



Luxembourg, 12/04/2023

Environmental and Social Data Sheet

Overview

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| Project Name: | <i>BANSKA BYSTRICA SUSTAINABLE URBAN DEVELOPMENT</i> |
| Project Number: | <i>(2022-0131)</i> |
| Country: | <i>Slovakia</i> |
| Project Description: | <i>The project consists of a multi-annual municipal investment programme of the City of Banská Bystrica in Slovakia. The EIB framework loan will support eligible schemes coherent with the City's development strategy. It will contribute to modernisation of municipal public infrastructure and services.</i> |
| EIA required: | <i>This is a multi-scheme operation. Some of the schemes may require an EIA under Annex II of the EIA Directive.</i> |

Project included in Carbon Footprint Exercise¹: No

Environmental and Social Assessment

The operation is structured as a Framework Loan and will support the City of Banská Bystrica, a city with about 75,000 inhabitants situated in central Slovakia about 160 km northeast from Bratislava.

The EIB Project will contribute to the implementation of the City's development strategy and its multi-annual investment programme in the period 2022-2027. The EIB loan will support modernisation of public infrastructure and services, and integrated urban development, particularly through investments in the areas of public space and green areas, active mobility (mainly cycling), public lighting and other energy efficiency measures, and culture.

Environmental Assessment

As a Member State, Slovakia is required to follow the relevant EU legislation in relation to the environmental impact of projects (namely SEA, EIA, Habitat/Natura 2000 Directives). In Slovakia, the SEA and EIA are regulated by Act 24/2006 (as amended), which is fully compliant with EU SEA Directive 2001/42/EC and the EIA Directive 2011/92/EU as amended by (2014/52/EU). The Competent Authority issuing environmental permits for investment projects is the Department of Environment and Nature Protection of Banská Bystrica District Office. According to the decision of this competent authority, based on its screening assessment, the City's strategic document (Programme of economic and social development of Banská Bystrica 2015-2023) has not been assessed under the SEA. The new development strategy for the period 2023-2030 is currently in preparation. As soon as it is finalised, including its SEA, if applicable, the Promoter will be requested to submit it to the Bank.

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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Protection of Nature in Slovakia is governed by the Act no. 543/2002 (as per amendments) and the competent authorities overseeing different protected areas differ depending on their character and location (e.g. *NP Nízke Tatry*). Given the scope of this operation and sectors included, it is possible that some infrastructure schemes may be located in the vicinity of Natura 2000 areas, thus requiring an appropriate assessment procedure. However, at this stage there were no projects identified located directly in or in the vicinity of Natura 2000 zones.

The Promoter's capacity to manage climate risks is deemed satisfactory. The City's response to climate change is one of its top priorities and commitments related to climate change adaptation and mitigation are defined in a number of strategic documents. The City is currently preparing a new comprehensive climate change adaptation strategy, which is envisaged to be finalised in mid-2023. The new strategy will include extensive analyses, a strategic part with a detailed implementation plan, well-defined measures, evaluation indicators, a monitoring system, a catalogue of adaptation measures, a pipeline of projects and a grant programme, so as to plan in detail the new systemic approach of the city to manage climate change. At present, the city's climate change commitments are mainly enshrined in the Economic and Social Development Programme and in the binding part of the city's territorial plan. While preparing its new climate adaptation strategy, the City is currently also implementing Banská Bystrica Climate Change Response project, which comprises real climate change mitigation and adaptation measures with a target to save 1,800 t CO₂. The City has also recently implemented a number of climate-positive projects concerning municipal forests, energy efficiency of buildings and street lighting, flood prevention, public transport, etc.

The EIB Project will have an impact on the environment both during construction and operation. Most of the planned investments primarily comprise refurbishment, reconstruction, modernisation and remodelling of the existing infrastructure and spaces (cultural house, public lighting, cycling paths and pedestrian zones, public squares, public parks and spaces), thus many of the schemes are not likely to fall under the EIA Directive 2014/52/EU amending Directive 2011/92/EU. This is also to be the case for only few new construction schemes in urban areas (e.g. cycling paths). In cases where EIA is to be required (although not likely), the promoter will be requested to provide the report to the EIB. Some of the planned investments shall lead to improvements in energy efficiency (street lighting, public buildings).

