

Trouble in the air: EIB ignores environmental and social burdens caused by Budapest Airport expansion

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With the third wave of the COVID-19 pandemic behind us, travel agencies and flight companies have started a heated campaign to get tourists flying. This has also been felt in the vicinity of the Budapest airport; while many enjoy the opportunity to fly to their holiday destination, the noise resulting from the increase in tourist flights is making the lives of people living near the airport increasingly miserable. And not only that; air pollution from burning kerosene, the fuel used in airplanes, affects a wide geographic area. In the face of climate disaster, we should take a more responsible attitude towards travel and prevent a return to the old 'normal'. Financed by the European Investment Bank, the Budapest Airport is a case of how public support is being used to develop flight traffic without proper consideration of environmental and social impacts.

The Budapest Ferenc Liszt International Airport is located merely 16 kilometres from the centre of Budapest. With a licence for a capacity of 6 million passengers per year and 15 million in the peak year of 2019, new plans to develop the airport aim to increase passenger turnover to 21 million, i.e. more than twice the inhabitants of Hungary. The operation and expansion of the Budapest Airport will affect about **1 million people**, including families with children whose houses were built decades before the Airport's expansion started. The quality of life of local inhabitants has been decreasing proportionally with the increase in air traffic.

EIB money for huge airport development

In December 2018, the European Investment Bank (EIB) signed a loan¹ of EUR 200 million for the development of the Budapest Airport under the CAPEX Plan.² The loan is supposed to co-finance investments of a total value of EUR 463 million, including:

- Construction of the new Pier B;
- Construction of a new Terminal 3;
- The renewal of the airfield ground lighting;
- The construction of a new cargo city; and
- A range of other landside and airside enhancements, including the upgrade of the baggage handling system with the most recent Standard 3 machines.

The investment is expected to increase the airport's annual capacity from 15 million to 21 million passengers, i.e. by 50 per cent.³ **Despite the significant anticipated increase in air traffic the project will bring, it has not been subject to Environmental Impact Assessment as would be expected under the EU's environmental legislation.** This was made possible because the promoter divided the project into a series of smaller projects ('salami slicing') and ignored their cumulative impacts. In addition to the construction on the airport itself, the airport has also planned for a new cargo facility, a rail connection with a new railway station, and a range of projects aimed at ensuring a continued high service level for travellers.

The airport was granted exemptions from the requirement to comply with the local spatial plan and the requirement to conduct an EIA for airport development. Despite these contradictions with the EIB's environmental standards, which require that projects in the EU are subject to an EIA in line with the EU's Environmental Impact Assessment Directive, the Bank's project due diligence did not identify any non-compliance. The EIB concluded that the environmental and social impacts of the project are expected to be minor.

Air pollution

As the Budapest Airport had 340 operations per day during its peak operation, take-off and landing during this period must have resulted in the emission of at least 700 tons of CO₂ and microdust particles per day.⁴

¹ European Investment Bank, '[Projects to be financed - BUDAPEST AIRPORT CONCESSION \(CAPEX PLAN\)](#)', 16 January 2019.

