

## Environmental and Social Data Sheet

### Overview

Project Name:	Plastic delamination recycling demo plant
Project Number:	2020 0582
Country:	Spain
Project Description:	The project concerns a multi material pots, trays and tubs (PTTs) recycling facility with an input capacity of up to 150,000 t/yr in Albacete, Spain. The facility will receive PTT waste and convert it with an innovative mechanical recycling method into recycled PET and PE.
EIA required:	yes
Project included in Carbon Footprint Exercise <sup>1</sup> :	yes

### Environmental and Social Assessment

#### Environmental Assessment

The project consists of the construction and operation of an innovative commercial-scale plastic delamination and recycling plant with an input capacity of up to 150,000 tonnes of mixed plastics per year.

The plant will feature a new recycling process to transform multilayer polyethylene terephthalate (PET) and polyethylene (PE) pots, tubs and trays (PTTs) into recycled PET (rPET). The rPET can be reincorporated in the production of new PET sheets for thermoforming PTTs for the food industry, bottles (for water, drinks or detergents) and fibres for textile and automotive industry.

The new plant will offer producers a new source of recycled PET to meet increasing client requirements for recycled content, and reduce the need for virgin PET.

This new recycling approach will generate positive externalities in the form of increased material recovery and contribution to related EU recycling targets. The project will also reduce emissions and climate change impact associated with incinerating plastics

The project will be located in the industrial area Romica in Albacete, the capital in the province of Albacete located in the Spanish autonomous community of Castilla - La Mancha in the south-east of the Iberian Peninsula. The site, which is located in a cohesion region, has good transport connections by road, rail and sea, which facilitates feedstock and output transports. The site has no flood risk, and the potential climate change impact is related to water availability, which has been addressed by integrating water reuse in the process, thereby minimising the water consumption.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

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The construction of the facility is expected to start in Q3 2021 with installation of equipment taking place from Q1 2022 onwards. Commissioning of the plant is planned in Q2 2022 with full production volumes reached towards Q3 2022.

The plant & activity integrated license application was filed with the Albacete town hall in January 2020, and the license was issued in May 2021. An integrated environmental authorization application was filed with the Castilla-La Mancha government in September 2020 and the authorization was given in April 2021. The EIA study concluded that there is no effect on protected natural areas, sensitive areas, habitats, geomorphological elements, or protected fauna or flora. The Commissioning authorization, Opening and performance license and Industrial safety performance license are expected in Q4 2022.

### **EIB Carbon Footprint Exercise**

The estimated emissions savings achieved through implementation of the project are 66 tonnes of CO<sub>2</sub> equivalent per year. These savings are calculated considering baseline emissions from incineration of the plastics to be treated in the plant, and the network emissions from the electricity that will be used in operation of the plant.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost'.

### **Social Assessment, where applicable**

The project will be implemented in an industrial area with good infrastructure connections. There are no social issues foreseen.

The new plastic recycling plant will create employment both in the construction and operation stages.

### **Public Consultation and Stakeholder Engagement**

Public consultation carried out under the EIA process took place in October 2020.

### **Other Environmental and Social Aspects**

The promoter is judged to have the experience and capacity required to handle the Environmental aspects of the project.

## **Conclusions and Recommendations**

The Project is considered to have positive environmental impacts by increasing the level of recycling of a type of plastics that today to a large extent is landfilled or disposed. The project will thus contribute to the circular transition and to attainment of plastics recycling targets.

The project will reduce greenhouse emissions from plastic incineration, and will also have positive social impacts considering its employment effects.

Based on the above conclusions and subject to the conditions mentioned above, the Project is considered acceptable for financing by the Bank in environmental and social terms.