

Environmental and Social Data Sheet

Overview

Project Name: CLEAN TRANSPORT PROGRAMME LOAN GERMANY
Project Number: 2019-0204
Country: Germany
Project Description: Financing the renewal and improvement of urban public bus transport fleets and its related infrastructure to improve the quality of the services and to have cleaner fleets.

EIA required: no

Project included in Carbon Footprint Exercise¹: no²

Environmental and Social Assessment

Environmental Assessment

The project supports public and private bus operators with public service contracts in Germany by providing a Programme Loan to finance the renewal and improvement of their bus fleets.

This assessment limits itself to the overall programme/project and sets the conditions for financing sub-projects. The actual purchases of new buses by individual promoters, the sub-projects, will be appraised prior to allocation under the programme loan, based on the criteria defined for the full Programme.

The project may include:

- Renewal and improvement of urban public bus transport fleets (natural gas –only in the context of longer distance services where non-fossil fuel alternatives are not yet available–, hybrid, biofuels, hydrogen and electricity);
- Associated infrastructure needs:
 - Software;
 - IT systems;
 - Charging and refuelling stations (electric stations, etc.).
- Associated maintenance vehicles giving support to bus operation:
 - Vehicles of any typology –size and fuel type– except for diesel.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB draft 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.

² The Carbon Footprint of the individual subprojects will be assessed at a later stage and may be above the thresholds.

Luxembourg, 15 October 2019

- Related infrastructure to improve the quality of the services:
 - Adaptation of existing depots for the vehicles.

The manufacturing of rolling stock (both buses and associated maintenance vehicles), software and IT systems for bus operation, and charging and refuelling stations do not fall within the scope of the EIA Directive 2011/92/EC amended by Directive 2014/52/EU. Therefore, no EIA will be required for these components. The replaced buses will either be scrapped/dismantled if they have reached the end of their life, or sold in a second hand market. In the first case (scrapping/dismantling buses), in the absence of an end of life regulatory framework for buses, the Bank will require the Promoter to inform how replaced buses will be disposed³. In the second case (selling in a second hand market), an equally positive environmental impact is expected, since the old buses will replace even older assets in the new market. This substitution typically reduces the level of particulates and pollutants emitted by the buses, which in many cities is regarded as a major benefit due to the very poor air quality they experience. It is however typically only marginally better in CO₂ emissions terms. The older vehicles that are in use in the city will be firstly moved to less busy lines and then be progressively retired from service and used for spare parts before being recycled. There is clearly a residual risk that the transport authority and operators will not pay sufficient attention to this, which is beyond the Bank's control.

The adaptation of existing depots for the vehicles may fall under Annex II of the EIA Directive 2011/92/EC amended by Directive 2014/52/EU. Adaptation of existing facilities is usually screened out as environmental impacts are low and no land acquisition is usually required. The Bank will request the competent authority's decision. The Bank will not finance components that need an EIA within this Programme Loan. If project components are screened in, they will be appraised and potentially financed under a separate financing operation.

Overall, the project is expected to have a positive environmental impact. The renewal and improvement of public transport including the deployment of cleaner technology will contribute to reduced pollution and noise, as well as low-carbon transport and will allow an increase in energy efficiency. In addition, the investments will have the capacity to improve the quality of public transport services, helping thus reduce reliance on private cars and maintain or increase public transport share.

Given the nature of the project, no impacts on Natura 2000 or other protected sites are expected.

Impacts during the construction phase of the infrastructure components (charging and refuelling stations and adaptation of existing depots for the vehicles) are expected to be minimal.

Social Assessment

Potential infrastructure construction activities are expected to be small and will be carried out within the footprint of existing facilities owned by the promoters and/or on existing streets. No expropriation or resettlement is foreseen within the project.

Public Consultation and Stakeholder Engagement

Given that the project mainly finances the purchase of buses and some small-scale works for the maintenance and operation of these buses, public consultation is usually not required.

³ Old buses can be disposed either directly by the operator or through a dealer who takes over the vehicle. Life expired vehicles or damaged vehicles are normally handed over to demolishers or stored for parts in the depots.

Luxembourg, 15 October 2019

Conclusions and Recommendations

The project is expected to have a positive environmental impact. The renewal and improvement of public transport including the deployment of cleaner technology will contribute to reduced pollution and noise, as well as low-carbon transport and will allow an increase in energy efficiency. In addition, the investments will have the capacity to improve the quality of public transport services, helping thus reduce reliance on private cars and maintain or increase public transport share.

Disbursement conditions

For infrastructure components, the promoters shall provide to the Bank, if applicable, the screening out decision in the context of the EIA Directive from the competent authority before any disbursement to finance these infrastructure components.

Undertakings

- For life expired buses from the promoters that are scrapped, the promoters undertake to inform the Bank how replaced buses have been disposed and provide the relevant scrapping certificate(s), in line with EU and national regulation and industry best practice.

Subject to this condition being met, the project is acceptable for EIB financing in E&S terms.