



European Investment Bank (EIB)

Luxembourg, 11 December 2020

## Environmental and Social Completion Sheet (ESCS)

### Overview

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|----------------------|---|
| Project Name:        | CEPSA AROMATICS OPTIMISATION PLAN   |
| Project Number:      | 2016-0238   |
| Country:             | Spain   |
| Project Description: | Investments in the promoter's 2016-2018 plan to optimise the aromatics production in two refineries in Spain. |

### Summary of Environmental and Social Assessment at Completion

#### EIB notes the following key Environmental and Social outcomes at Project Completion.

The project concerned the optimisation of the promoter's aromatics production in its refineries/petrochemical plants in Gibraltar San Roque/Algeciras and Palos de la Frontera/Huelva (both Andalucía region - Spain) towards higher value products – benzene and xylenes. The resulting improvements in profitability are important for the company to sustain its business and competitiveness, and as such preserve more than 3,000 direct jobs in Andalucía.

The project comprises three components:

- a. The construction of a meta-xylene production unit (Sorbex II) to feed into a neighbouring third-party chemical Purified Isophthalic Acid (PIA) plant for the purpose of manufacturing raw materials for the polyester sector.

This component required the installation of a new gas fired furnace in order to provide the required temperature level at the bottom of the refining column. The emission limit values for this furnace were established by the EIA decision which was shared with the EIB services.

Particulate matter, SO<sub>x</sub>, NO<sub>x</sub> and CO emissions are monitored regularly and checked by the Competent Authority. The monitoring data was shared with the EIB services and showed that all parameters were below the emission limits in 2020.

- b. The optimisation of the aromatics production process to produce higher value products (new mixed-xylenes stream) to be fully used as feedstock for the above meta-xylene production unit.

The aromatic optimisation requires more steam, and thus leads to an increase in the emissions of the steam boiler. With regard to the potential impact on air quality, the simulations of the dispersion of the emissions, indicate an increase of 0,4 % in SO<sub>2</sub>, 6,2 % in NO<sub>x</sub>, 0.7 % in particulate matter and 1.2 % in CO.



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With regard to the increase in potential VOC emissions as a result of xylenes and benzenes, emissions will be small and always below the emission limit values set out in the Royal Decree 2102/1996 on VOC emissions from petrol storage. According to the models submitted by the company, also the fugitive emissions (concentration of a pollutant in ambient air) would be well below the limit values laid down in Royal Decree 102/2011 on ambient air quality.

The company continuously monitors these emissions, and results are sent automatically to the competent authorities. The emissions for 2020 were shared with the EIB services, and showed that all parameters were below the emission limits.

- c. The revamping of an existing Aromax production unit so to further increase the production of benzene which also results in better utilisation rates of downstream units, improved energy-efficiency and reliability of the unit.

The documentation provided in the framework of the EIA process and the Competent Authority's EIA decision mention that the Aromax revamping project will not have a substantial impact on safety, human health or the environment, and does not exceed any of the legal thresholds.

Particulate matter, SO<sub>x</sub>, NO<sub>x</sub> and CO emissions are monitored regularly and checked by the Competent Authority. 2020 Monitoring data validated by the Competent Authority was shared with the EIB services and showed that all parameters were below the emission limits.

Annual CO<sub>2</sub> emissions of the project amount to approx. 99.6 kT CO<sub>2</sub>e/year – *calculation provided by the promoter* at completion stage.

**Summary opinion of Environmental and Social aspects at completion:**

In summary, the documentation shared by the promoter at completion stage did not report on any significant environmental impact from the project. Furthermore, emission data shows that emissions are all below the current applicable emission limit values.

EIB is of the opinion, based on reports from the promoter, that the project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.