

## Environmental and Social Data Sheet

### Overview

Project Name:	UKRAINE URBAN PUBLIC TRANSPORT
Project Number:	2015 0503
Country:	UKRAINE
Project Description:	Framework loan for the financing of urban public transport investments in up to 20 municipalities in Ukraine
EIA required:	Multi-Scheme. Some of the schemes might require an EIA
Most schemes are not expected to require a full environmental impact assessment (EIA); however, for those that do require an EIA, it will be reviewed by the Bank and a non-technical summary (NTS) of the study will be published.	
Project included in Carbon Footprint Exercise: no (framework loans are not included)	

### Environmental and Social Assessment

#### Environmental Assessment

- *Compliance with applicable Environmental Legislation:* The schemes will be designed to reduce the environmental impacts of transportation in line with the environmental acquis (Annexes XXX and XXXI to Chapter 6) of the Ukraine–European Union Association Agreement. Through this agreement, the Ukraine has undertaken to align its environmental legislation and regulations with specific EU legislation within 2 to 8 years of its entry into force. The schemes to be financed under this framework loan will be implemented in accordance to EIBs social and environmental standards.

The manufacturing or rehabilitation of rolling stock doesn't fall within the scope of either Annex I or Annex II of Directive 2011/92/EU as amended. Therefore, if situated in the EU, no EIA would be required for schemes concerning rolling stock only. For those schemes that concern in whole or part some infrastructure element – for example the construction or modernisation of depots, tracks, catenary, stations – it is expected that these would fall either into Annex II (i.e. be subject to screening by the Competent Authority) or outside the scope of the Directive. This is to be assessed during the implementation for each individual scheme separately.

For the schemes to be approved at a later stage and falling under the scope of the EIA Directive, relevant information and compliance with EIA directive will be checked before approving finance to it. In particular, screening decisions from local Competent Authorities will be made available to the Bank. The Bank will also require the Promoter to make the Non-Technical Summary (NTS) of the EIAs available to the public through publication on its website and for reporting to the EIB.

- *Strategic environmental assessment (SEA):* Strategy on public transport and in general on electric mobility is clearly highlighted in the update of the “State Target Program of Urban Electric Transport Development for a Period till 2017”, which has gone through a public consultation process in 2013 with different stakeholders, similar with EU SEA Directive 2001/42.

Framework loans are not covered by the EIB Carbon Footprint Exercise. The climate benefits will be quantified in the appraisal documentation for each scheme. GHG emissions are usually very limited for this kind of urban transport projects. The schemes are however expected to give a positive reduction in transport-related GHG emissions

due to the positive modal shift from private cars though this must be verified prior to each allocation.

- *Environmental Impacts:* Significant environmental or social risks are not expected at this stage and no adverse impact on nature conservation areas is foreseen. Compliance with the Bank's environmental and social standards will be assessed during the subsequent individual scheme allocation appraisals. Overall, the schemes should help the public transport systems gain or at least maintain modal share and thereby promote sustainable transport outcomes.

The schemes are expected to have some minor environmental impacts during construction and limited residual impact in the operational phase. In the cases of tram infrastructure modernisation schemes, the intervention will be limited to the existing tram's right of way, which reduces potential impacts to a minimum. In addition, a number of technical and organisational measures aiming at minimising these impacts will be taken into consideration during the construction phase.

The schemes are expected to have a positive impact on the living conditions of the cities' inhabitants, as well as on the environment and the cities' spatial layout. The different interventions on the public transport systems should help improve traffic congestion and safety, also contributing to a positive modal shift towards public transport, and therefore decreasing traffic-related pollutant emissions. The project's residual negative impacts during construction and operation are limited and offset by these expected positive impacts.

- *Location, Natura 2000 and Biodiversity issues:* The schemes are not likely to have any impacts on Natura 2000 sites as schemes are located in a consolidated urban environment. Nevertheless, compliance with the Birds and Habitats Directives will be further checked during appraisal of individual schemes during the implementation of the project and before allocating finance to schemes.
- *Promoter's E&S capacity:* As being a framework loan operation, the assessment of the capacity of the Promoter/Final Beneficiaries in terms of environmental and social issues, as well as their capacity to implement projects according to EIB environmental and social standards is not possible at this stage, although the MoI and the final beneficiaries have limited E&S capacity. Therefore, technical assistance will be made available to support the Promoter and final beneficiaries in implementation, operation and monitoring of the schemes including preparing and implementing environmental and social reports.

## **Social Assessment**

On basis of the information provided to the Bank at this stage, the potential schemes are not likely to have significant social impacts. Compliance to EIBs social standards, such as those on occupational and public health, safety and security, labour standards, involuntary resettlement and stakeholder engagement will be assessed during the implementation of the project and before allocating finance to schemes.

## **Public Consultation and Stakeholder Engagement**

In 2013 a public consultation has been carried out under the update of the "State Target Program of Urban Electric Transport Development for a Period till 2017" by the Ministry of Infrastructure.

## **Conclusions and Recommendations**

Given that detailed information on the schemes is not available at this stage, environmental aspects will be checked at allocation stage and the Bank will require the Promoter to act according to the Bank's environmental and social standards. The Promoter shall not commit any EIB funds against schemes that require an EIA or biodiversity assessment according to

EU and national law without, prior to commitment, receiving the consent from the competent authority, and the NTS of the EIA having been made available to the public. According to the requirements to be defined in the Programme Procedures Manual (PPM) the Promoter will be obliged to provide the Bank with documentation stating that there are no negative impacts on biodiversity or that the appropriate mitigation measures are being taken according to the applicable EU Directives.

Overall anticipated environmental and social impacts of the operation are deemed positive. Minor negative (temporary) impacts during the construction will be offset by considerable social and environmental benefits of rehabilitation, upgrading and extension of public infrastructures (improved quality of public services, reduced GHG emissions).

Considering the above, the project is acceptable for EIB financing from an environmental point of view.