## Overview

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>RESEAU CANOPEE LOGEMENT SOCIAL</th>
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</thead>
<tbody>
<tr>
<td>Project Number:</td>
<td>2018-0398</td>
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<tr>
<td>Country:</td>
<td>France</td>
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<tr>
<td>Project Description:</td>
<td>Framework loan financing a program of construction of 1291 new social housing units and rehabilitation of another 4246.</td>
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<td>Project included in Carbon Footprint Exercise¹:</td>
<td>NO</td>
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## Environmental and Social Assessment

The framework loan operation concerns the implementation of 1291 new social and affordable housing units by four Offices of Public Housing (OPH) (Aisne-422, la Marne-345, Oise-273, Somme-251) and the rehabilitation of 4246 existing units (Somme-2233, Aisne-817, Oise-672, la Marne-524). The sub-projects will be embedded in the respective urban strategies, for which Strategic Environmental Assessments (SEA) have been carried out in compliance with the EU SEA Directive 2001/142.

Given the location of the housing units and the relative size of the individual schemes, none of the identified schemes is expected to fall under Annex I of the EIA Directive 2014/52/EU (amending 2011/92/EU). Nevertheless, should any scheme fall under Annex II of the Directive and be screened in by the Competent Authority, the Promoter shall deliver the NTS of EIAs to the Bank. In addition, should any housing unit be also part of an urban renewal or rehabilitation project, the relevant EIA of the urban project will also be made available to the Bank.

The schemes will be located in urban areas therefore significant impacts on protected sites, including Natura 2000 areas, cannot be excluded but are deemed unlikely.

The overall environmental and social impact of this framework loan is expected to be positive. The framework loan will contribute to: i) expand the social housing stock by production of new social housing. ii) Improve the energy consumption and comfort thanks to the rehabilitation of old (average 38 years) social housing stock. The Project will include significant energy efficiency measures that will lead to low energy consumption. Therefore, socio-economic benefits in terms of urban development, energy efficiency and climate change mitigation are expected.

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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 capacity of the Promoters was assessed during the appraisal mission, and it appears that the four OPHs have good environmental and social capacity. The four OPHs forming the “Réseau Canopee” are following environmental and social procedures in line with their legal obligations.

Environmental Assessment

In addition, for the construction of buildings, the French legislation (Décret n° 2011-2019 du 29 décembre 2011 portant réforme des études d’impact des projets de travaux, d’ouvrages ou d’aménagements) requires an EIA for any project of more than 40,000 m² or 10 ha and an analysis for projects between 10000 m² and 40,000 m² or 5 ha and 10 ha, on a case-by-case basis.

Environmental Competent Authorities in France have put in place monitoring requirements under the EIA and protected areas.

The schemes will be located in developed urban areas. The housing schemes will be implemented by well-experienced Promoters. The Project is not expected to have any major impact in the environment apart from disturbances during civil works construction, which can be mitigated by appropriate measures.

At operation stage, the Project will have a positive environmental impact by reducing energy consumption thanks to its comprehensive approach to thermal efficiency in buildings, therefore contributing to mitigate climate change. Energy efficiency measures will be the main focus of the planned rehabilitation projects. Schemes involving the construction of new buildings are expected to achieve energy performance levels according to the French regulation (RT2012) and in line with the threshold indicated in the Commission Recommendation (EU) 2016/1318, of 29 July 2016.

Social Assessment
The Project aims to provide social housing in different areas, 2087 housing units (out of which 24 new, and 2063 for rehabilitation) are based in sensitive area. Moreover, some of the housing units could be allocated to refugees. This will contribute to promote social inclusion in these areas, to avoid urban sprawl, to improve living conditions of persons eligible for social housing, and to improve the urban environment through the development of good quality buildings for low income household. The Project is expected to bring important social benefits for households and local communities.

In overall, the social impact of the project is expected to be positive, as it will improve living conditions of citizens, and the Project will not entail involuntary resettlement.

Public Consultation and Stakeholder Engagement
Public Consultation will be carried out as part of the planning and urban process, in conformity with EU Directives and French Legislation. Based on previous similar projects, it appears that the promoters have good experience in managing properly the different stakeholders, and that these promoters have a close approach with the households to solve any issue when raised.
Conclusions and Recommendations

The housing investments take place in a very mature sector and are implemented by very experienced promoters. For schemes either requiring an EIA or affecting a Natura 2000 site or any other natural protected area (if any), the Promoter will be required to submit the NTS of EIA to the Bank or to demonstrate compliance with the Habitats and Birds Directives 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 social housing, improvement of the urban environment through the development of good quality buildings for low income households). Any environmental effects such as disturbances during civil works construction should be mitigated by appropriate measures.

The capacity of the Promoters to address and manage environmental and social issues was assessed during appraisal and is deemed good.

To conclude: the investments will be undertaken by experienced promoters and will contribute to sustainable urban development in line with the Bank’s criteria for this sector. Therefore, and subject to the conditions mentioned above, the operation is considered acceptable for the Bank in environmental and social terms.