

Environmental and Social Data Sheet

Overview

Project Name:	CDC LOGEMENT SOCIAL MBIL
Project Number:	2020-0067
Country:	FRANCE
Project Description:	Multiple Beneficiary Intermediated Loan to Caisse des Dépôts et Consignations for the financing of social housing construction in France.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The operation consists of a Multiple Beneficiary Intermediated Loan (MBIL) of EUR 500m intermediated through the Caisse des Dépôts et Consignations (CDC) to support social housing entities (SHE) in the construction of social housing in France. The supply of social housing remains insufficient and the sector is undergoing major (structural and regulatory) changes since 2018. This has led to a reduction in the self-financing capacity of the SHEs.

The French government has introduced support measures to the social housing sector, amongst which a “Constructive Pact” which targets the construction of 110’000 dwellings per year from 2020 to 2022. Accordingly, the CDC (public entity) is committed to strengthening the quasi- equity of SHEs and supporting their investments through a new loan framework featuring long maturities. The operation is expected to partially finance the construction of approximately 33’300 social housing units, corresponding to a total investment of approximately 4.9 billion euros.

Relevant EU environmental Directives have been transposed into French legislation (SEA Directive, EIA Directive, Birds and Habitats Directives, Energy Performance of Buildings Directive). Two authorities are supervising the SHEs’ compliance with these legislations :

- “Chambres régionales des comptes” and the “Cour des comptes” (Regional Chambers of Accounts and the Court of Auditors): on the implementation and management of their activities.
- The National Social Housing Control Agency (ANCOLS): on compliance with legislative and regulatory provisions;

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.

Luxembourg, 2/9/2020

The production of social housing in France follows latest environmental standards (currently RT 2012), which means that the buildings approved before 31/12/2020 will be Nearly Zero Energy Buildings (NZEB) and contribute to Climate Action (24% of the PIC). Therefore, this operation will overall contribute to improving the energy efficiency of the social housing stock in France. The projects are not expected to be subject to EIAs. The promoter will ensure that the operation follows relevant environmental legislation, and has a reporting duty to the EIB in case there was a breach.

Social Assessment

The project objectives are fully consistent with EU / EIB policies: EU Urban Agenda / Amsterdam Pact, EIB urban lending review, Directive on the energy performance of buildings (EPBD), in particular through following measures:

- increase in the supply of social housing by the CDC-EIB complementary loan, in particular in high demand areas for which waiting lists are long due to the lack of supply by the private sector;
- partly cohesion (the share of housing in cohesion regions is estimated at 28%).

Therefore, CDC's so-called "Booster" loan co-financed by the EIB will have a positive social impact since it will encourage the development of the social housing offer, tailored to the needs of the regions and in line with applicable building standards. It will thus reduce the problems linked to access to housing (i.e. waiting lists) and unhealthy housing conditions for the poorest households. There will be no resettlement of people.

Public Consultation and Stakeholder Engagement

CDC and its subsidiaries constitute a public group serving the general interest and the economic development of the country including the support of public policies by local authorities linked to urban, environmental and social matters.

Conclusions and Recommendations

As the operation involves construction works according to local urban planning conditions, with appropriate environmental assessment measures in place, no significant impact is expected on the environment. The Borrower, when granting financing to the final beneficiaries, ensures to comply with European Union law, in particular with regard to the environment and public procurement. Any adverse findings in terms of SHE's environmental and/or social compliance, or reputational issues, will have to be reported to the EIB.

The proposed operation should help to (1) improve the supply of social housing, which the private sector alone does not provide adequately; (2) facilitate tenant mobility through the supply of social housing (up- or downsizing, geographic mobility); (3) energy efficiency and (4) cohesion for part of the portfolio.

CDC is a well-known client of the Bank and has a strong capacity for implementing and monitoring operations. In addition, the social housing sector in France is strongly regulated.