

Environmental and Social Data Sheet

Overview

Project Name:	CCCFL II - HARBIN BUILDING EFFICIENCY
Project Number:	2013-0022
Country:	China
Project Description:	The operation consists of the refurbishment of existing residential buildings and school dormitories in Harbin in north-eastern China. In total, 806 buildings and 5 million square meters floor area will be refurbished.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

(Details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The operation will support projects that reduce energy consumption in buildings and thus it will reduce atmospheric pollution related to the production of heat and electricity (SO₂, NO_x and particulates) and help mitigate climate change by avoiding associated CO₂ emissions.

Environmental and Social Assessment

Environmental Assessment

The project is related to improving the thermal insulation of panel buildings in Harbin in northeastern China. In total, 806 buildings and 5 million square meters floor area will be refurbished. The programme is expected to reduce the heat demand of the buildings by around 35% to 46% and the total energy saved on the supply side will amount to approximately 345 GWh per year once the programme is fully implemented.

Temporary nuisance due to the excavation works and construction (dust, noise, traffic disruption) are mitigated through appropriate site organisation and construction management. Due to the nature of the investment no significant negative environmental are expected.

An EIA report has been completed for the whole Project and has been approved by Heilongjiang Provincial EPB. The approved EIA report has identified the needs for good management and supervision of environmental issues during construction, including noise, dust, traffic, construction solid wastes and domestic wastes as well as the need for an environmental emergency plan.

It should be noted that the EIA did not identify the potential presence of some hazardous materials associated with aged buildings as a concern. These hazardous materials may include asbestos, leaded paint, PCB containing devices and mould, which need to be assessed prior to the refurbishment works in order to develop proper management plans for workers' protection and waste disposal, if identified.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

With the appropriate environmental and social systems and conditions in place, the project is acceptable for EIB financing in environmental and social terms.

EIB Carbon Footprint Exercise

The estimated emissions savings are around 63,000 t of CO₂ equivalent per year in a conservative gas fired generation scenario, 148,000 of t CO₂ under the existing coal fired generation scenario. This emission reduction has been calculated based on the expected annual thermal energy savings after the implementation of the project. For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Social Assessment

No significant social risks are anticipated for this project. On the contrary, the project is expected to bring about considerable positive social benefits related to the gains in living standard.

The refurbishment Project does not involve any resettlement during the construction. But it does have a host of social issues which may need to be managed properly. Amongst other things, fire safety management is of particular significance to the Project. An inspection procedure is required to ensure the procured insulation materials meet the Grade B1 fire resistance rating. As well, during construction, proper fire fighting vehicle access should be planned and maintained.

The project company has a safety department with over a dozen safety staff designated for construction safety management, which provides some comfort. The Bank will also monitor the progress of the works on a regular basis, and look at health and safety performance as part of this.