

**Public**

## Environmental and Social Data Sheet

### Overview

Project Name:	AFFORDABLE HOUSING AUSTRIA BAWAG (PL)
Project Number:	2019-0857
Country:	Austria
Project Description:	Operation to finance social and affordable housing units in Austria. Final beneficiaries of the EIB financing will be limited-profit housing development companies, commercial property companies and local authorities.
EIA required:	This is an Intermediated Framework Loan with multiple schemes to be identified at later stage. Some of the schemes may fall Annex II of the EIA Directive will need to be screened by the Competent Authority.
Project included in Carbon Footprint Exercise <sup>1</sup> :	No

### Environmental and Social Assessment

#### Environmental Assessment

This loan is a sub-operation under PL AFFORDABLE HOUSING AUSTRIA (2019-0557), structured as an Intermediated Framework Loan (IFL) to BAWAG PSK Bank für Arbeit und Wirtschaft und Oesterreichische Postsparkasse AG ("BAWAG PSK" or Financial Intermediary (FI)), a 100% subsidiary of BAWAG Group AG ("BAWAG").

Final beneficiaries under the operation are expected to be primarily limited-profit housing development companies operating under the Wohnungsgemeinnützigkeitsgesetz, of which around 185 exist, organised as cooperative, limited company or shareholding company. However, municipalities, commercial property companies and legal persons who are eligible to apply for construction subsidies to develop social and affordable housing could also be final beneficiaries of the intermediated EIB loan.

<sup>1</sup> 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.

Luxembourg, 08/06/2020

The project targets financing the construction of 2,100 new Social and Affordable Housing units and renovation of 1,500 units, focusing on energy efficiency, between 2020-2024, and contributing to the successful implementation of the Austrian Strategy for Adapting to Climate Change and #Mission2030, an integrated National Energy and Climate Plan for Austria, with a defined housing stock annual refurbishment rate of 2% and promoting energy efficient solutions in construction of the new social and affordable housing stock. It will also contribute to the respective regional housing policies responding to publicly defined goals and principles such as economic, climate and social sustainability.

Eligible schemes will be located in urbanised areas and included in the local spatial and development plans for which the relevant Strategic Environmental Assessment (SEA) have been performed in line with the SEA Directive 2001/42/EC.

Relevant environmental EU Directives were transposed into national and federal state legislation (SEA Directive, EIA Directive, Birds and Habitat Directive, Energy Performance of Buildings Directive). Individual schemes have to obtain building permission which already takes into account the national environmental legislation. Building permits are issued by the relevant public local building authorities.

The environmental impact of the project is expected to be minimal. Moreover, the investments are expected to bring a number of positive effects, including the construction of energy efficient buildings.

Given the scope of this operation and sector included (housing), it is likely that most of the schemes will not be subject to full EIA. It is expected that most of them will fall under Annex II of the EIA Directive 2014/52/EU amending 2011/92/EU, requiring the Competent Authority to screen them. In addition, most of the schemes will be located outside protected areas, including Natura 2000.

### **Social Assessment, where applicable**

The project supports the renovation and construction of social and affordable housing and will help to address current, very strong demand for social and affordable housing in Austria caused by an increase in land and house prices and rents primarily in Vienna, but also in other federal regions. This, together with continuous in-migration is putting pressure on the availability of social housing, especially in the low and medium-price sector across the country.

The technical standards must adhere to Austria social housing legislation and regulation. In addition, social housing is regulated and monitored by local housing authorities in each municipality, contributing to guaranteeing adequate technical standards for the accommodation units included in this operation.

### **Public Consultation and Stakeholder Engagement**

Meetings with project-affected people and civil society organisations as well as public administrations, including local authorities will be held as needed to promote harmonious relationships amongst residents.

Luxembourg, 08/06/2020

## Conclusions and Recommendations

The project's environmental impact at the construction stage will be short-lived and reversible, at a level which is deemed acceptable. The project should bring environmental benefits and it should contribute to climate change mitigation by reducing energy consumption through energy efficiency measures implemented in new buildings. The project has no particular residual impacts apart from those expected from construction of new buildings.

It is expected that the project will result in significant number of positive social externalities (in particular the provision of affordable accommodation and the enhancement of social inclusion) justifying the Bank's involvement.

Prior to disbursement against any specific scheme, the Promoter is to provide the evidence that schemes comply with relevant provisions of the environmental EU Directives including SEA (2001/42/EC), EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives as transposed into national law. The final beneficiaries will be requested to deliver the screening out decisions or, if applicable, EIAs to the Bank before the Bank funds are allocated.

The institutional capacity of BAWAG to manage the environmental and social issues is deemed adequate and therefore, subject to the conditions described above, the project is acceptable for the Bank in environmental and social terms.