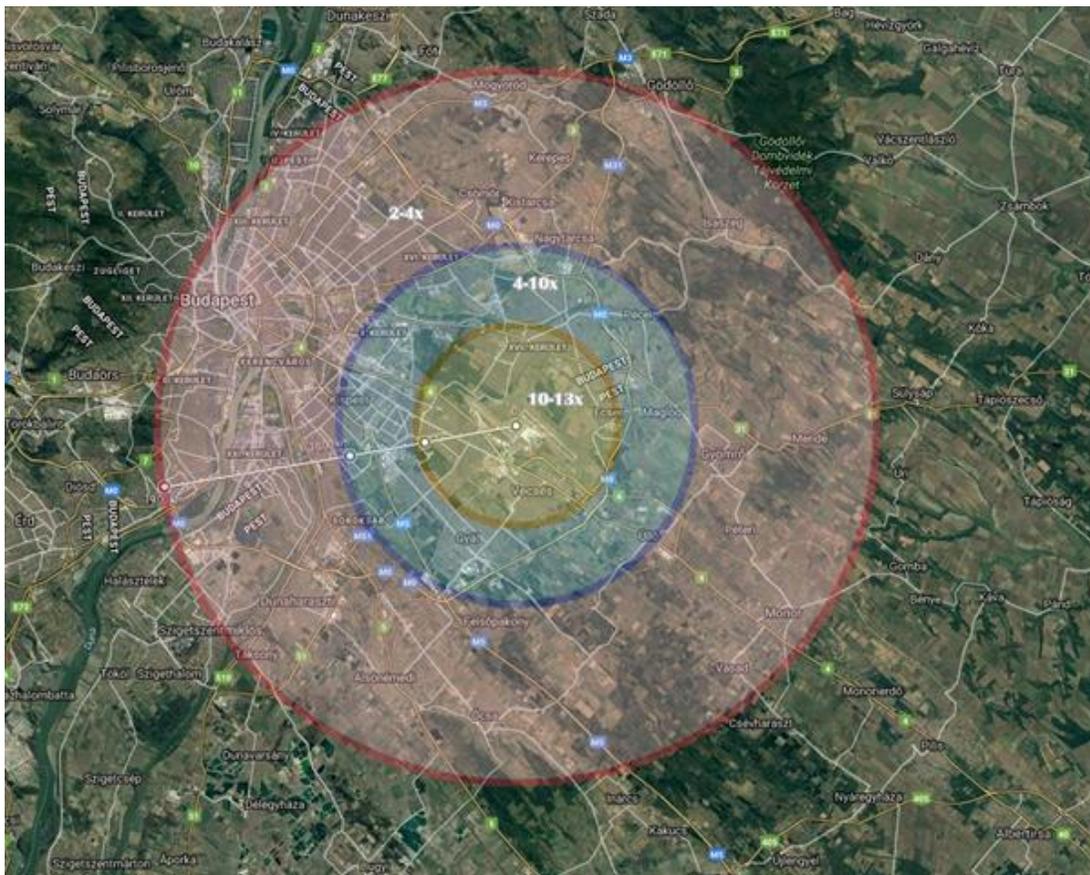
² Capital expenditures

³ Originally, the airport was planned to host 6 million passengers per year. Before the COVID-19 pandemic, the highest turnover was 18 million. Due to the pandemic, traffic fell to about 9 million passengers per year. This was already a perceivable relief to local communities and the surrounding nature. This is the highest level of passengers that would be acceptable for local communities in the long run.

⁴ Calculation made by '[For Civilized Air Transport Association](#)' (KLKE/CATA). In the first six minutes after take-off and before landing, an average passenger aircraft burns a total of 600 kilograms (kg) of fuel. $600 \text{ kg} \times 340 \text{ operations/day} \times 3.16 \text{ carbon and oxygen uptake coefficient} = 645 \text{ tons}$

This is spread across Budapest and Pest County. This does not include the emissions from auxiliary services (transportation to and from the airport, ground operations, etc.).

The two maps below demonstrate the estimated microdust pollution based on measured data at Schiphol Airport (NL), as adapted for Budapest Airport based on their 2018 and 2019 traffic data. In the red zone, covering a 19 kilometre circle around the airport, the microdust concentration is likely to amount to 5,100 particles/cm³; in the blue zone (9 kilometres), 12,700 p/cm³; and in the yellow zone (5 kilometres) 16,510 p/cm³. To compare, a normal average microdust concentration is about 1,000-1,200 p/cm³; i.e. the microdust concentration in the affected zones is 2 to 13 times the average level. Approximately 1 million inhabitants live in these impacted areas near the Budapest airport, out of which 0.5 million people live in the directly affected zone (9 kilometre circle), where the adverse health impacts of airport-related air pollution are most likely.



Estimated microdust concentration around Budapest Airport. Based on measured data at Schiphol Airport (NL), as adapted for Budapest Airport based on their 2018 and 2019 traffic data.

