

Environmental and Social Data Sheet

Overview

Project Name: SAB KOMMUNALINFRASTRUKTUR SACHSEN II
Project Number: 2015-0472
Country: Germany
Project Description: Framework Loan to support municipal infrastructure focusing on urban renewal and regeneration of city centres, including cultural heritage, housing and energy efficiency. The EIB loan, with implementation planned for the 2015-2018 period, will complement the EU- and national grant programmes carried out by Sächsische Aufbaubank (SAB) and dedicated to public beneficiaries in Saxony. With the exception of Leipzig, the Federal State of Saxony is a Cohesion Priority Region.

EIA required: No

This is a multi-scheme Framework Loan operation. Some of the schemes may fall under Annex II of the EIA Directive and have to be screened by the Competent Authority.

Project included in Carbon Footprint Exercise¹: No

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

The operation is a framework loan to support investment programmes administered by Sächsische Aufbaubank – Förderbank (SAB), Saxony promotional bank. The project SAB Kommunalinfrastruktur Sachsen II will be a repeat operation of SAB Kommunalinfrastruktur Sachsen.

The allocations under this Framework Loan are expected to be similar to those implemented under the previous operation (Serapis No.: 2013-0185) and, as a result, the schemes will include the downsizing of the housing stock and the urban infrastructure, monument conservation, modernisation and rehabilitation as well as area upgrading and the provision of community facilities where appropriate.

The schemes will be implemented in cities and urban areas and most of the schemes are not likely to have negative environmental impacts. Some of the schemes may fall under Annex I or II of the EIA Directive 2011/92/EU; however most of them are not likely to fall under the scope of the EIA Directive. In addition, projects are not expected to be subject to a screening under the EU Habitats and Birds Directives (92/43/EEC and 2009/147/EC). Nevertheless the compliance with the above-mentioned directives will be reviewed for each individual scheme included in the project. Should any such scheme have a negative impact on an area forming part of the Natura 2000 network (falling under the Habitats Directive 92/43/EEC or Birds Directive 2009/147/EC), the Bank would require the promoter to act according to the provisions of the aforementioned Directives as transposed into the national law.

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.

The targeted schemes are all included in the joint federal/state urban renewal and regeneration programmes. The operation takes place within a well-defined programming framework that provides a standardised approach at all levels (federal, regional and local) regarding preparation and approval of schemes within designated urban regeneration areas. The integrated character of urban renewal planning throughout Saxony and the comprehensive approach adopted in investment programming appear to be well adapted to the complex demographic and social situation of the region. The reduction of the total number of inhabitants is attributable to both the low birth rate and internal migration into the old federal states. At the same time, the number of immigrants from abroad has increased.

Given the relative small size of the individual schemes and the nature of the sectors concerned, most of the schemes are deemed not to have significant negative environmental impacts. On the other hand, positive environmental impacts are expected, particularly as far as energy savings in new and renovated buildings are concerned (e.g. through the insulation of walls and roofs, changing of windows and other energy efficiency measures). This operation will therefore contribute to climate mitigation measures.

In addition, the construction and rehabilitation of public amenities and the preservation of cultural heritage will exert positive impacts on the environmental quality of the urban environment as well as on the quality of life of the residents.

The institutional capacity of the promoters to manage the environmental and social issues is deemed good or adequate, stemming from the previous experience with the Bank and therefore, subject to the conditions described above, the project is acceptable in environmental and social terms.

Environmental and Social Assessment

Environmental Assessment

Some of the schemes related to municipal infrastructure may fall under Annex I or II of the 2011/92/EU Directive. Verification of the environmental requirements according to the national legislation is implicitly included in the administrative procedures of the programme manager, Sächsische Aufbaubank – Förderbank (SAB), which includes involvement of the relevant and competent environmental authorities before financing of the projects.

All schemes are expected to be of small or medium size (cost below EUR 25 million) and will in most cases have no measurable negative environmental impact. On the contrary, it is expected that some investments related to renewal of existing housing stock will have positive environmental impacts by higher energy performance. Some schemes concerning construction will have negative environmental impacts during the construction period, in the form of increased problems with noise, dust, increased transports, etc. However, once completed, the residual impacts are expected to be neutral or positive.

A majority of the schemes are expected to have positive social impacts, particularly in the area of renovation of housing and degraded neighbourhoods, the recovery of urban brownfield sites and the preservation of cultural heritage. Given the high respect and legal protection, owners and tenants are normally duly informed in advance about the planned regeneration or demolition plans and adequately compensated, thus risk of potential social issues and disputes is marginal. Investments, particularly during construction/demolitions will create some temporary jobs.

Although some level of job creation is expected during project implementation (e.g. renovation of existing housing stock, demolitions), this will most likely be limited. However, results achieved from the previous operation show that indirect employment creation is to be expected from the new commercial and service activities that are created or established in renewed neighbourhoods (e.g. shops, supermarkets, etc.).