

Public

Environmental and Social Data Sheet

Overview

Project Name:	ERLANGEN SOCIAL AND AFFORDABLE HOUSING
Project Number:	2020-0623
Country:	Germany
Project Description:	The project concerns the deep energy refurbishment of existing and the construction of new social and affordable housing units, going 20% beyond the standards of nearly zero-energy buildings (NZEB+) by the municipal housing company of the City of Erlangen, Germany.
EIA required:	No
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

The Project consist of 22 schemes comprising (i) the construction of approximately 442 new highly energy-efficient social and affordable housing units, which will be at least 20% more efficient than the current NZEB criteria defined by the German regulation (NZEB+); (ii) the deep energy retrofit of approximately 564 housing units; and (iii) building extensions resulting in approximately new 126 units for social housing, which also qualify as NZEB+. All schemes will be located across the City of Erlangen and will be exclusively for rent.

The construction of new social and affordable housing units as well as the refurbishment of the existing housing stock will meet good environmental standards and will contribute to maintain and improve the quality of the built environment.

The new and refurbished social and affordable housing units to be financed will achieve high-energy efficiency standards. More specifically, all the newly built social and affordable housing units are expected to reach at least the KfW55 standards (KfW40 in some cases) and therefore, are expected to perform at least 20% better than NZEB levels. The refurbished housing units will undergo deep energy retrofit are expected to reach the KfW55 standard as well.

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, 12.07.2021

At operation stage, the Project will have a positive environmental impact by generating 4,268 MWh/year of primary energy savings and 507teq per year CO₂ emission reduction thanks to its comprehensive approach to improve thermal efficiency in buildings.

The Project is compliant with the Energy Performance of Buildings (EPBD) Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings amended by Directive (EU) 2018/84.

The Project's environmental impact at the construction stage was estimated to be short-lived and reversible, and at a level deemed acceptable. Some of the expected negative effects include increased heavy traffic and dust during construction, which will be alleviated by appropriate mitigation measures concerning site organisation and construction management.

None of the schemes are expected to be classified as Annex II of the EU EIA Directive or elsewhere in the national legislation. The Project, including all the underlying investment schemes, is not located inside of any Natura 2000 site and it is not expected to negatively affect any site.

The promoter has extensive experience in the management of environmental and social risks and has acted according to the provisions of the relevant 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 and Water Framework Directive (2000/60/EC) as transposed into national law.

Social Assessment, where applicable

There is no self-standing social assessment for the project. However, the construction of new social and affordable housing units will contribute to increase the supply of social and affordable housing for rent, thus alleviating the shortages in the local social and affordable housing market, and helping to meet the current strong demand for additional social and affordable housing in the City of Erlangen.

The provision of new and refurbished social and affordable housing for rent will improve the social mix and will promote greater social inclusion. The refurbishment of the existing housing stock will reduce the energy bills for tenants, and more generally, it will increase the quality and appearance of the buildings and the attractiveness of the immediately surrounding areas. Thus, the Project will contribute to urban regeneration and renewal and promote sustainable urban patterns.

The Project comprises the renovation and extension to existing buildings with the addition of two storeys on top of the existing ones. This will require the relocation of approximately 120 households while works take place, estimated to last for a period of three to four months. However, the Promoter has previous experience in the relocation of households of similar scale during similar type of renovations and extensions. The promoter aims to find alternative accommodation with similar characteristics to the original housing units, taking special care of the needs of families (with children attending local schools), people with disabilities, and other

Luxembourg, 12.07.2021

individual circumstances. The Promoter will undertake close monitoring during the construction and renovation activities.

Overall, the operation is expected to generate positive social impacts by providing more pleasant and environmentally friendly housing and increasing the tenants overall quality of life.

Public Consultation and Stakeholder Engagement

Public consultation has been carried out as part of the urban planning process, in conformity with the relevant EU Directive and national legislation. Given the Promoter's extensive experience in managing similar projects, their experience to engage key stakeholders and properly manage public consultation processes is deemed appropriate.

With regard to the renovation and extension of existing buildings, the Promoter has carried out a thorough consultation process with the affected tenants. Tenants are informed throughout the process and are kept abreast of developments. The Promoter has established contact points and a complaints mechanism by which tenants are able to express their concerns.

Other Environmental and Social Aspects

The Promoter's environmental and social governance systems are sound and its capacity to manage environmental and social risks is considered adequate.

Conclusions and Recommendations

The overall environmental and social impact of the Project is expected to be positive, with notable social externalities. The Project is expected to increase the supply of social and affordable housing for rent and to increase the market flexibility to respond to the current social and affordable housing needs. The provision of new social and affordable housing will contribute towards improving the social mix across the city and will promote greater social inclusion. The modernisation of the existing housing units will improve the resident's quality of life and their living conditions. More widely, the Project is expected to contribute to urban regeneration and renewal with improvements to the quality and attractiveness of the built environment. The Project is expected to contribute to climate action through mitigation and adaptation measures incorporated into the housing schemes.

The promoter has sound environmental and social capacity, well proven in the construction, refurbishment and operation of similar buildings.

Against this background, and given the strict regulatory framework in which the housing schemes will be implemented, the Project is acceptable to the Bank in environmental and social terms with no specific condition.