



Luxembourg, 15 November 2023

Environmental and Social Data Sheet

Overview

Project Name:	BUCHAREST SUSTAINABLE URBAN INFRASTRUCTURE
Project Number:	20230374
Country:	Romania
Project Description:	The project includes investments in the public transport (PT) and district heating (DH) networks as follows: rehabilitation of approximately 50 kms of tram tracks including platforms and the related contact network, tram acquisition, depot modernisation and rehabilitation of the hot water transmission pipelines by replacing approx. 106 km channel length of pipes.

EIA required: no

Project included in Carbon Footprint Exercise¹: yes

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

Environmental and Social Assessment

Environmental Assessment

The city of Bucharest intends to improve the quality and sustainability of its urban infrastructure and is currently prioritising investments in the public transport and district heating networks. The need for these types of investments has been identified in various strategic documents and plans, the most recent being the Sustainable Urban Mobility Plan (SUMP, 2016-2030), the Integrated Strategy for the Urban Development of Bucharest (SIDU, 2021-2030) and the Centralised Heating Supply Strategy of the Bucharest Municipality (CHSS, 2017).

Compliance with applicable environmental legislation

The SUMP was subject to a Strategic Environmental Assessment (SEA) in compliance with EU SEA Directive 2001/42/EC and received approval in 2017 from the Competent Authority, the Ministry of Environment.

Works to renew existing public transport infrastructure (tram tracks, platform stops, catenary, poles, sub-stations and depot installations) will be carried out in the existing right-of-way and site perimeter and their impact should be minor. In addition, the production of tram rolling stock will take place in the manufacturer's factories, therefore all public transport components fall outside the scope of Directive 2014/52/EC amending Directive 2011/92/EC.

The investments in district heating were identified in the Operational Programme for Large Infrastructure 2014-2020, and its subsequent modifications, which was subject to an SEA in 2015.

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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Works to renew industrial installation for the transport of gas, steam and hot water fall under the scope of Annex II to the EIA Directive 2014/52/EU amending Directive 2011/92/EU and require a screening decision by the Competent Authority. The Competent Authority, Agentia pentru Protectia Mediului Bucuresti (APM Bucuresti), screened-out the district heating project in 2018 in line with Annex III criteria.

The screening decision also considered the impacts on protected habitats and species, Natura 2000 sites as well as on the water body to be non-significant.

Environmental impacts

The construction phase is expected to have temporary negative impacts related to localised vibrations and noise, air pollution – particularly dust and fumes from construction machinery and vehicles, possible traffic, or pedestrian diversions. Good construction practices and adherence to the conclusions of the screening decision of the Competent Authority, for the district heating works, are expected to minimise temporary impacts during construction.

During its operational phase of the public transport components, the noise, environmental pollution, and vibration impacts along the line are expected to reduce due to lower levels of private vehicle traffic due to modal shift and improvement of tram infrastructure. During the operational phase of the district heating component, the reduction in heat and water losses on the transmission network will result in improved resource efficiency of the system and is expected to reduce environmental pollution and GHGs.

In addition, all project components are to be implemented and operated in urban environment in the existing right-of-way and site perimeters and therefore will not have an impact on protected sites or species.

Climate change mitigation and Paris Alignment

The Project is considered to be Paris aligned according to Annex 2 of the EIB Climate Bank Roadmap (2020), because it supports investment in public transport infrastructure and infrastructure for distributing heating and cooling, part of an efficient district heating and cooling system.

The Project provides a substantial contribution to Climate Change (Mitigation) according to Annex 4 of EIB's Climate Bank Roadmap (CBR) and a substantial contribution to Environmental Sustainability (Pollution Prevention).

Based on the technical characteristics of the project components the identified physical climate change vulnerabilities are not expected to cause material impact on their operation.

EIB Carbon Footprint Exercise

The impact of public transport component is considered negligible and well below the reporting threshold since the project improves an already fully electrified part of the public transport network. Therefore, the carbon footprint refers only to the district heating component of the project. Absolute emissions attributable to the DH project scope are 64.5 kt CO₂ equivalent / year. The project is expected to lead to annual emission savings estimated at the level of 111 kt CO₂ equivalent.

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, where applicable

The Project does not require land acquisition and will not have negative social effects.

The public transport modernisation, will improve access to employment, education and urban services, enhance an already affordable mobility option and improve accessibility as it will allow



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the introduction of low floor trams. This will benefit all residents but especially the young and elderly as well as more vulnerable groups such as persons with reduced mobility.

The district heating network covers 72% of the heating demand in the city. With 80% of the transmission network in poor technical condition there are frequent interruptions of service for heating and hot water which affect the quality of life of residents. The modernisation of the network will allow, amongst others, restoring reliability of supply which will benefit all residents but especially the poor and more vulnerable groups such as the elderly.

Public Consultation and Stakeholder Engagement

Due to the nature and scale of the project impacts, neither the public transport nor the district heating components were subject to an environmental impact assessment and did not require public consultation.

During project implementation, the Promoter will inform the public and all relevant authorities, in accordance with regulatory requirements and industry best practice.

Other Environmental and Social Aspects

The Promoter has an Integrated Quality and Environmental Management System (most recently verified in 2023). This implies compliance with the requirements of ISO 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System) for public administration.

Based on the above the capacity of the Promoter to manage the environmental and social aspects of the Project are deemed satisfactory.

Conclusions and Recommendations

The construction phase is expected to have temporary negative impacts related to localised vibrations and noise, air pollution – particularly dust and fumes from construction machinery and vehicles, possible traffic or pedestrian diversions. Good construction practices and adherence to the conclusions of the screening decision of the Competent Authority, for the district heating component, are expected to minimise temporary impacts during construction.

During its operational phase the noise, environmental pollution, due to modal shift, and vibration impacts on the tram line will reduce. In addition, the heat and water losses on the district heating transmission network will result in improved resource efficiency and lower GHG emissions.

Based on the information provided by the Promoter, the project is considered acceptable for EIB financing from an environmental and social point of view.