# **Environmental and Social Data Sheet**

### **Overview**

Project Name: Motorway M86-M85

Project Number: 2015-0486 Country: Hungary

Project Description: A major project allocation under the Regional Accessibility

Framework Loan consisting of the construction of 88km of the M86-

M85 road (2x2 lanes) between Szombathely and Gyor

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")

## **Environmental and Social Assessment**

#### **Environmental Assessment**

## **Compliance with Applicable Environmental Legislation**

The provisions of the strategic environmental assessment (SEA) Directive are transposed in Hungary through the Government Decrees: No. 2/2005 (I. 11.) and 132/2010 (IV. 21.). The environmental impact assessment (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 developments of the M86-M85 between Szombathely and Győr were 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 M86, from km 98+300 to km 149+651, and the M85 section are classes of development that fall under Annex I of the EIA Directive 2011/92/EU. EIAs were undertaken for this M86 section between 2008 and 2009. The EIA for the M85 was undertaken in 2002 for km 0+000 – km 35+481 and re-performed in 2012 for km 0+000 – km 19+800 due to significant redesign in this portion. Environmental permits have been issued for the M86 section (14/6395-45/2010) and M85 section (14/4201-27/2012).

<sup>&</sup>lt;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 CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

The M86 section between km 89+980 and km 98+300 was classed as a main road and treated as an Annex II (EIA Directive) project. The section was subject environmental screening by the competent authority – West Transdanubian Inspectorate for Environment and Nature Protection and Water Management – in 2005 and then in 2008 after significant design changes. In both occasions the section was screened out from requiring a full EIA. The M86 section from Szombathely to Vát (km 80+775 to km 90+980) was classed as a secondary main road and was not subject to mandatory environmental screening or impact assessment. The section was included – together with all other M86 sections (km 80+775 to km 149+651) – in an environmental performance evaluation undertaken in 2013 which concluded after additional investigations that the project environmental mitigation measures were appropriately designed.

### **Environmental Impacts**

The new roads will divert traffic – especially heavy trucks – from other local and regional roads and potentially induce increased travel in the corridor. At a network level, in the short and medium term, overall levels of air pollution and  $CO_2$  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, noise and vibration. EIAs and planning permits have stipulated measures to reduce impacts. Approximately 2.3% of total works cost has been allocated for environmental measures including landscaping, vegetation planting, construction of ecological passages, wildlife fencing, air quality monitoring 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 four Natura 2000 sites. These include the Sites of Community Interest (SCI) designated under the Habitats Directive: HUON20005 Váti gyakorlótér, HUFH20001 Rábaköz, HUFH20010 Répce Mente and HUF30005 Hanság. The latter is also a special protected area (SPA) under the Birds Directive. Two appropriate assessments, according to Article 6(3) of the Habitats Directive, were undertaken for the project. The first, as part of an environmental performance evaluation for M86 Szombathely – Csorna, and the second, as part of the EIA for M85 Gyor – Csorna. For each assessment, it was concluded that if proposed mitigation measures are implemented, the impacts of the project on Natura 2000 sites would not be significant. Environmental permits have been issued by the competent authority (No.s 14/05767-9/2013 and 14/5745-59/2012). The Bank has received a declaration from the National Inspectorate for Environment, Nature and Water dated 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 adaption 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. Almost 1000 hectares of predominately agricultural land was to be converted by the project. Building permits were issued for all project sections and land acquisition has been fully completed.

## **Public Consultation and Stakeholder Engagement**

The EIA, environmental and construction permitting procedures required public consultation and stakeholder engagement. Stakeholders included affected municipalities, local governments, competent authorities and non-profit agencies. Public hearings were undertaken for the M86 (Gyor-Moson-Sopron) section in 2009 and the M85 (Gyor-Csorna)

section in 2012. Other sections included public notice where applicable. Any comments or issues received were addressed in environment and building permits.

# **Conclusions and Recommendations**

The main negative environmental impacts are considered typical from road upgrading and new construction requiring conversion of predominantly agricultural land. A screening assessment on potential effect on Natura 2000 sites concluded no significantly negative impact. Mitigation measures, at approximately 2.3% of total works cost, are stipulated to reduce the environmental impact of the project. The project also includes monitoring of noise, air quality and fauna both during construction and operation. The project is acceptable to the Bank with regard to environmental and social matters.