



Luxembourg, 14 December 2022

Environmental and Social Data Sheet

Overview

Project Name:	EGYPT FOOD RESILIENCE
Project Number:	20220523
Country:	Egypt
Project Description:	The project will support Egypt in building resilience towards food shortages due to climate change or to food price spikes, by increasing and modernising their cereal storage and logistics infrastructure.
EIA required:	Multi-scheme investment. ESIA may be required for scheme sub-investments.
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

The project will support the construction of up to five field silos for the storage of cereals, each with a capacity of 5,500 tonnes. These silos will substitute the traditional “shona” storage. This traditional system, while being very affordable, does not protect the cereals from birds, sunlight, insects or rodents. The Promoter estimates that about 15% of the grains stored in these facilities are lost due to these poor conditions. Therefore, the modernization of these silos will bring about a substantial environmental benefit commensurate with the decrease in grain losses. Moreover, the project will support the construction of new port silos with a total storage capacity of 200,000 tonnes in 13 silos, as well as related ancillary equipment including conveyors to load and unload the silos. Lastly, the project aims to support the import of wheat to ensure efficient use of the storage infrastructure.

This project is dedicated to support investments on silos for the storage of cereals that if were to be built in the EU, would not fall under Annex I nor Annex II of the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU. However, given the scale of the sub-project to build the port silos, EIB will require the Promoter to collect and provide to the EIB with the information specified in Annex 1b of its Environmental and Social Standard 1 – Environmental and Social Impacts and Risks. This information will enable the determination of whether an environmental and social impact assessment (ESIA) would be required.

¹ 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.



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In silos dedicated to the storage of cereals, the generated waste is neither significant nor dangerous in nature and there are well-established appropriate disposal mechanisms within the industry. The crop dust, a normal consequence of handling cereals, is collected and disposed of in such a manner as to prevent the risk of dust explosions and minimise impact on workers' health. All points of transfer within the silos site will be required to be equipped with filters ensuring the compliance with prescribed dust emission limits.

According to the Egyptian environmental legislation an operation permit with the corresponding emission limits for the proposed port silos facilities has to be issued before commissioning.

The project has been assessed for Paris alignment and is considered to be aligned both against low carbon and resilience goals against the policies set out in the Climate Bank Roadmap, as it reduces food losses and contributes to reduce resource waste.

Social Assessment

All sub-projects will be located within areas already dedicated to cereal storage and belonging to the state, therefore no physical resettlement is expected to occur within the scope of the project.

Adequate dust collecting equipment will be installed in all silos facilities, not only to maintain or improve the quality of the grains but also to minimise the possibility of reaching hazardous levels of dust that could pose a risk of explosion or a risk for the health of long-term silos workers.

The operation creates significant social benefits. It contributes to the country's food security and has significant externalities in terms of improving consumer nutrition and public health. In this way the project supports social inclusion as the main beneficiaries of the bread program, for which the cereals are used, are vulnerable citizens. The operation also builds resilience against local crop failure or market disruptions by increasing cereal storage capacity and thus enhances social stability in the country - a valuable public good, not supplied by the market without public intervention.

Other Environmental and Social Aspects

The General Company for Silos and Storage (GCSS) has already a certificate of quality management (ISO 45001:2018) applicable to receiving and unloading grains from vessels and storage and distribution of grains for several sites, including the site of the Port Silos under the scope of the present project.

Conclusions and Recommendations

The overall environmental, social and climate impacts are expected to be positive as the project aims to support cereal storage, which contributes to minimise food losses, increases social inclusion by supporting vulnerable groups within the society, and



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increase climate resilience by making the food system more resilient to possible decreases in local production due to increased weather variability.

Regarding the construction of the port silos component, the Promoter shall collect and provide to the EIB the information specified in Annex 1b of its Environmental and Social Standard 1 – Environmental and Social Impacts and Risks² in order to determine whether an environmental and social impact assessment (ESIA) would be required.

The Promoter undertakes to submit to the EIB the operation permit with the corresponding emission limits for the proposed port silos facilities before commissioning them.

Considering the above, the project is acceptable for financing in environmental and social terms for the EIB.

² [European Investment Bank Environmental and Social Standards \(eib.org\)](https://www.eib.org/standards)