

Environmental and Social Data Sheet

Overview

Project Name:	VONOVIA Energy Efficient Buildings
Project Number:	2016-0619
Country:	Germany
Project Description:	The proposed loan will co-finance within the general modernisation programme the investments dedicated to the energy rehabilitation of existing private residential buildings and may also include the construction of new residential buildings with an energy efficiency performance compatible with the nearly zero energy buildings (NZEB) road map in Germany.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no (below the thresholds)

Environmental and Social Assessment

The project will support the thermal refurbishment of residential buildings (estimated 65,700 apartment units) and the use of renewable energies directly related to these buildings in Germany. The works mainly consist of improvement of the insulation of the building envelope as well as renovation of the heat generation and distribution system in the buildings, including ventilation systems. The use of renewable energies (e.g. PV or solar hot water) may also be included in the works. The works can lead to an average decrease in energy consumption of refurbished buildings of 57% of the original consumption. The exact savings will depend on the initial energy performance of the buildings and the Promoter's investment optimisation strategy. The project may also include the construction of new residential buildings compatible with the nearly zero energy buildings level road map.

Environmental Assessment

Germany, as an EU Member State, has harmonised its environmental legislation in line with the relevant EU Directives: EIA Directive 2011/92/EU, SEA Directive 2001/42/EC and Habitats Directive 92/43/EEC, Birds Directive 2009/147/EC and Energy Performance of Buildings Directive 2010/31/EU.

The Project is located in urban developed areas. The Project will have an impact on the environment during construction and project operation.

At construction stage, the Project will increase noise and vibration levels, and will impact air quality. Adequate mitigation measures will be considered together with the enforcement of good construction practices. The Project's impact at the construction stage will be short-lived and reversible, at a level which is deemed acceptable.

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.

Luxembourg, 09.03.2017

At operation stage, the Project will have a positive impact on environment, reducing energy consumption and therefore contributing to mitigating climate change. Energy efficiency measures will be the main focus of the modernisation measures planned. In addition, Germany has transposed the Energy Performance of Buildings Directive (EPBD, 2010/31/EU), which will be applied by the Promoter, guaranteeing energy savings during operation.

Social Assessment, where applicable

The Project is expected to improve the living conditions for the tenants in the modernised buildings through better indoor air quality and the renewal of the facades. The attractiveness of these buildings will increase.

The modernisation will also lead to an increase in rent limited by legal regulations and by the competitive rental market environment. The rent increase will probably be partially offset through the heating cost reductions, which are borne by the tenants.

The Promoter has prepared a sustainability report within its corporate social responsibility with a mission statement including the social dimension of its business supplying affordable housing in urban areas.

Conclusions and Recommendations

Given the relative scale, location and nature of the individual schemes in built-up urban areas, all of the schemes are deemed not to have any significant negative environmental impact. Exceptionally, a scheme may fall under Annex II of the EIA Directive 2011/92/EU. In these cases the Bank will require the promoter to act according to the provisions of the aforementioned Directive as transposed into national law. Should the relevant competent authority screen in a scheme, the promoter shall deliver to the Bank the Non-Technical Summary (NTS) of the EIAs before the Bank funds are allocated.

The overall environmental and social impact of the project is expected to be positive. The Project will improve the living quality of rented housing in urban areas. The energy efficiency measures will contribute to reducing energy consumption and subsequent running costs for the tenants. Therefore, the socio-economic benefits in terms of urban development, energy efficiency and climate change mitigation are expected to be positive.

The promoter is considered capable to select schemes complying with the Bank's specific procedures and eligibility criteria, in particular regarding the environmental protection aspects. With the proposed conditions and eligibility criteria in place, this project is considered to be acceptable for Bank financing from an environmental perspective.