

Luxembourg, 7 July 2025

Environmental and Social Data Sheet

Overview

Project Name:	BAUSKA BYPASS PPP PROJECT
Project Number:	2025-0186
Country:	Latvia
Project Description:	The Project concerns the greenfield construction and maintenance of the 14.25 km long road section of the A7 motorway Riga - Bauska - Lithuanian border along Bauska municipality, part of Via Baltica international road corridor and two connector roads with combined length of 5.0 km. The project will be implemented under the Design-Build-Finance-Maintain (DBFM) PPP model, with a design and construction period of 3 years, followed by 20 years of maintenance.
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

Environmental Assessment

The Project design foresees construction of a 14.25 km "greenfield" 2x2 lane motorway along a new alignment and two connector roads to the existing A7 road with a combined length of 5km. The project scope also includes construction of three grade separated interchanges, a new bridge over Memele river, advanced drainage systems, noise protection screens, animal crossings, connections to local road network and service roads.

The Project is part of the tasks referred to in the "Transport Development Guidelines for 2021-2027", a medium-term policy planning document for the development of transport sector in Latvia for which the SEA was performed in 2021.

The Project is part of a longer (70 km) A7 road section (from crossing with A4 (Saulkalne) to Arce), which was subject to an EIA procedure in 2009. Following the EIA study results, the Competent Authority (State Environmental Service) issued on 6 November 2009 an Environmental Decision for the entire 70 km stretch. Based on this decision, the Bauska Regional Council on 28 January 2010 issued a Development Consent.

The project section, if taken separately, also falls under the Annex I of the Environmental Impact Assessment (EIA) Directive 2011/92/EU as amended by Directive 2014/52/EU. Considering the time elapsed since the development consent and new circumstance related to the potential cumulative impact from planned construction of Rail Baltica railway line in the adjacent alignment, the Promoter in 2023 launched additional studies and applied for a Competent Authority's screening decision regarding the intended activity (Bauska bypass section).

In its screening decision (SES No AP24SI0365 on 11 November 2024), the Competent Authority concludes that the proposed action and its technological solutions will be broadly

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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equivalent to those contained in the EIA Report and assessed previously. Changes are assessed as not significant, with all new solutions to be implemented within the approved corridor, not leading to new negative effects, therefore a new EIA for the Bauska bypass section is not required.

The construction and operation of the project are expected to have an impact on soils, ground and surface waters, flora and fauna, landscape, urban environment, air quality and noise. The preliminary design and the Environmental Decision specify a number of mitigating measures such as installation of acoustic screens, construction of different size animal passes, drainage and rainwater treatment systems, access and service roads, replanting of greenery and fencing.

Detailed requirements for specific measures addressing the negative impacts on environment will be further specified by the Competent Authority at the stage of issuing the technical requirements for the detailed design. Consistency with these requirements in the proposed design of the winning bidder will be further reviewed before issuing a construction permit.

The Project is expected to contribute to improved living conditions in Bauska city and better driving conditions and traffic safety situation along the TEN-T Via Baltica corridor.

The Services will follow up on the outcome of the permitting procedures at Stage II of the project appraisal. Receiving of the construction permit will be a condition for disbursement.

The project does not interfere with NATURA 2000 or national protected sites.

Climate adaptation

At the time of Stage I appraisal, the Promoter was undertaking a CRVA for the Project, with key risks already identified. Climate risks, the scope and adequacy of the applied adaptation measures for ensuring long-term resilience of the new road, and impact of the project implementation on the GHG emissions will be further reviewed during the Stage II appraisal.

Paris alignment

The project was assessed by the Bank's Services for Paris Alignment in accordance with the policies set out in the Climate Bank Roadmap ("CBR"). The project is considered being aligned with the low carbon goal as it consists of a capacity expansion of an existing road infrastructure meeting the EIB eligibility criteria for Transport, including passing the Adapted Economic Test introduced under the CBR and it is consistent with national and EU level infrastructure planning.

Latvia's alternative fuel infrastructure national policy framework has been assessed to have shortcomings*, but Latvia has shown improving commitment to plan for alternative fuel infrastructure.

The climate risk of the project is assessed as low, and the project is therefore considered to be aligned with the resilience goal.

*[Register of Commission Documents - SWD \(2019\)29 \(europa.eu\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019D029)

EIB Carbon Footprint Exercise

The project is excluded from the EIB Carbon Footprint exercise on the following basis:

- *Estimated annual emissions of project in a standard year of operation:*
 - o Forecast absolute (gross) emissions are 12.4 k tonnes of CO2 equivalent per year.*
 - o Forecast emission saved are 0.2 k tonnes of CO2 equivalent per year.*

The baseline is the forecast third party emission, in the absence of the project, from the existing network, only within the boundary defined above. The forecasts reflect the Services' assumptions on traffic, traffic growth, speed/flow, infrastructure capacity and fuel consumption.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of the project cost.



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Social Assessment

As a greenfield investment, the project implementation requires additional land take of approximately 200 ha. This will lead to the conversion and permanent loss of primarily agricultural land. The construction of a new expressway will lead to land fragmentation and visual intrusion. Landowners have been informed about the required expropriation. Resettlement is not expected.

As a result of the construction of the Bauska bypass, a significant decrease in transit traffic is expected in the city of Bauska and the village areas adjacent to the A7, significantly reducing the negative impact of road traffic on the population.

The traffic safety situation is expected to improve due to the construction of grade separated interchanges, separating transit and local traffic, construction of dedicated bicycle lanes along the connecting road to Rail Baltica station and the provision of service roads to local road network and properties. Road safety audits were undertaken at the preliminary design stage and, in accordance with the requirements of the EU and Latvian legislation, are to be performed at pre-commissioning phase.

Public Consultation and Stakeholder Engagement

During the EIA studies in 2007 and 2008, the Promoter organized two rounds of public consultations in all impacted local municipalities and assured stakeholder engagement during the EIA stage in compliance with the requirements of the applicable legal framework. Prior to the public consultation meetings, information was made available through publication in local media, on LSR website, social media and in the parishes, impacted by the project. The Promoter confirms that the proposals and recommendations, received during the consultations, were considered before issuing an EIA Decision by the Competent Authority and granting the Development consent by the Bauska Regional Council.

Conclusions and Recommendations

The Project is part of the tasks referred to in the "Transport Development Guidelines for 2021 - 2027" - a medium-term policy planning document for the development of transport sector in Latvia, for which the SEA was performed in 2021.

The Project falls under Annex I of EIA Directive 2011/92/EU, as amended, requiring mandatory EIA. The Project is part of a longer (70 km) A7 road section (from crossing with A4 (Saulkalne) to Arce), for which an EIA decision was issued on 6 November 2009.

In 2024 the Competent Authority issued a screening-out decision where it states that a new EIA for the Bauska bypass section is not required.

The Services shall follow up on the outcome of the permitting procedures at Stage II of the project appraisal. Receiving of the construction permits shall be a condition for disbursement.

Subject to the fulfilment of the above-mentioned condition, the project is acceptable for EIB financing in E&S terms.