

Environmental and Social Data Sheet

Overview

Project Name:	MANNHEIM SOCIAL AND AFFORDABLE HOUSING
Project Number:	2019-0404
Country:	Germany
Project Description:	The operation concerns the financing of the Promoter's social and affordable housing programme. The investments will include construction of new and retrofitting of existing municipal rental housing.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The Project, a multi-scheme operation, will comprise investments concerning: (i) new construction of social and affordable housing, (ii) comprehensive retrofitting of existing housing stock, including energy efficiency and climate adaptation measures, as well as (iii) construction and/or upgrade of associated infrastructure, including measures for improved accessibility, gardens and playgrounds, kindergartens, etc. The investment programme selected for EIB financing shall result in 2058 retrofitted and 454 newly built housing units.

Germany, as an EU Member State, has harmonised its environmental legislation with the relevant EU Directives: EIA Directive 2014/56/EU amending the 2011/92/EU EIA Directive, SEA Directive 2001/42/EC and Habitats Directive 92/43/EEC, Birds Directive 2009/147/EC and Energy Performance of Buildings Directive 2010/31/EU.

The operation to be financed is in line with and will address a number of priority objectives of the Mannheim's housing policy and integrated urban development reflecting the current challenges, in particular demographic developments resulting in a tense rental market. The investments are undertaken by GBG Mannheim, a 100% subsidiary of the City of Mannheim and the largest housing company in the City.

The Project is expected to contribute to the Bank's Climate Action objectives given that new constructions as well as the retrofit investments will contribute to low energy consumption in housing. The social and affordable housing units to be constructed will comply with high environmental standards (mostly NZEB / KfW 55 standards for affordable and KfW 70 standards for social housing) and will significantly contribute to the improvement of the urban

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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environment. They will all be in line with the applicable local spatial planning and environmental regulations, which are assessed as part of the building permit delivery process. The selected locations are all in urbanised areas and not inside or near any Natura 2000 area or protected zones. The major part of the project concerns refurbishment of existing housing units with no lasting impact on the environment. Given the location and size of the schemes included in this operation, an Environmental Impact Assessment (EIA) under existing environmental legislation, is not required for any of them.

There will be further positive externalities, given that some schemes will bring back into use urban brownfield sites (e.g. a former US military base) and enhance the natural landscape (e.g. green roofs, sustainable drainage, planting of climate resistant trees).

The Project's impacts at the construction / refurbishment stage are expected to be short-lived and reversible, at a level which is deemed acceptable. Potential negative effects (e.g. waste, dust, noise during construction) will be alleviated by implementing effective mitigating measures (e.g. encouraging waste sorting, watering surfaces to avoid excessive dust).

Social Assessment

Important socio-economic benefits in terms of sustainable urban regeneration and development are expected to result from implementing the investments.

The schemes covered by this operation mirror the key priorities of Mannheim enshrined in the 2017 "Housing policy strategy and 12-point housing programme for Mannheim" with special attention to the creation of additional affordable rental housing. This programme aims to counter the increasing rent levels in light of a growing population. In particular, it aims to have affordable and sufficient living space in the future by introducing a social quota for new housing. Going forward, 30 percent of new construction programmes with ten or more residential units will be offered as social housing. In addition, the Project Promoter aims to improve the social mix in Mannheim's neighbourhoods and seeks to densify existing urban spaces. These priorities are reflected in the proposed investment programme.

Besides, the Project will contribute to better quality housing catering for the needs of vulnerable target populations (such as better thermic insulation and accessibility to facilitate autonomy), and provide social infrastructure such as kindergartens, playgrounds, and student accommodation. Climate adaptation is also regarded as a key component both within buildings and surrounding areas (e.g. gardens).

Public Consultation and Stakeholder Engagement

The proposed schemes are aligned with Mannheim's Housing Policy and Climate Strategies, Plans and Programmes. These documents have undergone public consultation and have been drafted with the support of many stakeholders.

For instance for the Franklin development, i.e. the re-urbanisation of the same name former military base, the Municipality has organised a large number of public presentation and consultation sessions with residents and other economic and civil society stakeholders (e.g. businesses, representatives from schools, kindergartens, etc.). Some of these meetings were open to the public and included a presentation of the technical, social and environmental aspects of the selected schemes.

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Conclusions and Recommendations

The building schemes to be financed under the project have to comply with high environmental standards and will significantly contribute to the improvement of the urban environment. It is expected that the investments will result in a number of positive social externalities (e.g. facilitating social inclusion and improving living conditions of persons eligible for social housing, improvement of the urban environment through the development of good quality buildings for low and modest income households). The investments take place in a developed regulatory framework for residential buildings and for social housing, with a large and very experienced promoter. Any environmental effects such as disturbances during construction will be mitigated by appropriate measures.

The overall environmental and social impact of the Project is expected to be positive, with improved environment and quality of life for citizens. The Project is expected to contribute to climate action through mitigation and adaptation measures incorporated in the project designs.

GBG Mannheim is an experienced and capable promoter able to manage the environmental and social issues of all the schemes included in this Project. Therefore, given the nature of the operation, and the strict regulatory framework, the Project is acceptable for the Bank in environmental and social terms, with no specific E&S conditions.