

Environmental and Social Data Sheet

Overview

Project Name:	METRO DE BUENOS AIRES REHABILITATION
Project Number:	2016-0753
Country:	Argentina
Project Description:	Rehabilitation of Metro de Buenos Aires Metro Line D, including upgrades in the signalling system, the power supply and improvements in the 9 de Julio station. The line is 10.4 km long and has 16 stations.
EIA required:	yes, for some project components
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The works under the Project comprise rehabilitation and improvement works to existing infrastructure of Metro de Buenos Aires Line D, which opened in 1937 and is currently 10.4 km long. The Project will renew and upgrade the signalling system, power supply, ventilation systems, rolling stock and improve accessibility to station 9 de Julio, including a new access at Sarmiento street.

If the project would be in the EU, rehabilitation of metro lines falls within Annex II of the EIA Directive 2014/52/EU if there may be significant adverse effects on the environment. In such a case a screening decision of the Competent Authority is required, and if screened in, an EIA would be completed.

Argentina has similar environmental legislation (Law 123/98, amended by Law 452), requiring promoters to ask for a screening decision of the Competent Authority for this kind of works. If a project is expected to have significant environmental impacts on the environment, the Competent Authority may ask for an EIA. The law defines the minimum contents of the EIA and details the steps and timeline of an EIA, including the issuance of an environmental impact statement (Declaración de Impacto Ambiental) the public consultation process and the issuing of the final environmental approval certificate (Certificado de Aptitud Ambiental, CAA).

In this case the Competent Authority is the Environmental Protection Agency (Agencia de Protección Ambiental, APrA) of the city. For most of the works, it not expected that an EIA is required, due to the nature of the works –rehabilitation or upgrades of installations- and also due to its location (within the existing metro Line D footprint). Nevertheless, the promoter will ask for a screening decision from the Competent Authority once detailed designs are available.

For two project components there may be some environmental impacts:

1. to improve the environmental conditions for the passengers in the tunnels and stations, new ventilation shafts will be constructed. These shafts will remain within the existing road corridors. The promoter will ask for a screening decision once detailed designs are available and the exact location of the shafts are known.

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.

2. the renovation of the “9 de Julio” metro station, called PACE Sarmiento, will involve widening of the platforms and some of the underground corridors. This will be done by the cut and cover method and will thus have some impacts during construction. In addition, a new access point to the station will be constructed. The station works are implemented in two stages (labelled by the Promoter as PACE Sarmiento II and PACE Sarmiento III). For the first stage, an environmental approval was required in 2012 and finally a CAA has been issued by the Competent Authority in May 2018. For the second stage, the promoter expects to complete the designs in the second half of 2018 and then do the EIA for the works concerned.

Although the EIA process is still ongoing, the Bank services consider, based on the types of works and the information made available by the Promoter, that no major adverse environmental impacts, either temporary or permanent are expected because of the works included the project scope for Metro Line D. Most works take place underground and inside the current metro tunnels and stations. No impacts on nature conservation areas are expected.

During construction there may be some temporary construction impacts such as noise and dust, in particular around the renovation works of the station 9 de Julio, but these will be mitigated by applying standard construction practices. During operations, there will be little adverse environmental impacts. The addition of one access point and a few ventilation shafts are expected to have limited permanent impacts.

The project, once implemented, will have positive environmental impacts, in particular from a climate change point of view, as the foreseen improvements in the metro network will provide additional capacity in metro Line D, by over 40%, thus fostering modal shift from individual vehicles to public transport and contributing to reducing the emission of CO₂. The foreseen modal shift away from cars and buses will also reduce the emission of local pollutants and noise, and will improve the safety of the transport system.

Social Assessment

The project is not expected to have a significant social impact as it will not require resettlement of people or impact upon vulnerable social groups as most of the works will be carried out in the tunnels and stations of the existing underground metro line D. Those works with an impact on the surface, will be carried out in public grounds, not requiring expropriation.

Nevertheless, in order to increase the capacity of the -9 de Julio- station, some of the underground corridors will be widened and some of the existing shops inside the station will be removed. The shops space is owned by the promoter but leased to third parties. These lease contracts will not be renewed once they expire, or if necessary, an early termination of the lease contracts will be negotiated according to the terms of the existing agreements signed. The promoter is looking for alternative locations for these shops, in order to relocate the businesses in other stations of the metro network.

In accordance with national law on labour standards and ILO obligations ratified by Argentina (Argentina ratified all ILO fundamental conventions), the works contracts will comply with ILO core labour standards. Contractors shall ensure occupational and community health & safety as part of their works contracts.

The Bank will also require the promoter to ensure compliance with the Bank’s standards and principles as set up in the EIB’s Environmental and Social Handbook.

Public Consultation and Stakeholder Engagement

As most works take place underground, the most important stakeholders are the passengers and employees of the metro operations company. The Promoter has a Communication Plan to inform these stakeholders and also the neighbours living in the surrounding area on the construction plan prior to works commencement. For those project components with environmental impacts, public consultation will take place with the context of the EIA procedure. So far, no legal action has been initiated against the decision and approvals taken by the Promoter to date concerning the planning, design or tendering of the works under the project.

The promoter has already a grievance mechanism in place for the operation of the metro, enabling passengers, employees and any other stakeholder to submit comments, questions or complaints. This grievance mechanism will also apply to works to be financed under this Project.

Conclusions and Recommendations

Following Argentinian legislation, EIAs are required per project component and have to be done once detailed design is available. For this reason, the EIA process was not finalised at the time of appraisal. However, only limited environmental impacts are expected given the nature of the works, with most works taking place inside the existing underground tunnels and stations. Completion of the EIA process is therefore proposed as a condition on first disbursement. The following conditions and undertakings will apply.

Prior to any disbursement, the Promoter needs to fulfil the following conditions:

- Submit to the Bank the screening decisions of the Competent Authority for all projects components that requires such screening in accordance to local law.
- For all project components that require an EIA, submit to the Bank the Environmental Impact Study together with the Environmental Approval Certificate (CAA) to the satisfaction of the Bank.
- Submit to the Bank the communication plan for the project, detailing when and how stakeholders are informed about the project and its progress, as well as the grievance mechanism that applies.

The Bank will also require the promoter to fulfil these undertakings:

- The promoter will ensure that relevant Bank's social and environmental standards are included in the tender documents of the main work contracts and will monitor and report on its implementation regularly, to the Banks satisfaction.
- The promoter will establish and maintain a grievance mechanism for this Project, to the Banks satisfaction.
- The Promoter will make all possible efforts to relocate the shops/businesses located inside the 9 de Julio station that will have to stop running their businesses because of the works under the project and will inform the Bank about the final agreements reached with the shop owners before the existing agreements come to an end.

Under these conditions above, the project is acceptable for Bank financing.