Source: [For Civilized Air Transport Association \(CATA\)](#)

of CO₂ and microdust emitted by the airport per day in Budapest and Pest County, without taking larger aircrafts into account. When weighted to take into account larger aircrafts (assuming that adding 60 operations approximates the additional emissions of larger aircrafts; thus, using 400 aircraft per day), then $600 \times 400 \times 3.16 = 758.400 \text{ kg CO}_2$ and micro dust emissions per day. This equation is based on CATA's own research, including sites such as Ecoscore, ['How to calculate the CO2 emission from the fuel consumption?'](#)



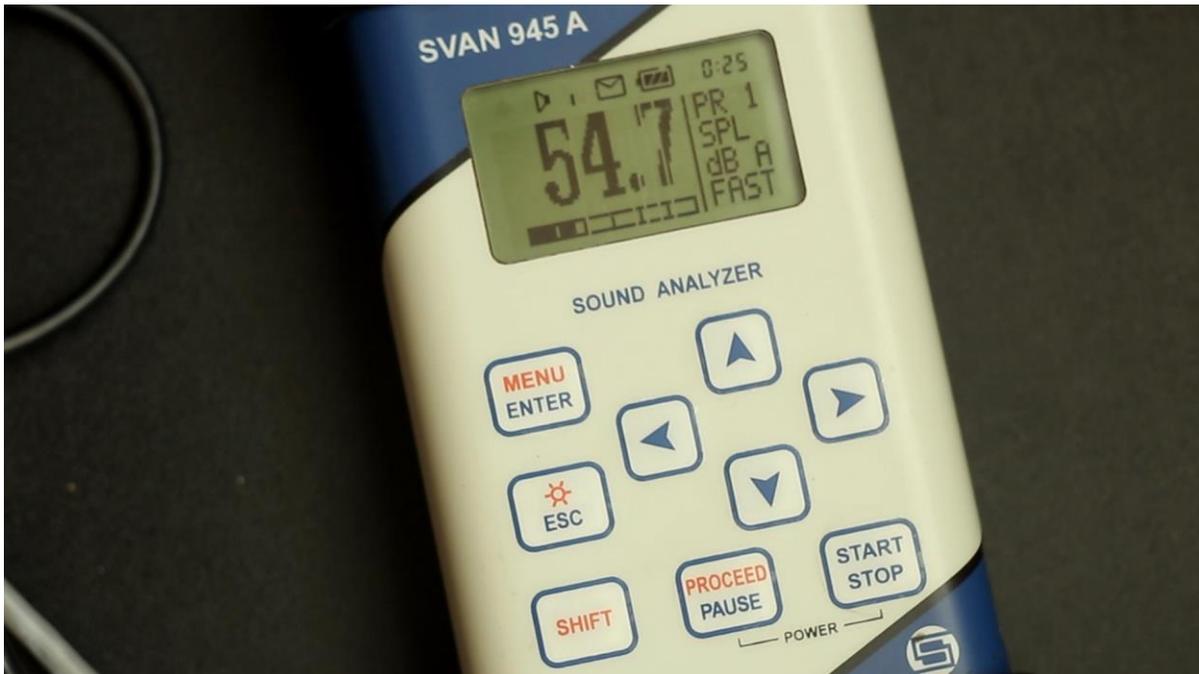
Estimated microdust concentration around Budapest Airport. Based on measured data at Schiphol Airport (NL), as adapted for Budapest Airport based on their 2018 and 2019 traffic data.

Source: [For Civilized Air Transport Association \(CATA\)](#)

In the case of Schiphol Airport, located in a similarly densely inhabited area, a study revealed that ‘for several thousands of homes in Amstelveen and Amsterdam which are most affected by air pollution from Schiphol (up to an extra 40,000 ultrafine particles per cm^3), the average loss of life expectancy could equal more than a year.⁵ This suggests that air pollution around Schiphol Airport was either not properly assessed or was ignored by authorities. However, this is not the future people living in the vicinity of Budapest Airport wish for themselves. During Friends of the Earth Hungary’s (MTVSZ) field visit to the area, citizens or relatives of those with pulmonary fibrosis or brain cancer reported that physicians have often told them that their disease was largely attributable to kerosene or noise pollution, even if not confirmed in writing.

