Luxembourg, <date of CA meeting>

16/12/2020

Public Environmental and Social Data Sheet

Overview

Project Name:	GERMAN ROLLING STOCK - S-BAHN MUENCHEN
Project Number:	20200105
Country:	Germany
Project Description:	Acquisition of about 110 new high capacity EMUs for S-Bahn Munich to replace life-expired vehicles, in support of an ongoing public transport capacity extension programme
EIA required:	NO
Project included in Carbon Footprint Exercise[1]:	YES

Environmental and Social Assessment

The project consists of the purchase of 110 new Electric Multiple Units for use on the S-Bahn network of Munich, Germany. The new trains will replace age expired trains.

The project does not fall under either Annex I or II of the Environmental Impact Assessment (EIA) Directive 2011/92/EU as amended by 2014/52/EU, as manufacturing and use of rail rolling stock is not included in either list. Therefore, no EIA is required for the project.

The project is in line with the long-term transport strategies for Munich as defined in the overall programm for more and better railway services ('Metropolkonzept') to meet transport and environmental policy objectives, amongst other. These plans and other studies have established that there is CO2 abatement potential in the field of rail public transport. Bavaria is in the process of updating its State-wide long-term transport planning.

The new rolling stock will be operated on S-Bahn services in Munch and will contribute to the efficiency, quality and transport capacity of the railway services. The main benefit of the operation consists of improving the attractiveness and competitiveness of the railway service, and thus potentially preventing a modal shift of existing passengers towards road, in particular where current capacity constrains have led to overcrowding. Hence the project is expected to have positive impact in terms of energy consumption and associated emissions, transport safety and noise.

[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.

The stabling and maintenance arrangements for the new trainsets, to be delivered from 2029 onwards, still needs to be defined. Likely there will be need for a second depot. There is early indication from the promoter that the second depot will be a brown site development on land already used for railway services. In any case, the promoter will be obliged to provide evidence to the Bank that EU EIA, Habitats and Birds Directives have been followed in the development of a second depot.

The new trains should comply with the relevant European Technical Specifications for Interoperability (TSI) for noise emissions and accessibility for persons with disabilities and persons with reduced mobility (also referred to as the PRM TSI). This will be further assessed in the following stage of appraisal.

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

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 74,000 tonnes of CO2 equivalent; and
- Forecast emissions savings are about 28,000 tonnes of CO2 equivalent.

The project assessment boundaries are:

- In the absolute case: the new rolling stock operating on the Munich suburban rail network.
- In the baseline case: the existing rolling stock operating on current network that will be replaced by the new rolling stock.

The forecasts in the baseline and absolute cases are based on project specific assumptions about utilization and electrical energy consumption of rail operations.

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.

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

Conclusions and Recommendations

The project is expected to avoid a modal shift from the passenger railways towards road, and contribute to some strengthening of the rail modal share, resulting in positive environmental impacts. By comparison with the “without project” scenario, the project is expected to have some positive environmental impact in terms of energy savings, air pollution, transport safety, noise and CO2 emissions.

The railway undertaking that will lease the rolling stock will have to arrange its own stabling and maintenance facilities. Such elements could fall under the EIA directive, and therefore

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may be subject to an EIA procedure. This may also require an assessment in the context of the Habitat and Birds directives of the EU. If construction of new facilities will be required, the Promoter undertakes to provide to the Bank evidence of environmental compliance.

Under the conditions above, the project is acceptable for Bank financing from an environmental and social point of view.