



European Investment Bank (EIB)

Luxembourg, 22/12/2022

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	ANIMAL NUTRITION CAPACITY EXPANSION
Project Number:	2020-0051
Country:	Spain
Project Description:	<i>The operation concerns investments in expansion, upgrading and modernisation of the promoter's production, logistics and storage facilities, as well as innovation expenditures over the period 2020-2023.</i>

Summary of Environmental and Social Assessment at Completion

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

The company specialises in the production and distribution of dry food for dogs and cats. The operation financed the expansion of the promoter's annual production capacity from 187,000 tonnes to 327,000 tonnes of dry pet food. The project included the construction and refurbishing of buildings, and the installation of storage facilities and processing equipment at the company site. The project comprised several investments that fall under Annex II (item 7 b - Packing and canning of animal and vegetable products) of the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU and under Annex I of the Industrial Emissions Directive 2010/75/EU (item 6.4 b (iii) animal and vegetable raw materials, both in combined and separate products).

The project was subject to an analysis by the competent authority to determine whether an EIA was required. Following consultation with the administrative and the competent authorities, the Promoter split its expansion project in two phases.

- Phase 1 to focus on the expansion of storage capacity: The competent authority decided that for Phase 1 an EIA was not required and issued the screening-out decision on 30/01/2020. The construction permit associated with the civil works of Phase 1 was granted by the Azpeitia Municipality (No. 2020-1284 dated 21/04/2020).
- Phase 2 focussed on the increase of production capacity and included the construction of a new building, a connection bridge between the new production facility and the storage one, and installation of production-related equipment. Following analysis, the competent authority decided that phase 2 required an EIA. The promoter has provided to the EIB the EIA for the Phase 2 of the project, which the Bank reviewed and verified compliance with its Environmental and Social Standards. The promoter has received the integrated environmental permit for this part of the installation by the competent authority. The integrated environmental permit was published on the 21/06/2021, and is publicly available: <https://www.legegunea.euskadi.eus/resolucion/resolucion-21-junio-2021-viceconsejera-sostenibilidad-ambiental-que-se-formula-declaracion-impacto-ambiental-y-se-modifica-autorizacion-ambiental-integrada-concedida-elmubas-iberica-s-l-actividad-fabricacion-piensos-animales-compania-termino-municipal-azpeitia-gipuzkoa/webleg00-contfich/es/>

The building permit for phase two was also delivered to the bank.



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EIB Carbon Footprint Exercise

In terms of environmental performance, considering that the project has been carried out in consistency to the technical annex specifications agreed at appraisal, the estimation at appraisal remains valid, therefore, it is considered that expected benefits in terms of GHG emissions reduction per unit of product have been realised.

Other Environmental and Social Aspects

Before project implementation the production facility experienced complaints in relation to odours released by the plant which produced nuisance to the nearby communities. Thanks to the project implementation, BAT compliant units for the abatement of smelly compounds (mercaptans) in the exhaust gases have been installed, significantly reducing the malodorous emissions. Nonetheless, under specific circumstances (e.g. depending on wind direction) some odours can still reach the nearby communities, albeit at a much lower intensity as compared to the situation prior to project implementation.

Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion based on reports from the promoter and site visits by the EIB team during Construction, that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.