



Luxembourg, 21 December 2022

Environmental and Social Data Sheet

Overview

Project Name:	PORTUGAL SOLID WASTE INVESTMENT PLAN II
Project Number:	2022-0609
Country:	PORTUGAL
Project Description:	The project concerns the 2022-2024 investment programme of the promoter focusing on the implementation of various project components in the solid waste sector in Portugal. It consists of a number of investments geographically dispersed throughout the service areas covered by EGF and its 11 subsidiaries.
EIA required:	no
Project included in Carbon Footprint Exercise	yes

Environmental and Social Assessment

Environmental Assessment

The project concerns the 2022-2024 investment programme of “*Empresa Geral do Fomento, S.A.*” (EGF), focussing on the implementation of various project schemes in the circular economy / solid waste sector in Portugal. The project consists of the acquisition of 80 vehicles and 6,800 containers dedicated to separate collection. Furthermore the project aims to (i) implement around 19 transfer stations and rehabilitate old ones; (ii) construct 3 sorting stations; (iii) retrofit 7 Mechanical Biological Treatment (MBT) plants towards processing bio-waste; (v) close and rehabilitate a number of landfills; and (vi) acquire equipment for leachate treatment plants.

The project stems from both the Portuguese National Waste Management Plan 2030 (“*Plano Nacional de Gestão de Resíduos 2030*”¹ – PNGR), which was subject to a Strategic Environmental Assessment, and the Strategic Plan for Municipal Waste (PERSU 2020+). The project aims to prepare Portugal to meet the EU and national targets of preparing 65% of urban waste for reuse and recycling and to landfill a maximum of 10% of municipal waste by 2035.

Based on the consultations of the promoter with the relevant authorities, none of the treatment facilities are subject to an EIA process. According to the national legislation, for some investments, notably related to the closure of landfills and MBTs already in operation, an environmental permit for operation is required.

Based on the information provided by the promoter, the project’s main environmental impacts are noise, odour and airborne pollutants during the construction of the transfer stations, the

¹ A document that lays down the national strategic guidelines for waste prevention & management policy: [Microsoft Word - PNGR 2030 \(participa.pt\)](#)



Luxembourg, 21 December 2022

retrofitting works on the MBTs and sorting stations. Furthermore, waste collection and transfer activities will also lead to noise and other environmental nuisances. These risks will be addressed through specific mitigation measures and, more generally, through the implementation of “Best Available Technique” (BAT) for equipment. Finally, industry-standard monitoring and control of pollutant emissions will take place.

Based on the information provided by the promoter, the remaining environmental impacts seem to be minor, thus acceptable to the Bank.

Portugal, as an EU Member State, has transposed the relevant EU Directives: EIA Directive 2014/52/EU amending the 2011/92/EU, and Habitats Directive 92/43/EEC, and Birds Directive 2009/147/EC.

According to the promoter, the project components are not likely to have significant impact on Natural 2000 sites, considering the characteristics of the sites and the nature/location of the project facilities. All the facilities under consideration for this project are located in areas that have benefited from a prior authorisation - For Natura 2000 sites, the municipalities have maps specifying where waste operations can be located (outside and out of conflict with Natura 2000 sites).

The project will contribute to generate positive externalities and to mitigate existing negative externalities, notably by reducing greenhouse gases, by protecting the environment, public health, and saving energy as well as costs related to environmental protection.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty, EGF, is in scope and screened into the PATH framework, mainly linked to the fact it operates in the residual waste treatment and disposal segment. Therefore, it is considered high vulnerability.

The contractual documentation will include undertakings to align EGF with the PATH requirements in the near future.

EIB Carbon Footprint Exercise

The estimated absolute emissions are close to 54,000 tonnes of CO₂ equivalent per year. The estimated relative emissions savings of the Project in a standard year of operation are 3,000 tonnes of CO₂ equivalent per year. Both estimates only cover scope 1 and 2 emissions.

Social Assessment, where applicable

The overall social benefits of the project are deemed positive, with additional jobs being created.

Conclusions and Recommendations

EGF is one of the largest companies involved in the solid waste sector in mainland Portugal with more than 70 years experience, managing approximately 3 million tonnes/year of waste generated by over 6 million inhabitants. EGF has solid experience in the solid waste sector. EGF is deemed to have the necessary environmental and social capacity to implement and manage successfully this project.

The promoter will also be required to act according to the provisions of the relevant EU Directives, including EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds



Luxembourg, 21 December 2022
(2009/147/EC) Directives and Water Framework Directive (2000/60/EC) as transposed into national law.

The project's main environmental impacts are noise, odour and airborne pollutants during the construction of the transfer stations, the retrofitting works on the MBTs and sorting stations. Furthermore, waste collection and transfer activities will also lead to noise and other environmental nuisances. However, the project is expected to have only minor residual environmental impacts that are deemed acceptable in environmental and social terms for the Bank financing.

Based on the above, the Bank will require the following environmental and social loan conditions in its finance contract:

- Based on the consultations of the promoter with the relevant authorities, none of the treatment facilities is subject to an EIA process. However, where environmental permits are necessary (outside the remit of EIA), an application shall be submitted to the CCDR -Regional Development Coordination Commission- and a copy of the permit shall be shared with the Bank as soon as it has been issued by the competent authority.

Therefore, subject to the condition mentioned above, this operation is acceptable for the Bank in environmental and social terms.