At construction stage, it will increase noise levels, and will impact water and air quality. Adequate mitigating measures will be considered in the designs such as drainage systems, management of earthworks, reinstatement of damaged vegetation with local species and wildlife protection with underpasses. If felling of trees is required in any of the schemes, they will be protected in appropriate manner and tree clearance will be conducted outside the nesting season. Overall, the Project's impact at the construction stage will be short-lived and reversible, at a level which is deemed acceptable.

At operation stage, main impacts will be related to noise and emissions from motor vehicle traffic linked to road projects. Special mitigation measures may be proposed in line with legal emission thresholds including the construction of noise barriers or fences where needed as well as animal underpasses and repair of affected animal paths.

The EIB Project is expected to bring savings in operational costs and contributing to the reduction of local emissions through energy efficiency measures in public lighting and public buildings. The Project also includes an extension of the network of cycling paths which will contribute to the modal shift from the use of private car, and should thus contribute to a reduction in carbon emissions. Against this background, the Project is expected to entail a positive contribution to the Bank's efforts in combatting Climate Change.



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Social Assessment, where applicable

Although no separate social impact assessment has been carried out, it is deemed that the overall social impact of the framework loan will be positive. The Project is expected to increase the quality of public services available to the inhabitants. Investments in public transport (such as bicycle lanes and pedestrian pathways) will promote sustainable forms of mobility, decrease dependency on individual passenger cars and promote physical activity of citizens. Modernised house of culture as well as intervention in public spaces and green areas will improve the quality of living environment for all citizens and will contribute to social inclusion.

Public Consultation and Stakeholder Engagement

The individual investments are expected to form part of urban development plans for which public consultation is carried out. The new strategic development documents (programme of economic and social development, climate change adaptation strategy) will be subject of a broad participation of stakeholders and public opinion.

This is also the case of most of the individual investments proposed by the City (cycling paths, parks and green spaces in residential areas), as public consultation is expected to ensure the social acceptability of the investments, the reduction of conflicts in the implementation of adaptation actions and enhanced utilisation and impact of the investments.

Other Environmental and Social Aspects

The individual project building permits will stipulate monitoring of environmental requirements prior to, during, and post construction. In addition, road safety and particularly safety of cyclists and pedestrians is expected to improve, thanks to safety measures proposed in relation to road and cycling paths network.

Conclusions and Recommendations

The Promoter will be required to act according to the provisions of the relevant EU Directives, including SEA (2001/42/EC), EIA (2014/52/EU amending 2001/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives and Water Framework Directive (2000/60/EC) as transposed into national law. In projects where applicable, the Promoter will be requested to deliver the EIAs to the Bank before Bank funds are allocated. For Schemes having a potential impact on protected areas including Natura 2000 sites, the Promoter has to provide evidence of the compliance (including screening) with the Habitats and Birds Directives (if applicable) before the Bank funds are allocated. For schemes triggering art. 4.7 of the Water Framework Directive (WFD), the Promoter has to provide evidence of the compliance with the WFD before the Bank funds are allocated.

Upon the Bank's request, the Promoter will be requested to provide selected Energy Performance Certificates obtained in line with the EU Directive 2010/31/EU during implementation or after completion of works.

As soon as the new development strategy, including its SEA, if applicable, is finalised, the Promoter will be requested to submit it to the Bank.

The overall environmental and social impact of the Project is expected to be positive, with improved environment and citizens' quality of life, especially through improved quality of public infrastructure, amenities and spaces, and energy efficiency in street lighting and public buildings (contributing also to climate change mitigation). Potential negative effects (e.g. dust and noise during construction) will be alleviated by implementing effective mitigation measures.



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The capacity of the Promoter to manage the environmental and social issues is deemed satisfactory. Therefore, subject to the conditions mentioned above, this operation is acceptable for the Bank in environmental and social terms.