

## Environmental and Social Data Sheet

### Overview

Project Name: Road 55  
 Project Number: 2015-0205  
 Country: Hungary  
 Project Description: Road 55 is a Major Project allocation under the Regional Accessibility Co-Financing Framework Loan and consists of the rehabilitation of approximately 70 km of Road 55 (2x1 lanes) between Baja and Szeged in Hungary and the construction of a 7 km bypass of Mórahalom.

EIA required: yes

Project included in Carbon Footprint Exercise<sup>1</sup>: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

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

The project was included in recent strategies and programmes that were subject to the strategic environmental assessment (SEA) in accordance with Directive 2001/42/EC. The project – both rehabilitation and new road construction – are classes of development that fall under Annex II of the environmental impact assessment (EIA) Directive 2011/92/EU. The latest preliminary assessment procedure of the project was undertaken in March 2013, commissioned by Nemzeti Infrastruktúra Fejlesztő Zrt. (National Infrastructure Development Corporation), including a screening on impact on Natura 2000 areas, and concluded in August 2013 that a full EIA procedure was not required. Environmental permits were issued – the latest in July 2014 – by the Lower Tisza Inspectorate of Environment Protection, Nature and Water Conservation.

Expected impacts from construction and operation include those typically associated with road construction and upgrading; these include conversion of predominantly agricultural land and possible fragmentation of habitat areas. Mitigation measures, at approximately 1.4% of total cost, are stipulated to reduce the environmental impact of the project. The project also includes monitoring of noise, vibration and fauna post construction.

The project is acceptable to the Bank with regard to environmental and social matters.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

## Environmental and Social Assessment

### Environmental Assessment

#### Compliance with Applicable Environmental Legislation

The provisions of the SEA Directive are transposed in Hungary through the Government Decrees: No. 2/2005 (I. 11.) and 132/2010 (IV. 21.). The EIA Directive 2011/92/EU has been transposed in Hungary through the following legislation: Act LIII of 1995 on the general rules of environmental protection and Government Decree No. 314/2005. (XII. 25.) on procedures for EIA. Modifications were made to the legislative acts (Government Decrees No. 82/2011, 308/2011 and 281/2013) taking account of infringement proceedings (no. 2009/2116) instituted against Hungary by the European Commission. The infringement was closed in 2013 and EIA legislation is in compliance with the Directive.

Act LIII of 1996 on nature conservation and Government Decree 275/2004 (X. 8), amended by Government Decree 266/2008 (XI. 6), implements the Habitats 92/43/EEC and Birds Directives 2009/147/EEC in Hungary. The legislative frameworks in relation to the above environmental Directives are satisfactory for the Bank.

#### Environmental Procedure

The project was included in the Transport Operational Programme 2007-2013 (2007), National Transport Strategy (2013) and the National Spatial Plan (2013). All were subject to SEA according to Directive 2001/42/EC.

The project – both rehabilitation sections and new bypass construction – are classes of development that fall under Annex II of the EIA Directive 2011/92/EU. Environmental and nature conservation studies were elaborated in several phases starting in 2007 and continuing to 2013.

The first environmental screening procedure was for Mórahalom bypass and was submitted to the Lower Tisza Inspectorate of Environment Protection, Nature and Water Conservation (competent authority) who issued a permit in July 2007 (27658-1-18/2007). The permit validity was extended in July 2014 (27658-1-31/2014). The second procedure was concluded in March 2013 on the sections of Road 55 rehabilitation between km4+475 and km 98+480 and construction of a parallel bicycle track. The Inspectorate assessed that the project would not have significant negative environmental impacts and a full EIA procedure was not required (93952-1-36/2013). The Bank has received a copy of the environmental screening decision.

#### Environmental Impact

The new bypass and rehabilitated road sections will increase average travel speeds, provide more reliable journey times, improve road safety and reduce vehicle operating costs. At a network level, in the short and medium term, overall levels of air pollution and CO<sub>2</sub> emissions may increase although this will depend on traffic usage in the locality.

The construction and operation of the project is expected to impact soils, ground and surface waters, flora and fauna, landscape, built environment, air quality and noise. Measures to reduce impacts, totalling approximately 1.4% of total project cost, are included in the project design and consist of landscaping, vegetation planting, construction of ecological passages and integration of noise protection measures. Monitoring is stipulated to further understand and limit the impacts.

#### Biodiversity Issues

The project is in the vicinity of two Natura 2000 sites. These include the Sites of Community Interest (SCI) designated under the Habitats Directive: HUKM 20008 and HUKM 20012, which cover grasslands, meadows and sand ridges and their protected species. A screening assessment on Natura 2000 sites was prepared in parallel to the preliminary assessment procedure which concluded, in August 2013, no significant negative impact (93952-2-1/2013). An appropriate assessment as required by Article 6(3) of the Habitats Directive was not deemed necessary and no compensatory measures required. The Bank has received a

declaration (form A) from the competent authority dated May 2013 concluding that the project will not adversely affect the integrity of identified Natura 2000 sites.

### **Climate Change**

The project does not include particular climate change mitigation or adaptation measures over and above that required to comply with existing technical standards in Hungary. Certain environmental impacts were monetised and included in the project economic cost benefit analysis that informed appraisal and decision-making.

### **Social Assessment**

Social aspects were considered to the extent of inclusion in the planning process and environmental procedures. This included stakeholder consultations and public enquiry. Construction permits have been issued for all project sections and confirmed valid in 2014 by the issuing authority of the respective Bács-Kiskun and Csongrád counties. Approximately 136 hectares of predominately agricultural land was to be converted by the project. Land acquisition of the project has been completed for the project.

### **Public Consultation and Stakeholder Engagement**

The environmental screening and construction permitting procedures required stakeholder and public consultation. The National Transport Authority held a total of 12 public exhibitions and hearings between 2005 and 2014. Comments were received from a number of stakeholders including Kisunság National Park, utility operators, and private companies from 2005 to 2009 on the location of the road and its accesses. These have been addressed and construction permits have been awarded.

### **Other Environmental and Social Aspects**

Environmental mitigation measures were included in the award of construction permits including the construction of noise protection barriers, ecological overpasses, planting and preliminary archaeological excavations. Environmental monitoring is stipulated for noise and vibration during construction and on completion at multiple locations in compliance with the provisions of licenses and permits. In the case of Mórahalom bypass, the monitoring of fauna (particularly small mammals) through ecological passages is specified for two years post construction.