

Environmental and Social Data Sheet

Overview

Project Name:	SELECTIVE EUROPEAN TRANSPORTATION EQUIPMENT FUND
Project Number:	20180592
Country:	Regional - EU countries
Project Description:	The Fund will finance exclusively the acquisition of railway freight wagons and river barges to be leased predominantly in the EU.

EIA required:	No
Project included in Carbon Footprint Exercise ¹ :	Yes

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

Environmental and Social Assessment

Environmental Assessment

The project consists of the acquisition of new freight rail wagons and river barges to be operated on the European railway network and European inland waterways (IWW) respectively. The exact number of wagons and barges will depend on the composition of the portfolio acquired by the Fund, which will depend on the specific opportunities present on the market. The acquisition portfolio comprises new and second hand mobile assets. Second-hand assets and assets not registered in the EU Member States will not be financed by the Bank.

Purchase of rail rolling stock or IWW vessels is not regulated by the Environmental Impact Assessment (EIA) Directive (2011/92/EU as amended by Directive 2014/52/EU). Therefore, no EIA is required for the project.

The new freight wagons will be operated on the European railway network and contribute to improving the modal share of the rail *vis à vis* road, and by this means, are expected to have positive environmental impact in terms of safety, energy savings, air pollution, noise and CO₂ emissions. In addition, the new wagons will be in conformity with the current relevant requirements concerning noise. The maintenance of the new rolling stock will be mostly carried out in existing depots.

It is expected that the new barges acquired will operate mainly in the Seine, Rhine, Elbe, Vistula and Danube basins. By increasing the availability of new barges for leasing and rental, the project is fostering the capacity and efficiency increase of the IWW network and consequently promoting a modal shift from more carbon intensive transport modes (like road)

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

Luxembourg, 31st January 2020

to IWW. The related maintenance works will be undertaken essentially in existing IWW shipyards.

The operations of these river barges will play a critical role in the major IWW corridors across Europe, furthering the objective to increase IWW traffic relative to less environmentally friendly forms of transport such as road.

EIB Carbon Footprint Exercise

The project is included on the following basis:

Estimated annual greenhouse gas emissions from the use of the project in a typical year of operation over a 30-year operating assessment period:

- Forecast absolute (gross) emissions are about 97,000 tonnes of CO₂ equivalent; and
- Forecast emissions savings are about 40,000 tonnes of CO₂ equivalent.

The project assessment boundaries are:

- In the absolute case: approximately new 2,100 wagons and 40 new barges operated mainly on the European rail and IWW networks.
- In the baseline case: the existing wagons and barges, approximately 1,900 and 36 units respectively, replaced by the new assets operated on the European rail and IWW networks and road freight transport shifted to rail and IWW in the "with project" scenario thanks to the additional new wagons and barges acquired by the Fund, approximately 200 and 4 units respectively.

The forecasts in the baseline and absolute cases are based on project specific assumptions about production, electrical energy consumption and fuel efficiency of rail, IWW and road operations. The indicated number of wagons and barges is a realistic assumption taken for the purpose of the EIB Carbon Footprint Exercise; the number of assets acquired by the Fund may differ from these figures.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

These forecasts may differ from those of the Promoter due to different assumptions, boundaries and baselines.

Conclusions and Recommendations

The project is expected to contribute to modal shift from road to rail and inland waterways, which are less carbon intensive transport modes. By this means, it has a positive environmental impact in terms of safety, energy savings, air pollution, noise and CO₂ emissions.

The Fund Manager shall be required to ensure that any assets acquired by the Fund comply with the applicable EU environmental law and the EIB environmental and social standards.



Luxembourg, 31st January 2020

The Fund Manager shall be required to ensure that any operating company managing the assets comply with the applicable EU environmental law and the EIB environmental and social standards and have in place an appropriate environmental management system.

The Fund Manager shall be required to ensure that any new associated facilities built for the purpose of operating or maintaining assets part of the project comply with the applicable EU environmental law and the EIB environmental and social standards.

The Fund Manager shall be required to ensure that if any assets are scrapped, the scrapping be carried out by entities certified for this activity.

Under the conditions above, the project is acceptable for EIB financing from an environmental and social perspective.