

Luxembourg, 19th September 2018

## **Environmental and Social Data Sheet**

Overview

Project Name: POLISH REGIONAL DEVELOPMENT AGENCIES PL

Project Number: 2016-0564

Country: Poland

Project Description: Programme Loan to support Polish Region-owned entities,

mainly acting as regional promotional institutions, for their strategic investments in the field of sustainable urban development in the EIB Cohesion Priority regions of Silesia,

Pomerania, Wielkopolska and Western Pomerania.

EIA required: This is a multi-scheme operation. Some of the schemes may

require an EIA under Annex I or Annex II (screened in) of the

EIA Directive 2014/52/EU (amending 2011/92/EU).

Project included in Carbon Footprint Exercise<sup>1</sup>: No

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

# **Environmental and Social Assessment**

#### **Environmental Assessment**

The operation, structured as a set of Framework Loans to region-owned entities, will finance new eligible schemes in the sector of urban development in the five Polish regions - Silesia, Pomerania, Wielkopolska, Western Pomerania (all EIB Cohesion Priority regions). The Regions are the Promoters.

The types of schemes expected to be supported are generally of a small nature (cost below EUR 25m) and are expected to encompass rehabilitation/construction of public buildings and facilities (education, health, cultural, social infrastructure), urban infrastructure (such as public parks), urban mobility, brownfield remediation and retail/commercial and office schemes.

The final beneficiaries may include local authorities, municipal/regional companies, hospitals, health centres, education and culture institutions, SMEs, MidCaps and private sector investors.

The schemes in which the Promoters will invest will be consistent with the existing and relevant urban planning and urban development strategies and policy objectives frameworks and follow an integrated approach to spatial development.

<sup>&</sup>lt;sup>1</sup> 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.

Relevant environment EU Directives have been transposed into national legislation (SEA Directive, EIA Directive, Birds and Habitats Directives, Energy Performance of Buildings Directive).

Some of the underlying investments may fall under Annex I or II of EIA Directive 2014/52/EU (amending Directive 2011/92/EU), requiring a full Environmental Impact Assessment (EIA) or EIA screening by the competent authority on the basis of Annex III to determine the need for a full EIA. As the investments will be located in already urbanised areas therefore significant impacts on protected sites, including Natura 2000 areas, cannot be excluded but are deemed unlikely.

The schemes are expected to have a limited temporary impact during the construction phase usually through an increased local traffic and construction and demolition waste generated. These impacts are expected to be mitigated by adhering to a good practice and by following the recommendations of the competent authority.

The projects financed in the five regions are expected to have a positive impact on climate change mitigation. This includes reduced energy usage of existing buildings to be refurbished and redeveloped. Moreover, sustainable mobility schemes will support the competitiveness of alternative modes to the car may also have a positive impact on climate change. In particular, these investments are expected to contribute to the climate objectives of the Bank. Concerning adaptation, Polish regions and cities are impacted by climate change through increasing frequency and intensity of natural hazards (e.g. flooding in Warsaw in 2010). While the natural disaster recovery schemes are a necessary reactive instrument that facilitates reconstruction of the infrastructure, more work is needed in the preparation and implementation of systemic adaptation measures.

The potential redevelopment of urban brownfields is in line with the concept of circular economy since it promotes a more efficient use of built space in high-value land areas like city centres. In general, the schemes are expected to enhance the quality of the urban environment.

#### **Social Assessment**

The project takes place in regions where there are particular issues concerning degraded industrial and post-industrial sites and urban centres – especially outside the region capital - deteriorating in terms of their cultural, educational, recreational and economic functions/offerings to citizens and businesses.

The project is expected to bring a number of positive social impacts. These may include urban residents enjoying improved urban environmental quality, public services and amenities, increased attractiveness of the public transport modes. Businesses may enjoy increased business confidence outlook stemming from improvements in the urban environment and infrastructure.

These externalities, along with the more direct economic effect of increased construction and refurbishment activities resulting from the investments, are expected to have a positive effect on job creation and private investment.

## **Public Consultation and Stakeholder Engagement**

Schemes promoted by the region or municipality will be included in the approved urban planning of the concerned municipalities as well as regional spatial planning framework which will have been subject to a Strategic Environmental Assessment (SEA) according to the Polish legislation. The SEA process includes a public consultation phase, according to which the general public has the right to express its opinion on the plan and the environmental report. Individual schemes may also be subject to public consultation in line with the EIA law.

### Other Environmental and Social Aspects

The environmental compliance of schemes financed under this Programme will be established in the building permit process and verified before EIB funds can be used for the schemes.

Poland has received formal notice from the EC requesting them to ensure that urban wastewater is adequately collected and treated as the compliance gaps for agglomerations remains serious.

### **Conclusions and Recommendations**

Overall, the investments to be carried out are expected to generate a wide range of positive environmental and social impacts, despite some possible minor negative impacts during the remediation and construction period.

The Promoters shall procure that schemes are implemented according to the provisions of the relevant EU Directives, including SEA (2001/42/EC), EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives as transposed into national law. In projects where applicable, the Promoters will be requested to deliver the NTS of EIAs to the Bank.

For Schemes having a potential impact on protected areas, including Natura 2000 sites, the Promoter has to provide evidence of the compliance (including screening) with the Habitats and Birds Directives (if applicable).

For schemes triggering Art. 4.7 of the Water Framework Directive (WFD), the Promoters will have to provide evidence of the compliance with the WFD before the Bank funds are allocated.

Environmental and efficiency improvements in public buildings will be required to comply with the provisions of the EU Directive on Energy Performance of Buildings 2010/31/EU.

The institutional capacity of the Promoters to manage the environmental and social issues will have an acceptable or higher rating. Therefore, given the nature of the operation and the procedures concerning EIA and nature protection put in place by the environmental competent authorities, subject to the conditions mentioned above, the project is acceptable in environmental and social terms.

PJ/SQM/ECSO 15.10.15