Luxembourg, 21st October 2015

Environmental and Social Data Sheet

Overview

Project Name:	D4R7 SLOVAKIA PPP
Project Number:	2015-0059
Country:	Slovakia
Project Description:	The project consists of the design, construction and financing of approximately 27 km of the D4 motorway around Bratislava, which will connect to the R7 expressway and is to be procured as part of the D4R7 PPP.

EIA required: yes

Project included in Carbon Footprint Exercise[1]: yes

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

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The D4 motorway is to be procured, together with the R7 expressway, as part of the D4/R7 public private partnership (PPP). The D4/R7 project was divided into five sections for preparation and assessment: D4 Jarovce – Ivanka Sever, D4 Ivanka Sever – Rača, R7 Prievoz – Ketelec, R7 Ketelec – Dunajská Lužná and R7 Dunajská Lužná – Holice.

The project was included in the Programme of Highways and Expressways, amendment number 3 (2012), and also in the Strategic Plan for Development of Transport Infrastructure in Slovak Republic by 2020 (2014). Both programmes were subject to a strategic environmental assessment (SEA) in accordance with Directive 2001/42/EC.

The D4 motorway is a class of development that falls under Annex I of the environmental impact assessment (EIA) Directive 2011/92/EU. The EIAs for all D4 and R7 sections were initially completed between 2008 and 2010 and received favourable opinion for development subject to conditions from the Slovak Ministry of Environment (MoE). Subsequently the project design was amended and further assessments were undertaken between 2013 and 2014 – including appropriate assessment in accordance with Article 6 of the Habitats Directive 92/43/EEC. The appropriate assessment concluded significant negative impact on protected species concerning the D4 Jarovce – Ivanka Sever section in the vicinity of the River Danube. Implementation of the project was only possible with the absence of alternatives, the establishment of offsetting measures and on grounds of imperative reasons of overriding public interest – which was issued by the Government of the Slovak Republic in 2014. Mitigation and compensations measures are stipulated in the environmental decision and planning permits.

Subject to the Bank's receipt of environmental declarations by the competent authority, the project is acceptable in relation to environmental and social issues.

[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.

Environmental and Social Assessment

Environmental Assessment

Environmental Legislation

Slovakia has harmonised its environmental legislation with the relevant EU Directives including the SEA Directive 2001/42/EC, EIA Directive 2011/92/EU, Habitats Directive 92/43/EEC and Birds Directive 2009/147/EC.

The current Slovak legislation for environmental assessment is Act no. 24/2006 Coll. that entered into force in February 2006. In 2014 the Act was amended as a result of the infringement opened by the European Commission against the Slovak Republic in 2013 (Infringement no. 2013/2034). The amended Act was adopted by the Slovak Parliament and came into force in January 2015. Act no. 543/2002 Coll. on nature and landscape transposes the Habitats and Birds Directives.

Environmental Procedure

The D4 motorway, as part of the D4/R7 project, was included in the Programme of Highways and Expressways, amendment number 3 (2012), and more recently the Strategic Plan for Development of Transport Infrastructure in the Slovak Republic by 2020 (2014) developed for the EU programming period 2014-2020. SEAs were undertaken on both programmes in accordance with the SEA Directive. As a class of development that falls under Annex I of the EIA Directive 2011/92/EU, each of the project sections was subject to mandatory EIA procedure.

Initially the combined D4/R7 project was prepared in four sections with respective EIAs completed between 2007 and 2011 – including assessment of alternative options. Final Decisions were issued by the MoE between 2010 and 2012, following consultation with authorities and the public, for each project section: D4 Jarovce – Ivanka Sever (No. 318/2010-3.4/ml), D4 Ivanka Sever – Záhorská Bystrica (No. 292/2011-3.4/ml), R7 Bratislava – Dunajská Lužná (No. 5461/07-7.3/ml) and R7 Dunajská Lužná – Holice (No. 4191/09-3.4/ml). The projects were accepted for implementation subject to conditions, including those related to mitigating and compensating for expected impacts. For the section D4 Jarovce – Ivanka Sever, given the expected significant negative impacts on nature conservation areas, further appropriate assessment and authorisation was required.

In the period 2012-2013 changes were made to the proposed alignments and project specification including the removal of the section Rača – Záhorská, which proposed a tunnel between Rača and Stupava. The D4/R7 project was redefined into five sections: D4 Jarovce – Ivanka Sever, D4 Ivanka Sever – Rača, R7 Prievoz-Ketelec, R7 Ketelec – Dunajská Lužná and R7 Dunajská Lužná – Holice. The MoE were notified of the changes and following consultation, issued formal opinions related to the notification of change procedure and a Final Opinion with regard to R7 Prievoz-Ketelec. These were issued between 2013 and 2014 for the five project sections. The project changes were not expected to have a significant adverse impact on the environment and therefore were not subject to further EIA. The planning documentation was prepared for the five sections and territorial zoning permits were issued between 2013 and 2014.

