

## Environmental and Social Data Sheet

### Overview

Project Name:	<b>UKRAINE URBAN ROAD SAFETY</b>
Project Number:	2016-0819
Country:	Ukraine
Project Description:	Framework loan for the financing of infrastructure investments and IT solutions related to urban road safety in five municipalities (Kiev, Odessa, Lviv, Dnipro, and Kharkiv) in Ukraine.
EIA required:	Multi scheme project. Some schemes may require an EIA and will be reviewed by the Bank.
Project included in Carbon Footprint Exercise:	No

### Environmental and Social Assessment

#### Environmental Assessment

##### Compliance with applicable Environmental Legislation

The municipal schemes to be financed in five cities under this framework loan are related to improvements at accident-prone locations, facilities for vulnerable road users, street renovations, public infrastructure improvements, and area wide IT solutions for safe and effective traffic management. Most of the schemes are individual intersections or low cost improvements such as street lighting at crossings, dropdown kerbs, pedestrian crossings etc. The largest scheme is expected to be a viaduct across a railway line.

The schemes will be implemented in accordance with EIB's social and environmental standards, and Annex I and Annex II of the EIA Directive 2014/52/EU amending 2011/92/EU as amended. The schemes will be designed to reduce the environmental impacts of transportation in line with the environmental acquis of the Ukraine–European Union Association Agreement (Annexes XXX and XXXI to Chapter 6). 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 and to bring them into force.

Most of the schemes are small and would fall outside the scope of the EIA Directive, if situated within the EU. A few infrastructure schemes may fall under Annex II of the EIA Directive and be subject to a screening by the Competent Authority. This will be assessed before allocation of finance to such schemes and screening decisions from the Competent Authority will be made available to the Bank. The Bank will also require the Promoter to make Non-Technical Summaries (NTS) and the full EIAs available to the public through publication on its website, and available for reporting to the EIB.

##### Strategic Environmental Assessment (SEA)

The new Ukrainian National Transport Strategy to 2030, endorsed in mid-2017, includes road safety and sustainable transport as priority areas. So far no Strategic Environmental

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Assessment has been completed for the strategy as this was not required under Ukrainian law.

#### Environmental Impacts

Significant environmental risks are not expected at this stage and no adverse impact on nature conservation areas is foreseen, however, compliance with the Bank's environmental and social standards will be assessed during the scheme allocation process. Some schemes may have minor environmental impacts during construction but will have limited residual impact in the operational phase.

The investments in infrastructure in the five cities will provide improvements of road safety, encourage the use of public transport, and create better conditions for walking, cycling and the disabled, which can support a shift to more sustainable modes of transport. This is expected to have a positive impact on the urban environment, the health and living conditions of the cities' inhabitants, and the cities' spatial layout and attractiveness in general. The traffic control and management systems can facilitate smoother traffic flow and better traffic management, which in turn can improve safety and reduce congestion and pollution.

The project's residual negative impacts during construction and operation are limited and will be offset by these expected positive impacts.

#### Location, designated conservation areas and biodiversity issues

The schemes are not likely to have any impacts on any designated national or international conservation areas as schemes are located in a consolidated urban environment. Nevertheless, compliance with requirements as stated in the Birds and Habitats Directives will be checked during appraisal of individual schemes during the implementation of the project and before allocating finance to schemes

#### Promoter's E&S capacity

Both the Promoter and the five beneficiaries have experience with schemes of similar scope and nature. They also have experience from previous and ongoing IFI and EIB financed projects, including EIB requirements to environmental and social assessments. In practice they have limited capacity to fulfil these requirements. To ensure this, international consultants will be contracted to provide Technical Assistance (TA) during the entire project duration to support the planning and implementation of schemes in accordance with EIB requirements. The TA will support a Project Management Support Unit (PMSU), which is to set up by the Promoter to manage the project.

#### **Social Assessment**

The proposed schemes are expected to have positive social impacts and no resettlement is expected. Compliance with EIB social standards, such as those on occupational and public health, safety and security, labour standards, involuntary resettlement and stakeholder engagement will all be assessed before allocation of finance to schemes.

#### **Public Consultation and Stakeholder Engagement**

All key ministries and government organisations at national level have been consulted to ensure the project fits into the EU funded National Transport Strategy of Ukraine 2030, and

Luxembourg, 14/11/2017

the National Road Safety Programme developed by the Parliamentary Road Safety Sub-Committee. The schemes proposed are in most cases drawn from the cities' development

and transport plans, which have gone through public consultation processes. Further consultations may be necessary with the general public and relevant NGOs in each city when the schemes are further developed. This will be reviewed as part of the PMSU's procedures.

## Conclusions and Recommendations

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. These will be detailed in a Project Procedures Manual (PPM), which the Promoter will be required to follow as part of the project undertakings and which needs to be agreed before any disbursement can take place. The Promoter shall not commit any EIB funds against schemes that require an EIA or biodiversity screening or assessment according to EU and national law without receiving the screening decision or environmental consent from the competent authority, and 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 appropriate mitigation measures will be implemented according to the applicable EU Directives.

Overall anticipated environmental and social impacts of the operation are deemed positive. Minor, temporary negative impacts during construction will be offset by social and environmental benefits of improved facilities and safety for pedestrians, cyclist and public transport passengers, which can reduce private car use in central urban areas.

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