

Environmental and Social Data Sheet

Overview

Project Name: VILNIUS URBAN INFRASTRUCTURE
Project Number: 2014-0393
Country: Lithuania
Project Description: The project concerns the financing of multi-sectoral investment schemes forming part of the Municipality's investment programme

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 Exercise¹: No
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The city of Vilnius is the capital of Lithuania and its largest city. It is situated in the southeast part of Lithuania at the confluence of the Vilnia and Neris Rivers, 35 km from Belarus border and 312 km from the Baltic Sea and the city of Klaipėda. The city occupies an area of about 400 sq. m. and has a population of 542,600 (2015 statistics).

The operation will support a number of small to medium size schemes, which form part of the Vilnius City annual, mid-term and strategic development plans, including Integrated Territories Development Programme, 2014 – 2020, targeted at two regions of the Vilnius municipality, which were detected by the authorities as those with most socio-economic problems. The project is expected to comprise a number of small to medium sized schemes, totalling approximately EUR 410m in the fields of urban renewal and regeneration, sustainable urban transport and energy efficiency in public buildings. The objectives of the operation are in line with the urban development strategies for which the Strategic Environmental Assessment (SEA) according to directive 2001/42/EC is carried out.

The construction and refurbishing works are expected to have some minor negative impacts during the implementation period. Once the works are completed, it is generally 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 could fall under the EIA Directive 2011/92/EU, amended by Directive 2014/52/EU, 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 NTS of EIAs to the Bank, if applicable, before the Bank funds are allocated. However, given the relative small size of the individual schemes and the nature of the sectors concerned, most of the schemes are deemed not to have significant environmental impacts.

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.

Biodiversity Issues

Since the schemes in this operation are expected to be located in the urban territory of Vilnius City, 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 any significant impact on a protected site, the Competent Authority has to provide evidence of the compliance with the Habitats (92/43/EEC) and Birds (2009/147/EC) Directives (Form A/B or equivalent) before the Bank funds are allocated.

Social Assessment

No separate social impact assessment has been carried out; however, it is generally deemed that the overall social impacts of the framework loan will make a positive impact on the level of life for the city citizens due to investments into: rehabilitation of public buildings (including schools and kindergartens); rehabilitation of deprived areas; improvement of urban infrastructure (including social and/or affordable housing, health facilities, water and sewage, recreational areas, sports facilities); urban transport improvement schemes (including roads, safety measures and environmentally friendly transport), etc. The investments in some public buildings (e.g. schools and kindergartens) will include measures which will contribute to the improvement of energy efficiency. Vilnius is one of the few Lithuanian cities, which experiences population growth and is in need of attracting businesses. New or reconstructed social housing units, schools and pre-schools as well as improved 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

The project is expected to contribute to climate change mitigation (through improvement of energy efficiency in buildings and integrated renewal of degraded and deprived urban areas) as well as to climate change adaption (through urban infrastructure and public buildings refurbishment and investments into bicycling infrastructure, energy-efficient public transport). One principal scheme concerns the Street Lighting Modernisation which is expected to reduce the energy consumption by at least 50%.

Public Consultation and Stakeholder Engagement

The proposed schemes included in the framework loan are in line with the mid and long term strategies for the Vilnius city. Since, the Master plan of the Vilnius city is subject to public consultation processes prior to its adoption, current Master plan (which set priorities for the development of the city until 2015) is now being revised and public consultations are currently carried out. The revised Master Plan is expected to be finalized end of 2016/beginning 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 and nature protection put in place by the competent authorities in Vilnius and the capacity of the Promoter, subject to the conditions mentioned above, the Framework Loan is acceptable in environmental and social terms.