

Luxembourg, 26 March 2025

Environmental and Social Data Sheet

Overview

Project Name:	HYPO NOE FLOOD EMERGENCY RECOVERY MBIL
Project Number:	2024-0805
Country :	Austria
Project Description:	Loan to the HYPO NOE Landesbank für Niederösterreich und Wien AG for the financing of preventive measures to enhance flood resilience against future floods and reconstruction activities of public sector entities (PSEs), small and medium-sized enterprises (SMEs) and mid-caps, following the severe floods in Austria in September 2024.
EIA required:	Some of the sub-projects to be financed under the MBIL loan may require an EIA study under the EIA directive 2011/92/EC as amended by Directive 2014/52/EU.
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

The operation is a multiple beneficiary intermediated loan (MBIL) to the HYPO NOE Landesbank für Niederösterreich und Wien AG (Borrower and Promoter) which will finance preventive measures to enhance flood resilience against future floods, as well as reconstruction works following the severe flood events in Austria in September 2024. This MBIL will be the first project under the EIB's Floods Emergency Recovery and Resilience Lending Envelope. The Promoter will use the funding to provide loans in favour of public sector entities (PSEs), small and medium-sized enterprises (SMEs) and mid-caps in the federal State of Lower Austria.

Environmental Assessment

The operation aims at investing in projects that will increase climate resilience, flood prevention, preparedness and protection measures, including repair and renovation of damaged assets or the construction of new assets. Therefore, the operation will contribute to the EU's objectives set out in the European Green Deal². Among others, it is planned that sub-projects will also include the upgrade of stormwater networks and selected wastewater treatment plants (WWTPs). Investments will also include the upgrading and rehabilitation of water supply systems in order to improve water availability during acute climate hazards. The proposed operation will help ensure continued compliance with the Floods Directive 2007/60/EC, the Urban Wastewater Treatment Directive, as applicable³, the Drinking Water Directive 2020/2184

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.

² Website [A European Green Deal \(europa.eu\)](https://european-council.europa.eu/media/en/press-articles/2024/03/14/Pages/european-green-deal.aspx)

³ The recast directive 2024/3019 came into force in November 2024 but has not yet been transposed into the relevant legislation. Until then, directive 91/271/EEC will be applicable.



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and the Water Framework Directive 2000/60/EC (WFD), notably through investments that aim at strengthening climate resilience against flooding and droughts. At the national level, the operation supports the Austrian Strategy for Adaptation to Climate Change⁴ and supports the Austrian Water Rights Act 1959 (WRG 1959), as currently applicable, particularly in the fields related to the protection against the hazards of waters.

It is expected that the projects will generate significant environmental benefits in terms of reduced discharge of untreated wastewater to environmental bodies because of increased flood protection of selected wastewater treatment plants and the rehabilitation and extension of sewer systems. Investments in water supply networks and distribution systems will result in an improved water efficiency of the water supply system and contribute to the overall improvement of the availability of scarce water resources. Due to the nature of the investments, minor negative environmental impacts are expected. If any they will be mainly temporary and reversible. Where relevant, nuisance due to construction works (dust, noise) shall be mitigated through appropriate site organisation and construction management.

The capacity of the HYPO NOE Landesbank für Niederösterreich und Wien AG to assess and monitor environmental impacts of the underlying projects has been appraised and is deemed good. The Promoter has a comprehensive and robust Environmental and Social Risk Management System (ESMS) in place, as outlined in their Environment, Social and Governance (ESG) Strategy and their sustainability reporting. Furthermore, the Promoter has comprehensive experience in the implementation of green and sustainable financial products.

Climate Adaptation and Mitigation

The operation foresees that 75% of the investment volume will be dedicated to climate action projects, particularly climate adaptation, mainly through supporting measures to strengthen climate resilience against floods through investments on flood defence measures, water availability and quality measures.

Project Paris Alignment

The Project has been assessed for Paris Alignment and is considered to be aligned both against low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (CBR).

EIB Paris Alignment for Counterparties (PATH) Framework

HYPO NOE Landesbank für Niederösterreich und Wien AG is out of scope, screened-out of the PATH framework recommendations.

Social Assessment

The investments will generate social benefits, in terms of protecting loss of lives against flooding through flood defence investments and supporting public health improvement through wastewater treatment investments. Investments in sewer systems and wastewater treatment plants will result in general improvements of public health. Moreover, the suggested operation will also contribute to local employment creation during the construction period.

⁴ [Austrian Strategy for Adaptation to Climate Change](#)



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Public Consultation and Stakeholder Engagement

The public consultation process is embedded in the EIA process. Where relevant, the financial intermediary i.e. HYPO NOE Landesbank für Niederösterreich und Wien AG will be required to ensure compliance of the allocated sub-projects with applicable national and European environmental legislation.

Conclusions and Recommendations

The Promoter has been appraised and found to be capable to select investments complying with the Bank's specific procedures and eligibility criteria, in particular regarding the environmental and social aspects.

The overall long term environmental and social impact of the operation is expected to be positive.

Given the size and nature of the sub-projects, any negative environmental impacts are expected to be minor and adequately identified and properly mitigated by means of compliance with the applicable environmental and social legislation.

All sub-projects under the current loan will be subject to the Promoter complying with the following requirements:

- The Promoter undertakes not to allocate Bank funds to sub-projects that require an EIA report until the EIA report and/or the necessary nature assessment have been finalized and approved by the relevant competent authority.
- The Promoter shall not commit any EIB funds against any sub-project that impacts nature conservation sites, without receiving from the relevant competent authorities the declaration under Art. 6(3) of the Habitats Directive that there are no significant effects.
- For schemes triggering art. 4.7 of the Water Framework Directive (WFD), the Promoter will have to provide evidence of the compliance with the WFD before the Bank funds are allocated.

Considered the above, the Project is acceptable for EIB financing from an environmental and social point of view.