

Luxembourg, 27 September 2019

**Public**

## **Environmental and Social Data Sheet**

### **Overview**

Project Name:	<b>PROPOTSDAM BEZAHLBARES WOHNEN</b>
Project Number:	2018-0283
Country:	Germany
Project Description:	Financing of an investment programme of retrofitting and new construction of rented social housing in 2019-2023 by ProPotsdam.
EIA required:	No
Project included in Carbon Footprint Exercise <sup>1</sup> :	no

### **Environmental and Social Assessment**

#### **Environmental Assessment**

The multi-scheme operation to be financed will be in line with local integrated urban development plans and housing strategies in the City of Potsdam. The investments are undertaken by a very experienced promoter, ProPotsdam.

Relevant EU Directives have been transposed into national Law (EIA Directive, SEA Directive, Birds and Habitat Directive, Energy Performance of Buildings Directive). As regards the energy performance of the residential buildings, relevant parts of the EU Directive on Energy Performance of Buildings (EPBD) (Directive 2010/31/EU) have been implemented into national legislation. The new built housing to be financed will achieve very high energy efficiency standards (Niedrigenergiehausstandard, or NZEB/KfW 55 standard which is exceeding the standards defined in national legislation). Where applicable, Energy Performance Certificates will be issued after completion.

The operation is not expected to have impacts on Natura 2000 areas since the sub-projects are going to be located in already built-up areas. None of the sub-projects required an environmental impact assessment (EIA) at this stage of planning. Spatial development plans for the areas in which new built sub-projects will be located have been/will be subject to a Strategic Environmental Assessment (SEA). The buildings permission approval processes include environmental impact assessment procedures.

The social and affordable housing investments to be financed under the operation will comply with high environmental standards and will significantly contribute to the improvement of the urban environment. The retrofit investments are expected to generate significant energy efficiency benefits therefore the project contributes to the Bank's Climate Action objectives.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

Moreover, the project will contribute to improving the quality of the urban environment by bringing back into use urban brownfield sites.

Any environmental effects such as disturbances during civil work constructions should be mitigated by appropriate measures.

### **Social Assessment**

Important socio-economic benefits in terms of sustainable urban renewal and development are expected to result from implementing the investments.

The project will accelerate the upgrading and the needed supply of additional social and affordable housing in the City of Potsdam, promote urban regeneration, energy efficiency, and better social inclusion of lower income households. Detailed technical standards are in place.

The operation is expected to contribute to the delivery of some 1,600 new built and upgraded social and affordable housing units.

### **Public Consultation and Stakeholder Engagement**

The preparation of local plans, which will provide the backdrop for housing investments, have been subject to SEA and, as such, includes involvement of the local community and relevant stakeholders.

There is extensive involvement of tenants, local population and stakeholders in the housing developments which should ensure that investments respond to person's/households' needs.

## **Conclusions and Recommendations**

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) and Energy Performance of Buildings (2010/31/EU) have been transposed into national legislation (EnEV 2014 and EnEV 2016).

The housing investments take place in a very mature sector and are implemented by an experienced promoter. For schemes either requiring an EIA or affecting a Natura 2000 site or any other natural protected area (if any at later stage), the Promoter will be required by the Bank to submit the EIA or to demonstrate a proper clearance of the identified issue by the competent authority prior to the use of funds.

The building schemes to be financed under the project have to comply with high environmental standards and will significantly contribute to the improvement of the urban environment. It is expected that the investments will result in a number of positive social externalities (e.g. facilitating social inclusion and improving living conditions of persons eligible for the housing, improvement of the urban environment through the development of good quality buildings for low and middle income households). The investments take place in a very developed regulatory framework for residential buildings and for social and affordable housing, with an experienced promoter. Any environmental effects such as disturbances during civil work constructions should be mitigated by appropriate measures.

Therefore, and subject to the conditions mentioned above, the operation is considered to be acceptable for Bank financing in environmental and social terms.