Luxembourg, 19.07.2016

Environmental and Social Data Sheet

Overview

Project Name:	Przewozy Regionale Rolling Stock Modernisation
Project Number:	20160083
Country:	Poland
Project Description:	Purchase of new and modernisation of existing rolling stock for Przewozy Regionalne, a train operating company providing regional passenger services across most of Poland.

EIA required: No

Project included in Carbon Footprint Exercise[1]: No

Environmental and Social Assessment

The project concerns three components: the modernization of about 40 Electrical Multiple Units (EMUs), generally in three car trainsets; the purchase of about 7 new EMUs generally in 4 or 2 car trainsets; and the purchase of about 3 new Diesel Multiple Units in three car trainsets.

Manufacturing and renovation of these components is expected to take place in existing plants in Europe.

Rolling stock registered in Member States require authorisation from the national railway authorities to commence operations. One of the conditions for granting authorisation (or reauthorization in the case of major overhaul), is the interoperability of the rolling stock with other components of the rail system. In addition, compliance with health and safety standards and environmental protection is required.

The new EMUs and DMUs will fulfil the EU Regulation 1302/2014 Technical Specification for Interoperability (TSI) for the rolling stock subsystem - locomotives and passenger rolling stock. The new rail vehicles will meet the requirements of TSI Noise (1304/2014 - TSI NOI). The new units will meet the TSI Regulation 1300/2014 for Persons with Reduced Mobility (PRM). Requirements to reduce the emission of gaseous and particulate emissions from diesel rail engines are laid down in Directive 97/68/EC (as last amended by Directive 2012/46/EU). The DMUs will accomplish the EU stage IIIB emission level.

The modernized EMUs will meet the relevant TSI for access for PRM and sanitary facilities as well as permit regenerative braking. The modernization will enhance performance, reduce vehicle weight, transform passenger/driver comfort levels, enhance safety as well as reduce operation and maintenance costs. More generally, the modernization, allowing for an extension of life of 15 years, is a cost effective technical solution for the type of services being offered by the promoter.

The units modernized or purchased under the project are expected to perform broadly the same annual workload (train x km) as the current units they will replace, across up to 15 regions of Poland.

The project itself is not clearly entailing a cascade resulting in decommissioning of any part of the promoter's fleet. However, the Promoter decommissions rolling stock according to its standard scrapping and sale of rolling stock procedure, ensuring consistent handling of scrap

[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.

material or sale in line with prescribed national standards. Usually, the promoter outsources the scrapping process to registered specialist companies.

Although the project is expected to reduce carbon emissions in aggregate, both through reducing energy consumption per train x km as well as through modal shift from road to rail, the absolute and relative emissions fall below the relevant thresholds for reporting.

The project is expected to result in some positive environmental impacts by helping the rail sector to maintain or gain modal share in key segments of the passenger market that are most appropriately served by rail. On a passenger x km basis, rail has the potential to generate significant energy savings, emission reductions and safety improvements compared to other transport modes. Rail transport may also improve noise levels on an aggregate basis.

Conclusions and Recommendations

The project, entailing the manufacture and renovation of rail rolling stock in existing facilities, does not fall under either Annex I or Annex II of the Environmental Impact Assessment Directive 2011/92/EU. Moreover, there is no construction or significant renovation of fixed infrastructure related to these rolling stock investments. Therefore, no EIA procedure is required. The assets purchased or modernized will meet applicable EU environmental regulations regarding pollutants and noise emissions, accessibility and safety. Overall, the project complies with relevant EU and national environmental legislation and is acceptable to the Bank from an environmental perspective.