⁵ ‘This concerns an estimated 10,000 people living in homes which have such heightened exposure. For another 20,000 residences, ultrafine particles lead to a loss of 3.8 to 7.7 months for the approximately 44,000 people who live there. For about 88,000 other people (40,000 residences) a loss of life expectancy of 1.9 to 3.8 months as the result of ultrafine particles from Schiphol was estimated... TNO assessed concentrations of ultrafine particles originating from Schiphol in the residential areas of Amsterdam and Amstelveen north of the airport (555,000 residences).’ Anne Knol, ‘[Ultrafine particles from Schiphol airport: An analysis of health impacts for area residents](#)’, *Milieudefensie (Friends of the Earth Netherlands)*, December 2014.

Noise pollution



The airport has been granted permission to operate during the night. At night, between 22.00 and 06.00, 50 landings and take-offs may take place, including six landings/take-offs between 00.00 and 05.00.⁶⁷ Local people also reported that regulations on flight paths and the distance from the ground planes must fly over inhabited territory are often violated, negatively impacting affected people.

Noise limit values used for determining noise protection/mitigation zones are problematic as well. Although the WHO guidelines for outdoor night noise recommend that noise be limited to an average of less than 40 decibels (dB) per year (L_{night}) to 'prevent adverse health effects from night noise' and a maximum of 45 dB for noise exposure averaged across the day, evening and night (L_{den}), Hungarian legislation only requires noise mitigation measures in zones above L_{den} 65 dB and L_{night} 55 dB (zone C). EU Directive 2002/49/EC, on the other hand, recommends L_{den} 55 dB and L_{night} 45 dB, **which are stricter than Hungarian law permits.**⁸

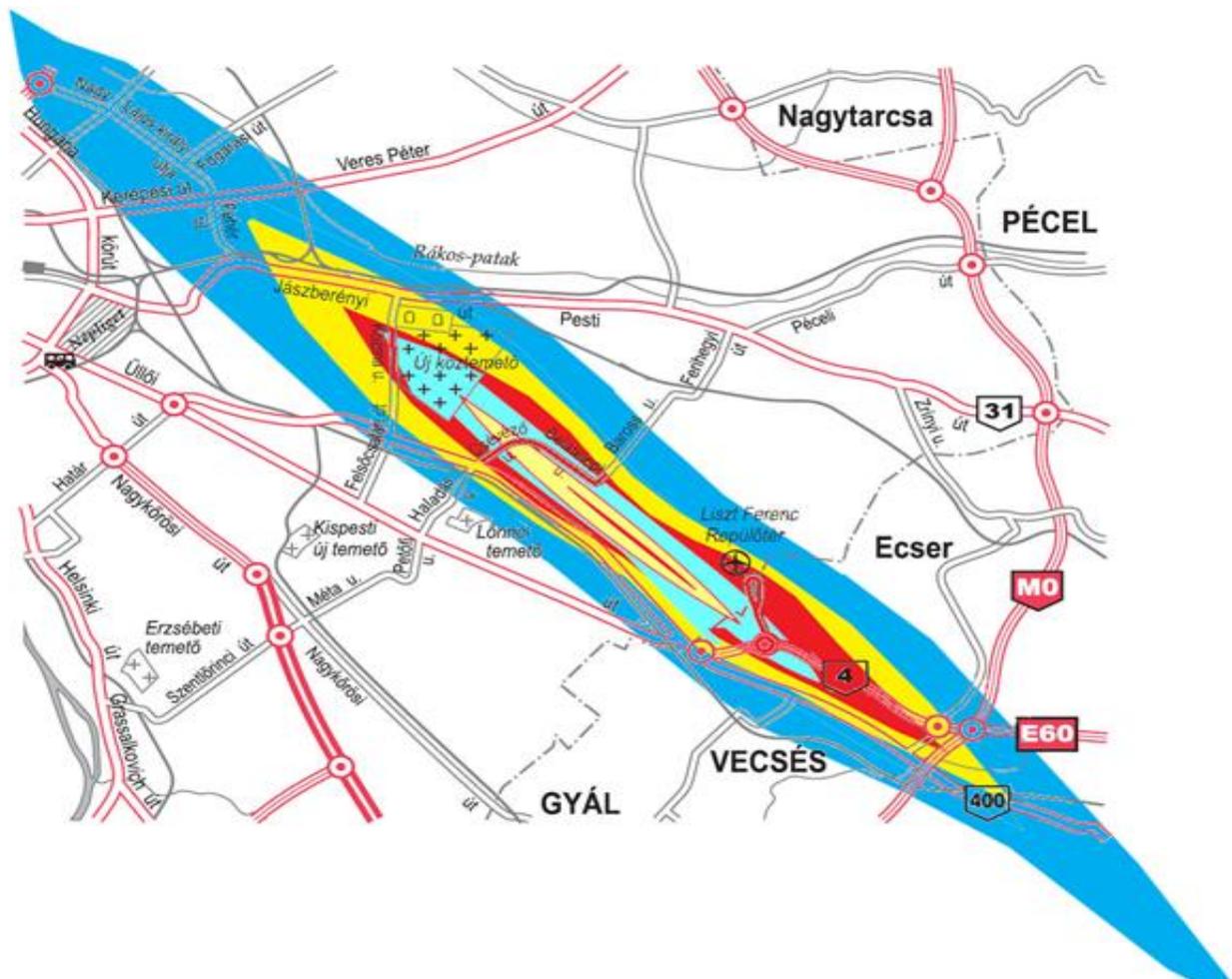
⁶ Budapest Airport, '[Airport Rules Chapter VI - Noise and environmental protection](#)', 1 May 2015.

