

Environmental and Social Data Sheet

Overview

Project Name:	RIKSHEM HOUSING ENERGY EFFICIENT RENOVATION SFSB
Project Number:	2018-0135
Country:	Sweden
Project Description:	Financing the energy efficient renovation of housing. This project falls under the Smart Finance for Smart Buildings ("SFSB") Initiative, a joint initiative of the EIB Group and the European Commission aiming at supporting Energy Efficiency investments in buildings.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The project consists of the energy efficiency (EE) renovation of 83 properties - owned by Rikshem AB - a large majority being multi-story residential buildings (totalling 9,665 existing apartments), all located in Sweden, through the implementation of measures such as new windows, ventilation systems with heat recovery, sensor-driven low energy lighting and in some cases increasing the thermal insulation. Most of the properties were constructed as part of the "million-program" during the 60s and 70s, and today they have high energy consumption and high maintenance costs.

On average, it is expected that the renovated buildings will have an energy performance 38% below their current performance, with primary energy savings of 52,300 MWh/year and associated CO₂ reductions of 8,902 tons/year.

The project contributes to CO₂ emission reduction, supporting climate change objectives as well as diversification of energy supply in the EU. More specifically, it supports the objectives of the European Performance of Buildings Directive (EPBD). According to the directive, each member state shall establish a long term renovation strategy to support the renovation of the national stock of buildings, with the aim of achieving a decarbonised building stock by 2050.

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, 30.11.2018

The buildings under this operation are located in urban areas, thus having limited impact on the environment and not requiring an Environmental Impact Assessment as per the EIA Directive 2014/52/EU amending the 2011/92/EU.

During the refurbishment, the project implementation may lead to increased noise and vibration levels. Adequate mitigation measures have been and will be implemented together with the enforcement of good construction practices. The project's impact at renovation will be temporary and reversible, at a level that is deemed acceptable.

Social Assessment

As required by the Swedish regulation ("utility value system"), all projects are negotiated with the tenants, offering them the possibility to choose between different levels of renovations. As a result of the renovations, the rent for the tenants is increased.

The most vulnerable population can benefit from national or local subsidies to mitigate the impact of the rent effectively paid. In the unlikely event of tenants not accepting the renovations, the Promoter will offer new apartments in the same area and with the same quality standards as the present ones.

In previous projects, almost all tenants have remained in the properties after the renovations, due to the increased standards of the apartments. Thus, the social impact is deemed acceptable and overall beneficial to the tenants.

Conclusions and Recommendations

Given the location and nature of the project in built-up urban areas, it is expected not to have any significant negative environmental impact. The Promoter is deemed to have sound environmental and social capabilities, well proven in the refurbishment and operation of similar buildings. The project will contribute to climate change mitigation (i.e. energy efficiency) by decreasing the energy consumption of residential building in Sweden.

Through a condition to the contract with the EIB, the Promoter will ensure that all necessary permits and licenses to be obtained in a timely manner.

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