender Terms of Reference, the final design and the relevant EIA (if applicable) will have to be undertaken by the selected Concessionaire.

The Project falls under the requirements of Annex II of the EIA Directive 2014/52/EU amending EIA Directive 2011/92/EU, and hence the Competent Authority will decide, based on the final design proposed by the Concessionaire, whether an EIA has to be carried out or not. This will be further assessed at Stage II, once the Concessionaire will be selected.

The Project has an overall positive impact for society. It will modernize and increase the efficiency of Madrid's judicial system, benefitting both users and practitioners that will profit from state-of-the art facilities, specifically conceived to cater judicial services and incorporating

<sup>2</sup> Planning document with reference RPPG.00301 (in accordance with the Madrid City General Planning Document PGOUM-85, as amended by the PGOUM-07), approved on 1st August 2013 (file 711/2013.01157).



Luxembourg, 14.12.2022

universal accessibility and sustainability criteria in the design requirements. The Project will also help the neighbourhood of Valdebebas to achieve a certain critical mass to attract more services and extend the public transport network. This will increase the attractiveness of the area for living, especially for the employees, and enhance the sustainability of the urban environment by reducing commuting times and featuring the requirements of the "15-minute city" concept.

Moreover, the new buildings will be required to be in line with the EU Directive on the Energy Performance of Buildings 2010/31/EU. Therefore, the project is deemed aligned with a low carbon and resilient pathway, consistent with the Paris Agreement goals and principles as defined in the Climate Bank Roadmap (CBR). In addition, new buildings will also be required to meet the LEED certification (a minimum silver level).

The Project will have an impact in the environment both during construction and operation. At construction stage, it will increase noise and pollution levels, and could impact groundwater and air quality. Thus, special mitigation measures will be considered in order to minimize impacts, such as the protection of air quality using irrigation systems, noise mitigation measures, drainage systems, separate cleaning areas for machinery and materials and dedicated management plans for earthworks, waste and landfills. The project's impact at construction stage will be short-lived and reversible, at a level deemed acceptable.

At operation stage, the main negative impact will be linked to increased traffic near the project due to the daily influx of users and practitioners. Several mitigation measures have been proposed in the SEA and the preliminary design to mitigate it. However, the key element to achieve it is through the provision of reliable accessibility to the City of Justice through public transport. This will be guaranteed by the new Intermodal Hub that is already under construction. Accessibility within the complex and the neighbourhood is guaranteed by footpaths, travelators and cycle tracks, as well as city bus lines.

Given the urban nature of the Project, there are no protected areas nearby. The Competent Authority has provided evidence that the project does not have a significant effect on any conservation site in accordance with the Habitats (92/43/EEC) and Birds (79/409/EEC) Directives (Form A).

The Project's overall residual impact in the project area is low, considering the type and size of the intervention. In addition, the project should have a positive net overall effect on the Madrid environment due to the decreasing current traffic-related emissions in and around the existing streets currently used to access to the 28 existing buildings throughout the City and the better efficiency of the operation of the single judicial complex.

### **Social Assessment, where applicable**

The Project delivers on the objectives of the EIBG's Gender Equality Strategy and Action Plan, particularly the Gender Action Plan's "Impact" pillar. In this regard, the conceptual design includes technical specifications and requirements covering the needs of potential final beneficiaries, including those related to accessibility, privacy, security, family situation, etc. These requirements take particular consideration to gender-sensitive architecture criteria contributing to reduce existing gender gaps and giving importance to dignity and humanisation of the judicial services. For instance, the criminal, juvenile and gender violence courts will have completely independent circuits for the victim and the defendant, preserving the privacy of the parties. Given this background, this operation is labelled with the EIB Gender Tag: Significant Gender Equality.



Luxembourg, 14.12.2022

## **Public Consultation and Stakeholder Engagement**

Public consultation is carried out as part of the planning process, in conformity with National Legislation.

## **Other Environmental and Social Aspects**

The institutional capacity of the public Promoter (CAM) to manage the environmental issues is deemed high and the one from the Concessionaire is expected to be appropriate, considering the consortia that already showed interest in the tender process.

## **Conclusions and Recommendations**

This section reflects environmental conditions and undertakings that seem relevant at Stage I of the due diligence. This section will be completed and updated at Stage II, once the concessionaire will be selected and the detailed design advanced, if needed.

### Conditions

- Prior to the first disbursement, the Borrower will provide to the satisfaction of the Bank a copy of the final building permit, as well as any Environmental Impact Assessment that the Environmental Competent Authority might deem necessary (if applicable).

### Undertakings

- The Borrower will undertake to provide Energy Performance Certificates obtained for the Project in line with the EU Directive 2010/31/EU during implementation or after completion of works.

Overall, the net environmental and social impact is expected to be positive. The institutional capacity of the promoter to manage and monitor the environmental and social issues is deemed very good.

Therefore, subject to the conditions and undertakings described above, the Project is acceptable for financing in environmental and social terms.