

Environmental and Social Data Sheet

Overview

Project Name:	TALLINN URBAN INFRASTRUCTURE II
Project Number:	2015-0176
Country:	Estonia
Project Description:	The project concerns the financing of multi-sectoral investment schemes forming part of the Municipality's four-year investment programme 2016-2019.
EIA required:	This is multi-scheme Framework Loan operation. Some of the schemes may fall under Annex I or Annex II of the EIA Directive and have to be screened by the Competent Authority.
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 concerns the financing of multi-sectoral investment schemes forming part of the City of Tallinn's four-year investment programme from 2016 to 2019. The project is expected to typically comprise small to medium sized schemes in the fields of municipal infrastructure, sustainable mobility, education and sport, social and health infrastructure and energy efficiency.

As a Member State, Estonia is required to follow the relevant EU legislation in relation to the environmental impact of projects. Accordingly, the Environmental Impact Assessment (EIA) (2011/92/EU as amended) and Strategic Environmental Assessment (SEA) Directives (2001/42/EC) have been transposed into Estonian law under the Law on EIA (as amended). The most recent law came into force on 1st of July 2015 (Kekkonnamõju hindamise ja keskkonnajuhtimissüsteemi seadus, KeHJS). Information related to the need for an EIA for a given project and the subsequent decision by the competent authority must be published in at least one local newspaper.

The original City Master Plan was adopted in 2001, well before the EU SEA Directive was applicable. Since then eight City District Plans have been developed. For three City Districts out of eight, master plans have been carried out (including the SEA procedure). The remaining five City District Master Plans are expected to be completed in 2016/2017.

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.

Luxembourg, 4 April 2017

Although the construction and refurbishing works entailed are expected to have some minor negative impacts during the implementation period, it is expected that the overall net environmental impact will be positive.

Given the scope of this operation and sectors included, it is likely that some infrastructure schemes will fall under the EIA Directive 2011/92/EU (as amended), either under Annex I or Annex II. Should any scheme under this operation fall under Annex II and be “screened in” by the Competent Authority, or fall under Annex I. The Promoter shall deliver the Non-Technical Summaries (NTS) of EIAs to the Bank, if applicable, before the respective Bank funds are allocated. However, given the relatively small size of the individual schemes, the location, duration of the works and the nature of the sectors concerned, most of the schemes are deemed unlikely to have significant environmental impacts.

Biodiversity Issues

Although there is a Natura 2000 site (Habitats 92/43/EEC and Birds 2009/147/EC Directives) situated within the municipal boundaries of Tallinn, the schemes in this operation are expected to be located in urban territory only. It is expected that no protected sites, including Natura 2000 will be affected by any of the schemes in the operation. However, should any scheme have a potential significant impact on a protected site, the Competent Authority has to provide evidence of the compliance with the relevant Directives before the Bank funds are allocated.

Social Assessment

Although no separate social impact assessment has been carried out, it is deemed that the overall social impact of the framework loan will be positive given that it will result in the: rehabilitation of public buildings (including schools and kindergartens); rehabilitation of deprived areas; improvement of urban infrastructure (including social and/or affordable housing, health facilities, recreational areas, sports facilities); urban transport improvement schemes (including urban roads, safety measures and sustainable transport), etc.

Tallinn is experiencing changes in demography and is in need of attracting businesses. New or reconstructed public buildings, schools and pre-schools as well as improved sustainable transport infrastructure will serve to attain these goals since the quality of residents’ everyday life and convenience of conducting business will increase due to the improved municipal infrastructure and services.

Climate Change

This framework loans has elements that supports climate action, public transport energy efficiency and adaptation of public buildings and infrastructure to future climate change. The share of the investments supporting climate action is estimated at 3%.

Public Consultation and Stakeholder Engagement

Public consultation with local government units, public institutions and professionals bodies, as well as public participation, was carried out as part of the SEA process. Furthermore, public consultation was also carried out during the preparation of the City Districts master Plans. The City has completed five District Master Plans out of eight. The remaining three city district plans are expected to be completed in 2016/2017.

Luxembourg, 4 April 2017

Conclusions and Recommendations

The institutional capacity of the promoter to manage the environmental and social issues is deemed good. Given the nature of the operation and the procedures concerning EIA, nature protection put in place by the competent authorities in Estonia and the capacity of the Promoter, subject to the conditions mentioned above, the Framework Loan is acceptable in environmental and social terms.

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