Environmental and Social Data Sheet

Overview

Project Name: Metropolitana di Milano M4

Project Number: 2008-0238 Country: Italy

Project Description: The project is located in Milan, Italy, and consists of the

construction and operation of a new metro line linking Milan's Linate City Airport in the eastern outskirts to S. Cristoforo suburban railway station in the western outskirts for a total length of 14.2 kilometres. Its purpose is to improve the quality of the public transport service in the city, providing a frequent, reliable and fast transport service that is expected to support the city's objectives for a sustainable urban

mobility.

EIA required: NO (Annex II, screened out)

Project included in Carbon Footprint Exercise¹: NO

(Details are provided in section: "Carbon Footprint")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project falls under Annex II of the EIA Directive 85/337/EEC (as subsequently amended) under which the need for a full EIA is decided by the competent authority according to national legislation transposing the EU Directives. In this case, the project was screened out and a full Environmental Impact Assessment has not been carried out.

As the project was initially supposed to be implemented in two subsequent phases due to financial constraints, the competent authority has issued two screening out decisions, one in 2004 and one in 2007, the latter confirming that the outcome of the environmental screening carried out on phase one was also taken into consideration. A second opinion of the competent authority has to be issued on the final design of the project ensuring that all prescriptions included in the screening out decisions have been duly taken into account. This requirement will be a condition to the first disbursement of the Bank's loan.

The project was conceived as a whole line in both the Urban Mobility Plan 2000-2010 and in the more recent Urban Master Plan approved in 2012. This latter has undergone a full Strategic Environmental Assessment including public consultation.

The project will eventually have a positive overall effect on the environment and on society by improving the public transport offer and thus attracting users from private cars. As for other public transport projects, some detrimental environmental impacts (especially in terms of air and noise emissions and traffic disruption) are expected mainly during the construction phase of the project but they are likely to be more than balanced out by the positive impacts during the operation phase.

The project is not expected to affect any protected areas. Notwithstanding the Promoter will be required to provide formal evidence of this (Form A or equivalent document issued by the environmental Competent Authority) prior to the first disbursement. The final agreement with

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

the managing entity of the regional rural park where the depot and maintenance centre will be located (*Parco Agricolo Sud Milano*) is also required.

Additional E&S requirements may arise at the end of the 2nd Stage due diligence.

Environmental and Social Assessment

Environmental Assessment

The project is part of the Urban Mobility Plan (*Piano Urbano della Mobilità*) of Milan's urban area that was approved in 2001 before the SEA Directive 2001/42/EC entered into force. The project is also part of the new Urban Master Plan (*Piano di Governo del Territorio*) of the city of Milan that was approved in 2012 and was subject to a formal Strategic Environmental Assessment including public consultation.

Screening out decisions for the two line lots – the first in 2004 for Phase 1 (from S. Cristoforo to Sforza-Policlinico) and the second in 2007 for Phase 2 (from Sforza-Policlinico to Linate Aeroporto) – were issued on the basis of the Environmental Impact Studies carried out on the preliminary designs of the project.

The competent authority has issued its favourable opinions on the project conditioned to 101 technical and environmental prescriptions (39 for Phase 1 and 62 for Phase 2). Technical prescriptions are related to the project design itself (transport issues including metro route and interchanges with existing network, interferences, traffic management) while environmental prescriptions concern usual impacts in terms of soil conditions, water, noise, vibrations, air and landscape.

The competent authority has the obligation to issue a second opinion on the final design of the project ensuring that all prescriptions included in the screening out decisions have been duly taken into account. This requirement was already fulfilled in 2009 for Phase 2 with a second favourable opinion while it is still pending for Phase 1.

The Environmental Impact Studies of the project were carried out according to a standard methodology that takes into account several environmental components such as air quality, acoustic quality and vibrations, geology, hydrology, flora, population, historic and artistic heritage, land use and urban planning. Although the Environmental Impact Studies are deemed complete for the level of project design they refer to, specific impacts studies or monitoring plans have been required by the competent authority in particular concerning traffic management during construction, noise and vibrations and pollution risks concerning air and water.

As for other public transport projects, negative environmental impacts (especially in terms of air and noise emissions and traffic disruption) are expected mainly during the construction phase of the project and they are likely to be more than balanced out by the positive impacts during the operation phase, in particular thanks to the expected improvement in the urban environment due to the modal shift from private cars to public transport and the subsequent reduction in pollutant emissions as well as road congestion.

Although negative impacts are deemed marginal, mitigation measures have been properly identified for both the construction and the operation phases. Watering of construction sites and traffic management tools will be put in place in order to respectively prevent air pollution and severe traffic disruptions during works. Anti-vibration technical solutions will also be implemented in order to reduce annoyances to the population during construction and operation. Compensation measures are also envisaged and they include the planting of new trees and an environmental and landscaping plan for the area of the depot and maintenance centre.

The project is not expected to affect any protected areas that are included in the Natura 2000 site network. Although not directly affecting any Natura 2000 site, the construction of the new depot will take place on a green field area that is included in the *Parco Agricolo Sud Milano* a rural park created under regional law. The managing entity of the park is put under the control

of the Province of Milan and will be responsible to sign the final agreement with the Promoter for the construction of the depot.

EIB Carbon Footprint Exercise

Project is not included – the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

Public Consultation and Stakeholder Engagement, where required

The project was screened out by the competent authority therefore no specific public consultation has taken place as the new metro line was not subject to a full EIA. However, the project is part of the new Urban Master Plan (*Piano di Governo del Territorio*) of the city of Milan that was subject to a formal public consultation that took place between the 15th September 2010 and the 15th October 2010.

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