⁷ The Hungarian Ombudsman for Future Generations wrote in a letter to the government: 'The above numbers of operations authorised for the night period are already excessive on the basis of a health assessment, but this is made worse by the fact that in most cases the number of overflights during the period of deep sleep exceeds the planned number (reportedly not uncommonly 2-3 times higher). This is typically due to delays of individual flights, but the air traffic controller at the workshop said that this is not a one-off event, but that the same flights are regularly delayed. From a legal point of view, this is a disregard for the rules and has become standard practice, without any sanctions, in the absence of appropriate official instruments, while the impact on night-time peace and quiet is clear and the number of affected residents (particularly as a result of the change in flight paths) is significant.' (Translated from Hungarian.) Bándi Gyula, '[A Budapest Liszt Ferenc Nemzetközi Repülőtér működése által okozott zajhatásokkal kapcsolatos megkeresés](#)', Magyar Ombudsman a jövő nemzedékekért, February 2019.

⁸ It is worth noting that: 'Both the medical and the municipal reports suggest and confirm that the averaging method used to measure noise does not reflect the real health burden of airborne noise, taking into account the noise limits in force. The averages used for noise calculation do not give an adequate picture of the impact on the human body of the short but very significant noise impact of aircraft and, as a consequence, the existing legislation does not follow the human impact of aviation noise.' (Translated from Hungarian.) Bándi Gyula, '[A Budapest Liszt Ferenc Nemzetközi Repülőtér működése által okozott zajhatásokkal kapcsolatos megkeresés](#)'.

Furthermore, the calculation equations for defining noise protection zones in Hungary's 18/1997 KHVM-KTM joint ministerial decree are not fully compatible with Doc 29 of the European Civil Aviation Conference (Report on Standard Method of Computing Noise Contours around Civil Airports). All EU Member States are required to use this methodology as of 31 December 2018, as prescribed by Commission Directive (EU) 2015/996. **Consequently, it is questionable whether national legislation sufficiently protects Hungarian citizens from excessive aircraft noise.** The Hungarian Ombudsman for Future Generations declared that both the rules for night flights and these legislative standards for noise pollution are too weak, and thus, the right of affected citizens to a healthy environment is being violated.⁹

The map below shows the difference between the mitigation zones identified by Hungarian law (sand and light blue) and those recommended by the EU (red, yellow and blue zones). This shows the real size of the affected area, the population of which is estimated to be approximately 0.5 million.