Environmental Impacts

The D4 motorway will increase capacity on the regions road network and is expected to redistribute existing traffic and their associated environmental impacts – including from the D1 and D2 motorways and local roads – in the short and medium term. The project connects to an existing border crossing between Slovakia and Austria (D2 motorway) and environmental impacts are expected from indirect traffic related air pollutant, exhaust gas and noise emissions, although the effects are expected to be more apparent during the construction phase.

The construction of the project is expected to have impacts on air, water, soil, flora, fauna, landscape, cultural and historic monuments, archaeological, geological sites, carbon and

climate change, and areas protected under specific legislation, including Natura 2000 sites. Over 360 hectares of land will be permanently converted for the construction of the D4 motorway from predominantly agricultural land (approximately 92%), vegetation and forests, and urban areas. Specific areas of impact include nature conservation areas in the River Danube basin involving the destruction of natural habitats and from the effects of noise, vibration, air and light pollution. Environmental mitigation measures have been incorporated in the design to minimise impact both during construction and operation; these include direct measures such as anti-noise measures, animal passages and crossings and vegetation planting. Compensation measures have been proposed to offset – in parts – expected significant negative environmental impacts.

Protected Nature Areas

The D4 motorway directly crosses or encroaches on Natura 2000, Ramsar Convention and nationally designated sites at the D4 Janovce – Ivanka Sever section. Following an appropriate assessment, according to Article 6 of the Habitats Directive, that concluded in 2014, the project in the vicinity of D4 Janovce – Ivanka Sever was found to adversely affect the integrity of the Birds Directive Special Protection Area (SPA): SKCHUU007 "Dunajské Luhy" and Habitats Directive Site of Community Importance (SCI): SKUEV0295 "Biskupické Luhy". The sites represent areas along the River Danube representing freshwater natural wetland. Particularly affected are nesting areas of three European level protected birds: black stork (Ciconia nigra), black kite (Milvus migrans) and the white-tailed eagle (Haliaeetus albicilla). Alluvial forests and specific beetle habitats will also be directly affected. Other nearby sites include SPA site SKCHVU 029 "Sysĺovské polia", SCI site SKUEV 0269 "Ostrovné Lúčky" and near the D4 Ivanka Sever – Rača section, the SCI site SKUEV0279 "Šúr", although the project was assessed to not result in fragmentation or integrity of these sites.

Following appropriate assessment and the absence of alternatives, the project was authorised on the grounds of imperative reasons of overriding public interest by the Government of the Slovak Republic in 2014. Expected direct destruction of habitats were to be compensated through offsetting measures including reforestation of agricultural land, revitalisation of adjacent grasslands and alluvial wetlands, changing the status of existing forests, and transferring farming/economic land to new alluvial forests.

Climate Change Impacts

The project includes a number of large engineering structures including a new crossing of the River Danube. The project has considered the expected impact of flooding and weather events through the application of Slovak road standards and Eurocodes for civil structures. The project includes no further climate change mitigation, adaption or monitoring measures over and above those allowed for under existing design standards.

EIB Carbon Footprint Exercise

Annual 3rd party greenhouse gas emissions (vehicular use, existing and generated traffic demand) was estimated from the use of the D4 motorway project and part of the existing road network (D1 and D2 motorways) where traffic has been diverted for a standard year of operation over a 25 year assessment period:

- Forecast absolute (gross) emissions are 107,300 CO2 equivalent per year
- Forecast emissions created are 7,800 tonnes of CO2 equivalent per year

The project boundaries for the assessment include the D4 motorway (from Jarovce to Ivanka North with 22.7 km) and stretches of the existing competing roads D2 and D1 (from Jarovce to Ivanka North with 22.6 km). The baseline is the forecast 3rd party emissions in the absence of the project and from the existing network within the project boundaries. The forecast for absolute emissions includes both the existing and new network. The forecasts reflect the Services' assumptions on traffic and traffic growth (both project specific), as well as standard relationships on volume/capacity, speed/flow and fuel consumption.

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.

Social Assessment

The project has progressed to planning permit stage of preparation. The planning and environmental procedures included public consultation. No registered or unregistered communities are known to have been involuntarily displaced or resettled by the project. The project shall comply with relevant Directives related to occupational health and safety including health and safety at temporary construction sites, and also road safety audits. Land acquisition and application for building permits is currently underway.

Public Consultation and Stakeholder Engagement

The preparation of the SEA, EIAs and the planning permit procedure included public consultation and stakeholder engagement as required by law. Information was made publically available on the project from government and agency websites and during information meetings and roadshows.

Planning permits have been issued for the D4 motorway sections in 2014. Information meetings regarding transfer of property of affected land are scheduled for 2015.

Other Environmental and Social Aspects

The environmental decisions, planning permits and any building permits will specify environmental surveying, monitoring and management prior to, during and after construction. This includes the monitoring of air and noise emissions, management of waste and pollutants.