Luxembourg, 15th October 2019

Environmental and Social Data Sheet

Overview

Project Name:	PASSENGER ROLLING STOCK (HU) (FL20150006)
Project Number:	20170664
Country:	Hungary
Project Description:	Acquisition of 25 Electric Multiple Units (EMUs) for suburban and regional passenger railway services in Hungary
EIA required:	No

Project included in Carbon Footprint Exercise No

Environmental and Social Assessment

The project consists of the acquisition of 25 (15 units for MAV-START, 10 units for GYSEV) Electric Multiple Units (EMUs) for suburban and regional passenger railway services in Hungary as part of the rolling stock fleet renewal strategies of the operators MAV-START and GySEV.

The Project represents a replacement of existing obsolete rolling stock and an improvement of the availability and reliability of the fleet, which will hence increase the attractiveness of railway services in Hungary. In the case of GySEV, the fleet renewal is also important in the context of the recent electrification of the corridor North-South (previously operated by DMUs).

The Project, entailing the manufacture of rail rolling stock in existing facilities, does not fall under either Annex I or Annex II of the Environmental Impact Assessment (EIA) Directive 2011/92/EU as amended. Moreover, there is no construction or significant renovation of fixed infrastructure related to these rolling stock investments. Manufacturing of these cars is expected to take place in existing plants in Poland and Hungary. The cars will be maintained in existing facilities of Budapest (MAV-START) and Szombathely (GySEV), which will not require any renovation or retrofit to host the new trains. Therefore, no EIA procedure is required.

The fleet will be authorised for operation in Hungary and fully compliant with the regulation at the time of contract award. The EMUs are fully compliant with Technical Specifications for Interoperability (TSIs) for Accessibility for Persons with Reduced Mobility and Persons with Disabilities and for Noise.

The Project will result in scrapping of life expired vehicles. The Promoters decommission rolling stock according to their standard procedures, which include always the participation of one environmental protection expert to ensure consistency with prescribed national standards in the process of dismantling, re-use of useful spare components, recycling and scrappage (including decontamination).

The Project is expected to reduce carbon emissions in aggregate, both through reducing energy consumption per train x km (less use of diesel traction, more efficient electric traction technology and introduction of regenerative braking) as well as by helping the rail sector to

maintain or gain modal share in the passenger market by comparison with the “without project” scenario, in which the quality of rail services would deteriorate.

The project is expected to have positive environmental impact in terms of safety, energy savings, air pollution, noise and CO2 emissions

Conclusions and Recommendations

The project complies with relevant EU and national environmental legislation and is acceptable to the Bank from an environmental perspective.