Map: Noise mitigation zones identified by Hungarian law (sand and light blue) and those recommended by the EU (red, yellow and blue zones). Source: 'For Civilized Air Transport' Association (KLKE/CATA)

⁹ Bándi Gyula, 'A Budapest Liszt Ferenc Nemzetközi Repülőtér működése által okozott zajhatásokkal kapcsolatos megkeresés'.

Even in this minor zone C (light blue), 300 metres sideways from the runway, the investor only offered inhabitants an extra window layer for their sleeping rooms. However, this does not substantially decrease the noise impact, and it does nothing to make outdoor spaces, such as gardens, usable for residents. For any further noise mitigation measures (e.g. full insulation, window change), the investor would require the financial contribution of affected inhabitants.

As a European Parliament report shows,¹⁰ noise around airports is a general problem often coupled with lack of consultations and low standards. The report also refers to the European Aviation Environmental Report 2019, which states that ‘the European Environment Agency has estimated that more than 4.1 million people were exposed to Lden levels above 55 dB from aircrafts at 85 major airports (over 50,000 movements per year) in 2011.’¹¹ The aforementioned report by the European Parliament Policy Department for Citizens' Rights and Constitutional Affairs analysed five complaints submitted to the European Parliament's Committee of Petitions regarding noise from airports (Liège 2010, Berlin Tegel 2013, Cologne/Bonn 2014, Rome Ciampino 2015 and Budapest 2018). The report recommends that ‘harmonized noise limits, in particular at European level, get established.’¹²

Neglected social impacts and lack of public consultations

Already before the COVID-19 pandemic, airport traffic caused unbearable noise, air pollution and damage to the houses located near the airport. Vulnerable groups or those who have financial difficulties are not able to easily adapt to or move away from an environment that threatens their well-being. The airport's further expansion will trap hundreds of thousands of local inhabitants living in surrounding residential areas in depreciated properties. Some houses have been physically ruined by noise pollution, vibration and air turbulence (e. g. walls cracking, roof tiles falling), thereby possibly posing a direct threat to human lives, and due to the expansion more houses will be at risk for this type of damage. Intensified landside traffic will add even more noise, air pollution and disturbance to these densely inhabited areas, which will most likely result in health damage. Inhabitants living in the close vicinity of the airport are unable to have conversations outdoors, as planes come every five minutes, or even more frequently in the busiest hours.

¹⁰ European Parliament, ‘[Impact of aircraft noise pollution on residents of large cities](#)’, Policy Department for Citizens' Rights and Constitutional Affairs, Directorate-General for Internal Policies, September 2020.

¹¹ European Environment Agency, European Union Aviation Safety Agency and Eurocontrol, [European Aviation Environmental Report 2019](#), 2019.

¹² See footnote 8.



Despite widespread dissatisfaction and frequent complaints sent to Hungarian authorities in opposition to the airport's increasing impacts, the EIB's social due diligence did not spot any significant adverse social impacts related to the project.

The EIB's Environmental and Social Data Sheet for the project states: 'There are no significant adverse social impacts related to the project. The potential creation of additional permanent jobs will have a

positive economic and social impact on the surrounding area.¹³ In addition, contrary to the Bank's statement that public consultation has been undertaken in accordance with Hungarian and European legislation, **local communities were not consulted on the project and its potential mitigation measures.** Impacted people were deprived of the right to public participation in the decision-making, because the project promoters were not required to conduct an environmental impact assessment.

A complaint to the EIB's Complaints Mechanism

'For Civilized Air Transport' Association (KLKE/CATA), an association representing local communities, and MTVSZ (Friends of the Earth Hungary) filed a complaint with the EIB's Complaints Mechanism (EIB CM) in March 2020 alleging that the project lacked a social and environmental impact assessment and violated several of the Bank's other environmental and social standards.

Due to the COVID-19 pandemic, the complaint handling procedure has been considerably delayed. Nevertheless, in its Initial Assessment Report dated October 2020, the Complaints Mechanism deemed it appropriate to carry out a compliance review regarding the following allegations:

1. Failure to assess and mitigate the climate impact of the project through an EIA and alleged non-compliance with the EIB's climate-related standards (Standard 4)¹⁴;
2. Failure to assess the impact of the 50 per cent increase in air traffic and land transport on air pollution;
3. Failure to assess and mitigate noise pollution and negative social impacts on the project-affected people;
4. Lack of public consultation on the project and failure to involve local stakeholders from civil society; and
5. Inadequate information on the social and environmental impacts of the project and its approval procedures in the ESDS and related information on the EIB's website.

