



European Investment Bank (EIB)

Luxembourg, 13 June 2022

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	COILLTE SUSTAINABLE FORESTRY
Project Number:	2016-0415
Country:	Ireland
Project Description:	Financing of the company's forest plantation establishment and management programme for the period 2016-2020

Summary of Environmental and Social Assessment at Completion

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

The operation financed Coillte's (Ireland's state-owned forestry company) programme of forest planting, forest management and forest road construction and upgrading during the period 2016-2020. 42,138 ha of forest were planted, the majority of which entailed replanting existing forest stands in accordance with best practice. 4,240 ha were replanted using a "Green Planting Scheme", which replants sites one year earlier than under the business as usual, thereby improving the environmental conditions and increasing carbon sequestration. Furthermore, 435 km of new forest roads were constructed, 1,375 km of forest roads upgraded, and 1,080 km of trails were maintained/upgraded. Finally, investments in nurseries, new equipment and advanced technologies were done.

Coillte has a range of EU and national policy commitments to sustainable and responsible environmental and social practices. As the custodian of almost 7% of country's land area, these commitments are of vital importance to the safeguarding of Ireland's rural environment. The company is held to account in this regard by Ireland's Forestry Service, to which it must apply for licenses and approvals for a range of operations in line with legal and regulatory obligations governing forestry in Ireland. Quality of forest management in line with international environmental and social best practice is also evidenced by the third-party accredited certification systems of the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), both of which are held by the company.

On about 20% of its 440 000-ha estate (approx. 88 000 ha), management of biodiversity and nature conservation is the primary objective. Included in that are some designated lands, either as Special Areas of Conservation (SAC) or Special Protected Areas for birds (SPA) as designated under the European Habitats and Birds Directives or Natural Heritage Areas as designated under the Irish Wildlife Act.

The company did not commit any EIB funds against schemes that require an EIA according to EU and national law. It obtained all required licences and approvals, incl. Felling Licences, Aerial Fertilisation Licences and the Approval of the Minister for all afforestation projects where the area involved is greater than 0.10 hectares, and for the construction of a forest road incl. planning.



European Investment Bank (EIB)

Luxembourg, 13 June 2022

During the project period, no changes to Coillte's Environmental Management System have been made. Coillte has signed up to the Task Force on Climate-related Financial Disclosures (TCFD) and is working towards targets through the Science Based Targets initiative (SBTi).

The promoter has a nursery policy in place regarding species diversification, biosafety and genetic diversity. Their nurseries produce a variety of broadleaf and conifer planting stock which are aligned to projected future demand. Various seed sources/provenances are used to maintain genetic diversity within the planting stock. Annual plant health inspections of all nurseries are carried out by the National Plant Protection Organisation to ensure they remain free of regulated pests and diseases.

The promoter has adopted an integrated pest management (IPM) strategy. Through careful risk-based management process, the company uses decision support systems to reduce the usage of chemicals. Coillte actively collaborates with industry and academic institutions in trialling chemical/non chemicals and biological alternatives. All their chemicals are approved for use by Pesticide Registration and Control Divisions (PRCD) of the Department of Agriculture, Food & the Marine and are permitted to be used on their FSC & PEFC certified estate.

The promoter effectively mitigated the environmental and social risks (governance of the company, roundwood market, consequences of Brexit, natural risks) that were identified at appraisal.

It is confirmed that the relevant information on the implementation of E&S conditions and undertakings noted by PJ in the ESDS have been met and no significant differences are noted at project completion.

Summary opinion of Environmental and Social aspects at completion:

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.