

Luxembourg, 03 May 2023

Environmental and Social Data Sheet

Overview

Project Name:	<i>METRO DE MADRID INFRASTRUCTURE UPGRADE II</i>
Project Number:	<i>2022-0127</i>
Country:	<i>Spain</i>
Project Description:	<i>This operation supports the rehabilitation, renewal and upgrade of part of Metro de Madrid's infrastructure network as foreseen in its Multiannual Investment Plan 2022-2025</i>
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

Project description

The project consists of a Framework Loan in support of Metro de Madrid (METRO) multi-annual investment programme (2022-2025) including a large number of small sub-projects in order to improve efficiency, attractiveness to the passengers and safety in the metro network. The investments include: (i) Rehabilitation and upgrading of stations (buildings and equipment) including measures to improve accessibility for people with reduced mobility; (ii) Upgrading of existing rolling stock; (iii) Upgrading and rehabilitation of track and structures; (iv) Specialised equipment; (v) Modernization of electric power system and traction power substations; (vi) Upgrading security and safety installations; (vii) Upgrading of signalling technology and communication systems; and (viii) Rehabilitation and construction of control centres for operation of the metro network and upgrade of existing depots.

Compliance with environmental legislation

The proposed investments are in line with Madrid's Regional Strategic Plan for Sustainable Mobility 2013-2025, which sets the promotion of the public transport (including metro) as one of its key objectives. The proposed investments are also in line with Madrid Sustainable Mobility Plan 360, which has gone through a Strategic Environmental Assessment (SEA) process, in compliance with EU SEA Directive 2001/42.

The investments included in the project are not likely either to fall under Annex II of the EIA Directive. Moreover, most equipment included in the project (specialised rolling stock, signalling, lighting systems and telecommunications equipment) is manufactured in plants and thus outside the scope of the EIA Directive 2014/52/EU amending Directive 2011/92/UE.

Notwithstanding the above, the Promoter (METRO) will have to confirm for every sub-project that it does not require an EIA according Directive 2014/52/EU amending Directive 2011/92/UE, or if any project component finally requires it, submit the EIA to the Bank and the non-technical

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.



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summary of the EIA for review and publication on the Bank's website will be a condition prior to any allocation of EIB funds.

Biodiversity issues

Based on the nature of works and their location, none of the investment sub-projects is expected to have a significant effect on Natura 2000 areas according to the Habitats Directive 92/43/EEC and the Birds Directive 2009/147/EC. The Promoter is required to provide the Bank with documentary evidence that the requirements of the Habitat Directive have been fulfilled prior to allocation of EIB funds on any schemes affecting Natura 2000 areas. The Promoter will have to provide the respective Form dully signed by the competent authority.

Promoter's capability and experience

Metro de Madrid (METRO) capacity and environmental procedures management are deemed adequate for the nature of the works. Environmental management procedures are integrated in the company's certified quality management systems, the effectiveness of which is regularly checked through internal and external audits.

Environmental impacts

Based on the nature of works included in the project, only minor adverse effects are expected on the environment. There may be small disturbances to the environment and nuisances to the passengers during construction, mostly related to dust and noise emissions and mainly affecting those investments involving stations, structures and buildings such as the provision of elevators and escalators in stations. These disturbances described above are considered to be temporary and deemed acceptable.

The project may also generate some hazardous waste, which will be handled according to METRO's Environmental Management Plan being certified under norm UNE-EN-ISO 14.001:2004 for environmental management and in line with the relevant regulations.

Some positive environmental impacts are also expected after project completion. The proposed schemes are expected to increase attractiveness of the metro network for public transport users, as the project aims at making the system safer, more reliable and comfortable. Therefore, the proposed schemes are expected to promote the use of public transport encouraging a shift away from private cars and reducing environmental externalities (CO₂ emissions, air pollutants and noise).

Alignment with Paris Agreement

The Project is aligned with the Paris Agreement, according to Annex 2 the EIB's Climate Bank Roadmap.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty Metro de Madrid, is in the scope and screened out of the PATH framework, because it is not considered high emitting or having high vulnerability to physical climate risks.

Social Assessment

The schemes are generally expected to bring positive social benefits through improved public transport and accessibility. The schemes are not expected to require land acquisition or cause any major social impacts. However, this will be verified prior to allocation of individual schemes.

Other Environmental and Social Aspects

There are no relevant social aspects to be highlighted.

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Conclusions and Recommendations

Despite the potential minor and temporary disturbances during construction described in the section above, the project is expected to have an overall positive impact on the environment by increasing Madrid's public transport attractiveness and efficiency of the metro system, thus promoting a modal shift from private vehicle to public transport use and contributing to a reduction of emissions associated to private vehicle. Therefore, the project supports EU's and EIB's climate change mitigation objectives and is aligned with the Paris Agreement and the EIB Climate Bank Roadmap.

Based on the nature of works and their location, none of the investment sub-projects is expected to have a significant negative effect on the environment. Nevertheless, prior to each allocation, the Promoter needs to fulfil the following conditions:

- The Promoter is required to confirm for every scheme that it does not require an EIA according to EU Directives, and if it does, he will have to submit to the Bank the EIA, the non-technical summary of the EIA and the screening decision of the competent environmental authority. For schemes which fall under Annex II of the EIA Directive and not requiring an EIA, the Promoter will ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the competent environmental authority. The screening decision can be common for several schemes. A copy of this decision shall be provided to the EIB
- For any sub-projects affecting Natura 2000 areas, the Promoter is required to provide the Bank with documentary evidence that the requirements of the Habitat Directive have been fulfilled. The Promoter will have to provide the respective Form A or B duly signed by the competent environmental authority.

In addition, the Promoter will undertake to:

- Ensure that, for sub-projects requiring an EIA, the Non-Technical Summaries of EIAs are made available to the public.
- Keep available updated relevant documents, such as documents supporting compliance with EU environmental Directives, to be promptly provided to the Bank upon request.

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