

Environmental and Social Data Sheet

Overview

Project Name:	HELSINKI URBAN TRANSPORTATION II
Project Number:	2015-0408
Country:	Finland
Project Description:	The project is a framework loan aiming at financing multiple schemes included in the investment plan of Helsinki City Transport (HKL). It consists of procurement of tram cars, as well as small to medium size tramline extension, refurbishing of the network and other related investments.
EIA required:	To be checked at allocation stage for the tramway extension component
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

- Compliance with applicable Environmental Legislation:* Finland, as a Member State, is required to follow the relevant EU legislation in relation to the environmental impact of projects (namely SEA, EIA, Habitat/Natura 2000 Directives). The Promoter and the transport operator are well-known to the Bank through previous operations and their institutional capacity to manage the environmental issues is satisfactory.

All schemes to be financed are included in the Helsinki Region Transport System Plan (HLJ 2015), approved in March 2015, and the Helsinki City Master Plan. Both have gone through a strategic environmental assessment (SEA) process, in compliance with EU SEA Directive 2001/42.

The following table summarises the environmental requirements of the targeted components:

components	Environmental details
<i>To be approved along with the framework loan</i>	
1. acquisition of 40 tramcars	out of the scope of the EIA directive
<i>To be approved at a later stage</i>	
2. acquisition of 20 additional tramcars	out of the scope of the EIA directive
3. tram track reconstructions	out of the scope of the EIA directive
4. refurbishing of the tramway depot	might fall under Annex II of the EIA Directive
5. tramline extensions	Annex II of the EIA Directive

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 at allocation stage. In particular, screening decisions 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.

- Environmental Impacts:* Potential impacts of the schemes will be assessed by the competent authority in the permitting process and will be assessed by the Bank when the

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.

schemes are submitted for allocation under the Framework loan. Given the location, the size and the nature of the schemes, the environmental impacts are expected to be minor and the residual impacts limited. 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. In addition, a number of technical and organisational measures aiming at minimising these impacts will be taken into consideration during the construction phase.

The tram track reconstruction schemes will reduce the noise caused by the tram traffic. However, a site-specific announcement for noise will be submitted to the Environmental Centre of the city of Helsinki. The materials from the track maintenance, mainly metal and concrete, are recycled according to the waste management plan of the city.

In relation to the first component to be approved along with the framework loan, environmental benefits in terms of energy efficiency and reduced emissions will be reaped when 40 new tramway cars are brought immediately into service to replace end-of-life tram units (40 years old).

- *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 at the allocation stage.
- *Climate change mitigation and energy efficiency:* The new tramway rolling stock will be more energy efficient: energy consumption per vehicle kilometre and per passenger carried will be 20-30% lower than for the replaced rolling stock. This new rolling stock will enable to reduce emissions by 0.3 ktCo₂eq/year. Beside this, due to the better comfort of the new rolling stock, the attractiveness of the network will increase thus fostering modal shift away from cars and reducing related pollutants.
- *Other:* Helsinki City Transport is compliant with the management system standards ISO 9001, ISO14001 and OHSAS 18001.

Social Assessment, where applicable

Given the information available at this stage and the site visit observations, the potential schemes are not likely to trigger any of the Bank's social standards.

Public Consultation and Stakeholder Engagement

Public consultation has been carried out under the strategic environmental assessments (SEA) process.

Conclusions and Recommendations

The Promoter and the transport operator are well-known to the Bank through previous operations and their institutional capacity to manage the environmental issues is deemed satisfactory.

Only one major component, the acquisition of 40 tramway rolling stock units, is presented for approval along with the framework loan. For the other components, 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 provisions of EU applicable directives. The Promoter will be contractually obliged to provide the Bank with all relevant environmental documents at allocation stage. Clearance of all the environmental issues for any scheme to be included in the Project is a precondition for allocation.

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