



Public

Environmental and Social Data Sheet¹

Overview

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| Project Name: | <i>Regensburg Green Social and Affordable Housing</i> | |
| Project Number: | <i>2023-0283</i> | |
| Country: | <i>Germany</i> | |
| Project Description: | <i>The operation will finance the social and affordable housing programme implemented by the municipal housing company of the City of Regensburg. The investments comprise new construction and refurbishment of municipal rental housing that include energy efficiency measures.</i> | |
| EIA required: | <i>This is a multi-scheme Framework Loan operation. Some of the schemes may fall under Annex II of the EIA Directive and may have to be screened by the Competent Authority.</i> | |
| Invest EU sustainability proofing required: | Yes | |
| Project included in Carbon Footprint Exercise ² : | No | |

Environmental and Social Assessment

The Operation is a Framework Loan to finance the renovation and construction of social and affordable housing exclusively for rent. The Project consists of two components:

- the renovation of about 800 social and affordable rental housing units and
 - the new building construction of about 250 new ones,
- adding approximately 56,000 m² of renovated and 19,000 m² of new residential rental space in Regensburg.

The Promoter, Stadtbau-GmbH Regensburg, is a municipal housing company that supports the City of Regensburg's Housing Policy.

Environmental Assessment

The renovation component comprises energy efficient retrofitting of existing social and affordable housing buildings that are targeting to reduce energy consumption and achieve

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary.

² Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.



significant primary energy savings, reducing greenhouse gas (GHG) emissions and thus generating environmental benefits. The project components are expected to generate renewable energy through photovoltaic panels according to national standards.

Due to the nature of the investment, expected to be developed in consolidated urban areas, limited negative environmental impacts are anticipated at construction stage, such as temporary nuisance due to construction works (dust, noise) caused by construction works, which shall be mitigated through appropriate site organisation and construction management. Any negative environmental impacts are estimated to be short-lived and reversible, and the Promoter's capacity to handle them is deemed acceptable.

Some of the Project's underlying investments may fall under Annex II of EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU, requiring a full Environmental Impact Assessment (EIA) and/or EIA screening by the competent authority on the basis of related Annex III to determine the need for a full EIA. In case an EIA is required, the Bank will require the Promoter to check, store and keep updated any documents that may be relevant for the Project (including EIA screening decisions, environmental studies, environmental monitoring reports or equivalent documents) supporting the compliance with the EIA Directive and national environmental regulations.

Climate Assessment

At operation the renovated housing units are expected to have a positive environmental impact by generating significant energy savings per year that will support the EIB Climate Action objective in line with EIB's priority lending objectives for energy efficiency. The operation will contribute to EU energy and climate objectives, the Green Deal, the Renovation Wave and REPowerEU, and will support the implementation of the EU Energy Performance of Buildings Directive (EPBD) and the Energy Efficiency Directive (EED).

The renovation and construction of new social and affordable housing Project components are expected to incorporate measures that contribute to climate adaptation and resilience, such as the installation of rain retention, drainage systems, green roofs etc.

The Project has been assessed for the Paris Agreement and is considered to be aligned with the low-carbon and climate-resilient development goals, in accordance with the policies set out in the Climate Bank Roadmap.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty, Stadtbau-GmbH Regensburg, is in scope, but it is screened out of the PATH framework, since it is not operating in a high emitting sector or in a context of high vulnerability to physical climate risks.

Social Assessment

The construction of new and the energy efficient refurbishment of social and affordable housing units contribute to increasing the supply of social and affordable housing for rent, thus alleviating current shortages in the market, and contributing to meet the current strong demand for additional social and affordable housing for rent in the City of Regensburg. Some Promoter housing buildings prior to demolition or renovation may have been used to provide temporary accommodation for refugees who are in urgent need of housing. In case these buildings need to be vacated for demolition or renovation works, the occupants are expected to be relocated according to the legal procedure in place adhering to national legislation and EIB Environmental and Social Standards.

The provision of new social and affordable housing for rent improves the social mix and promotes greater social inclusion. Housing schemes are expected to have a mixture of housing



units of different sizes, which ensure the supply of adequate housing for different groups of society and different household compositions. New housing units are expected to be barrier free, according to applicable legislative standards.

The Project supports a more equitable access to housing for low- and medium-income households. Additionally the energy efficient renovations will contribute to increase the energy efficient rental space. This will benefit tenants' affordability, as energy costs and, in some cases, tenant share of the applicable carbon tax, if any, are expected to decrease. Thermal comfort and resilience of tenants to extreme temperatures will subsequently increase.

The Promoter is expected to manage appropriately the relocation of the households that may be required due to the renovation of existing buildings. The Promoter has experience regarding renovation and refurbishment projects of its housing portfolio that involve the relocation of tenants, following a detailed procedure by the competent division and team.

Overall, the operation is expected to generate positive long-term social impacts by providing pleasant and environmentally friendly housing, therefore, improving tenants' quality of life, and is deemed acceptable with minimum negative impacts due to relocations during renovations or refurbishments.

Public Consultation and Stakeholder Engagement

Public consultation is expected to be carried out as part of the urban planning in conformity with the relevant EU and national legislation, when applicable. Given the Promoter's experience in managing similar projects, their capacity to engage stakeholders and properly manage public consultation processes is deemed appropriate.

Where relocation of households is necessary, a consultation process with the affected tenants takes place, and the Promoter aims to find alternative accommodation within its housing portfolio. Throughout the process, tenants receive updates to stay informed in accordance with applicable legal provisions.

Other Environmental and Social Aspects

The Promoter's environmental and social management arrangements are adequate and its capacity to manage environmental and social risks is considered appropriate.

Conclusions and Recommendations

The overall environmental and social impact of the Project is expected to be acceptable with minimum negative impacts, and notable long-term positive social externalities. The Project is expected to increase the supply of social and affordable housing for rent and to increase the market flexibility to respond to the current social and affordable housing needs. The provision of new social and affordable housing contribute towards improving the social mix in the City of Regensburg and promote greater social inclusion. More widely, the Project is expected to contribute to sustainable urban development with improvements to the quality, energy efficiency and attractiveness of the built environment.

In case any of the schemes under this operation are used for the accommodation of refugees, the Promoter will ensure that this is done in line with the EU Directive 2013/33/EU of the European Parliament and of the Council of 26 June 2013 laying down the standards for the reception of applicants for international protection and adhere to national legislation and EIB Environmental and Social Standards, when applicable.

The Promoter will fulfil the following undertakings:



- In applicable projects, the Promoter will deliver to the Bank, and before the Bank funds are allocated, the EIA report and the evidence of the compliance with the Habitats and Birds Directives.
- The Promoter will present evidence regarding the targeted energy performance levels, upon the Bank's request, for selected renovations before and after completion of works.

Sustainability proofing conclusion: Based on the environment, climate and social (ECS) information and based on the review of the likely significant ECS risks and impacts and the mitigation measures in place, the project is deemed to have low residual ECS risks and impacts; therefore no further detailed sustainability proofing is required.

Against this background and given the strict regulatory framework in which the Operation will be implemented, the institutional capacity of the Promoter to manage the environmental and social issues is deemed adequate and therefore, subject to the conditions described above, the Project is acceptable for the Bank in environmental and social terms.