

Luxembourg, 08/07/2025

Environmental and Social Data Sheet

Overview

Project Name:	UKRAINE DISTRICT HEATING OSCHADBANK
Project Number:	2024-0819
Country:	UKRAINE
Project Description:	Financing district heating and energy efficiency investments through the eligible financial intermediary Oschadbank
EIA required:	Multi investment projects, EIA requirement vary

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

The UKRAINE DISTRICT HEATING OSCHADBANK is a sub-operation of the UKRAINE DISTRICT HEATING envelope/ operation to be implemented by OSCHADBANK in Ukraine, to finance eligible energy efficiency and district heating projects carried out by municipalities and municipal district heating companies as Final Beneficiaries.

This sub-operation is financed in the context of the energy rescue plan for Ukraine related to EU-backed emergency heating and power projects ahead of winter season. The underlying projects (sub-projects) to be financed under this sub-operation, will be in line with the specific approach and requirements defined for critical energy projects in the public and private sectors to meet urgent heating and power needs of wartime Ukraine.

Environmental Assessment

Due to the type of projects, such as district heating generation and distribution, energy efficiency, the expected small size of the investments, the location mostly in urban areas, the sub-operation is not likely to have significant impact on environment.

In case an EIA is required, the Bank will require the Financial Intermediary (FI) to store and keep updated any documents that may be relevant for the project (including screening decisions, environmental studies, environmental monitoring reports or equivalent documents) supporting the compliance with the principles of the EIA Directive and national environmental regulations, and to promptly deliver such documents to the Bank upon request.

Social Assessment, where applicable

The sub-operation will ensure the supply of critical services for next winters, help decreasing the demand of energy use. The project will help to reduce energy dependence and alleviate energy poverty.

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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Other Environmental and Social Aspects

OSCHADBANK has an Environmental and Social (E&S) Management System in place, which includes an E&S responsibility policy, E&S risk management procedures fully integrated into the credit appraisal process and the corresponding capacity to implement them by staff with assigned responsibilities to manage E&S aspects. In addition, OSCHADBANK has been supported by other Multilateral Development Banks and the performance on E&S issues to date has been satisfactory. Nevertheless, technical assistance to be provided by the EIB will support OSCHADBANK 's E&S risk management capacity to ensure that the sub-projects supported by EIB's resources are in line with the requirements of national E&S laws and EIB's E&S standards.

OSCHADBANK has established a complaints mechanism for stakeholders to raise E&S concerns via email and other channels with clear procedures to handle the complaints in a timely manner.

Conclusions and Recommendations

With the support of the expected technical assistance, OSCHADBANK 's environmental and social policies and management system and its ability to ensure that sub-projects are in alignment with applicable national legislation and EIB's Environmental and Social standards are expected to be adequate commensurate with the E&S risk of the underlying sub-projects.

Conditions for disbursement:

- Before the first disbursement TA contracts must be in place supporting both OSCHADBANK and its client municipalities.

Undertakings:

- EIB will provide OSCHADBANK a list of sensitive sectors (i.e., NACE code list) that aligns with Annex I and Annex II of the EIA Directive and, when relevant, sub-projects will need to be sent to EIB for review and pre-approval before allocations can be made.
- OSCHADBANK shall not commit any EIB funds against projects that require an EIA or biodiversity assessment according to national law without, prior to EIB approval and commitment, receiving the consent from the competent authority, and the EIA having been made available to the public.
- Where relevant, verify that the sub-projects obtain, maintain and comply with the requirements of environmental and social permits or authorisations provided by competent authorities, including the mitigating measures resulting from the EIA process.
- Ensure access to the Bank to all relevant documents related to the sub-project upon request, including environmental and social studies and plans related to the EIA process, when applicable.

Under these conditions, it is expected that the assessment, management and monitoring procedures to be carried out for individual sub-projects will appropriately address E&S risks and impacts and the operation is considered acceptable for the EIB in environmental and social terms.