

Environmental and Social Data Sheet

Overview

Project Name: State Reform and e-Administration Co-financing

Project Number: 2009 0106

Country: Hungary

Project Description:

The Structural Programme Loan will co-finance with European Commission's Structural Funds and national resources the two Hungarian Operational Programmes (OP) for State Reform and Electronic Public Administration. The two OPs will modernize the operations, procedures and processes in public administration through the development of its organization and staff and the utilization of Information and Communication Technologies (ICT). Their common objective is an efficient and high quality administration, particularly providing electronic public services.

The promoter is the National Development Agency (NDA) and the borrower is the Ministry for National Economy. The two OP are to be implemented from 2012 up to 2015 and included in the EU programming period 2007-13.

EIA required: yes

Construction of buildings is not in the project's scope and in principle existing office-type facilities will be utilized for installation of the project's equipment, in some cases after internal renovations. Although unlikely, some of new constructions complementary to the project and where project equipment will be installed may require EIA and an undertaking is proposed.

Project included in Carbon Footprint Exercise¹: no

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

The project is a multi-sector/multi-scheme operation and the Bank requests the Promoter to comply with relevant environmental legislation. Overall the project is considered acceptable with minor negative residual impacts which will be checked during the project implementation.

Strategic environmental assessments (SEA) have been prepared to apply sustainability and environmental considerations in the preparation, implementation and exploitation phases of the Operating Programmes of the New Hungary Development Plan 2007-2013, e.g. regarding the choice of alternatives and the monitoring of impacts.

The project's main impact will be the electricity consumption of new Information and Communication Systems required for e-government. Electricity consumption and usage effectiveness of the project ICT installations will be monitored.

Construction of buildings is not in the project's scope and in principle existing office-type facilities will be utilized, in some cases after internal renovations. However the promoter undertakes to provide information on EIA processes and Natura 2000 impacts and permits for any relevant new constructions that will be necessary for the installation of the project's equipment.

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 project will have positive environmental and social contributions such as to facilitate remote access of the businesses and citizens to the administration reducing transportation needs and improving quality of life, and with its state reform component the project will foster leaner operations of the administration and of the private sector due to the application of more effective laws, regulations and procedures.

Environmental and Social Assessment

Environmental Assessment

The SEA complies with legal regulations which are the Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment and its national adaptation the Hungarian Government Decree 2/2005 (I.11.).

In the development of the SEA during year 2006 and early 2007 there was ample participation of the project planners as well as of government bodies, representatives of NGOs and of scientific organizations, in the discussion of the methodology, the conclusions and the recommendations. The final SEA report and a summary produced after the consultations shaped the Operational Programmes that have been submitted to the EU Commission.

The OPs take into account minimum sustainability criteria for the acceptance of project applications and Sustainability Guides have been prepared. Horizontal environmental indicators have been built into the OP monitoring and management systems and will be regularly assessed.

Policy-makers, technology providers, facility architects and heavy users of ICT equipment as well as power utility companies are collaborating to improve the resource efficiency of data centers. This effort has not only environmental benefits but also reduces investment and operating costs for the users (on electrical power, cooling, and space) which are significant with the fast increase in the number of ICT facilities and equipment. Power Usage Effectiveness (PUE) measures how much of the power consumed in ICT facilities is actually used by the computing equipment in contrast to the power for cooling (a relatively inefficient ICT equipment produces extra heating and has extra cooling requirements), lightning and other overhead. Advanced ICT facilities are targeting a PUE of less than 1.2 applying state-of-the-art facilities' layout, electronics, cooling, lightning, control and monitoring systems (the ideal PUE would be 1.0).

Although according to available information it seems unlikely that new constructions will be associated to the projects/schemes included in this structured programme loan, it will be checked during the project implementation whether any new constructions may fall under Annex II of the EIA Directive 2011/92/EU. In such cases and according to the Bank's guidelines the promoter undertakes to provide the NTS for publication in the Bank's web site, and the timetable that has been defined is before the start of the construction. Concerning potential impacts on nature protected areas forming part of Natura 2000 network (falling under Habitats Directive 92/43/EEC or Birds Directive 79/409/EEC) the promoter undertakes to provide annual information concerning permits and relevant impacts.