

Environmental and Social Data Sheet

Overview

Project Name:	VVO NEAR ZERO ENERGY BUILDINGS
Project Number:	2016-0288
Country:	Finland
Project Description:	Financing a portfolio of new nearly zero-energy buildings
EIA:	Multiple-scheme operation. Most of the schemes will not be subject to EIA.
Project included in Carbon Footprint Exercise ¹ :	NO

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The Project includes the construction of nearly zero-energy rental housing schemes during 2016-2019, located in several major metropolitan areas in Finland.

The Project will contribute to climate change mitigation (i.e. energy efficiency) by supporting the implementation of residential buildings in line with the proposed nearly zero-energy building (NZEB) definition in Finland. The buildings' estimated energy consumption is on average 18% below the Finnish requirements for new residential buildings.

Thus, the investments will generate environmental benefits and given their relative scale (cost below EUR 25m), location and nature of the investments in built-up urban areas, all of the investments are deemed not to have any significant negative environmental impact. Exceptionally, a housing scheme may fall under Annex II of the EIA Directive 2011/92/EU and in that case, the Promoter shall deliver the NTS of EIAs to the Bank.

The overall environmental and social impact of the framework loan is positive. The Project will be implemented in existing brownfield and under-used sites and will contribute to expanding the housing stock throughout major metropolitan areas in Finland. The Project will include energy efficient measures that will lead to low energy consumption. Therefore, socio-economic benefits in terms of energy efficiency and climate change mitigation are expected.

The institutional capacity of the Promoter's, VVO Group, to manage the environmental and social issues is deemed good. Therefore, subject to conditions mentioned above, the Project is acceptable for the Bank in environmental and social terms.

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.

Environmental and Social Assessment

Environmental Assessment

Finland, as an EU Member State, has harmonised its environmental legislation 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 Project is located in urban developed areas. At construction stage, the project implementation may lead to increased noise and vibration levels, and will impact groundwater and air quality. Adequate mitigation measures will be considered together with the enforcement of good construction practices. The Project's impact during construction stage will be short-lived and reversible, at a level which is deemed acceptable.

Other Environmental and Social Aspects

The project is expected to generate additional positive impacts from an economic and social perspective. Energy savings of 1,721 MWh/y of primary energy are expected, corresponding to 321.9 ton/yr of CO₂ savings