After a phone consultation with the complainants (February 2021) and further inputs provided by the complainants upon the EIB CM's request, the CM team is still working on their Conclusions Report as of mid-October 2021.

Since, unfortunately, the Complaints Mechanism has no suspensory/deferring effect on the financing of the project in question, the investments financed by the EIB were completed by mid-2021. The complainants therefore expect the EIB to provide for proper consultation with the affected local communities and ensure that proper, jointly designed and mutually acceptable mitigation measures (both physical, e.g. houses' refurbishments, etc. in the expanded noise mitigation zone, and soft measures, e.g. change of take-off and landing direction and routes, stricter night flight regulations) are implemented.

¹³ European Investment Bank, '[Environmental and Social Data Sheet - BUDAPEST AIRPORT CONCESSION \(CAPEX PLAN\)](#)', 9 October 2018.

¹⁴ Except for the allegations made that the project did not comply with the Bank's higher commitment to climate, as 'in November 2019 the EIB's Board of Directors decided on the EIB's transition to become the EU climate bank and the preparation of the Climate Bank Roadmap and the Paris Alignment Framework', and this decision only takes effect on 1 January 2021.

More cumulative impacts on the horizon

This project is just a first step towards further wide-scale development of the airport. Several logistics areas and industrial parks¹⁵ are being developed in the vicinity as greenfield investments, potentially also threatening the largest protected wetland of Budapest (Merzse). Most recently, at the end of April 2021, the Budapest Airport and the Chinese Henan Airport Group and the Sino-Hungarian business and logistics development company CECZ / Utlink signed an agreement to establish an aerial Silk Road between Hungary and China¹⁶ in the frame of which the construction of a large Chinese logistics base at the airport is also being considered.

Conclusion

The only short-term solution for the Budapest Airport would be to halve the traffic of the airport by redirecting low-cost airlines to airports further away from Budapest and relocating air cargo transport (the runway and logistics base) to lower-inhabited areas. Noise protection zones should be expanded on the basis of real and meaningful public consultation and those most affected should be offered expropriation.

In a broader context, if we want to prevent the climate crisis, as well as further diseases from spreading quickly across the world, all stakeholders, including businesses, political decision makers and individuals, need to take a more responsible attitude to flight travel. Basic mobility rights do not mean ‘fly as we please and dump the external costs on locals’, and mobility must not overrule the fundamental human right to a healthy environment and local living / livelihood. The COVID-19 pandemic provided an outstanding opportunity to rethink our approach to globalisation, including foreign trade and long-distance travel, and to find alternatives. Returning to the old ‘normal’ is just not an option, and this is our shared responsibility.

This project shows that the EIB’s environmental and social policy and standards are not sufficient to ensure that its financed projects comply with EU law. The Bank’s new policy should ensure that the EIB will not approve any operation until environmental and social standards are fully met, and until the EIA or ESIA (Environmental and Social Impact Assessments) are completed. The EIB should always require the promoter to provide information on environmental and social impacts and should verify if a decision not to conduct EIA or public consultations complies with the EIB's Standards. It should reserve the right to require an EIA despite the authorities’ decision. In the case of projects that impact a large number of people, like the development of Budapest Airport, the EIB should always require public consultations early enough in the process that the public’s voices can still impact the project’s development.



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Cover photo: ‘For Civilized Air Transport Association’ (KLKE/CATA); Further photos: MTVSZ - Friends of the Earth Hungary; Maps: KLKE/CATA - For Civilized Air Transport Association

¹⁵ Ecser logistic park by the Belgian Weerts Group, CTPark Budapest Airport in Vecsés

¹⁶ Budapest Airport, [‘Agreement signed. Chinese-Hungarian Silk Road established. Chinese logistics base envisioned to be constructed at Budapest Airport’](#), 27 April 2021.