

Environmental and Social Data Sheet

Overview

Project Name:	Energy Efficient Refurbishment Programme Loan
Project Number:	2016-0807
Country:	Spain
Project Description:	The proposed Programme Loan will support investments in energy efficiency refurbishments in buildings in Spain. The investments are expected to improve the energy performance of buildings
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

The programme loan will support the refurbishment of residential, commercial (e.g. offices, hospitals, retail and hotels) or office buildings owned by private sector corporates.

The proposed Programme Loan will support the financing of investments in energy efficiency refurbishments in buildings. The investments are expected to improve the energy performance of buildings (e.g. new boilers or cooling devices, building shell insulation, HVAC systems, building management systems etc.).

Under this Programme Loan, sub-operations (5-7 expected sub-operations) will be made available to a wide range of relevant Spanish property companies with potential activities throughout the country. The exact energy savings will depend on the initial energy performance of the buildings that will be refurbished and the Promoter's investment optimisation strategy.

Environmental Assessment

Spain, 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 Projects will be located in urban developed areas. The Projects will have an impact on the environment during construction and project operation.

At construction stage, the Projects 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.

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At operation stage, the Project will have a positive impact on the environment, reducing energy consumption and therefore contributing to mitigating climate change. Energy efficiency measures will be the main focus of the modernisation measures planned.

Social Assessment

The Project is expected to improve the living and working conditions in the modernised buildings through better indoor air quality, the greater comfort resulting from the EE measures and a reduction in the running costs for the tenants.

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 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.

Although the targeted promoters (Spanish relevant property companies) of each of the sub operations are deemed capable to select schemes complying with the Bank's specific procedures and eligibility criteria, in particular regarding the environmental protection aspects, the Bank will appraise each of the sub operations' promoters to ensure the compliance with all environmental requirements.

Based on above considerations, the Project is acceptable for the Bank in environmental and social terms.