

Luxembourg, 10/12/2024

## Environmental and Social Data Sheet

### Overview

Project Name:	LANTMANNEN PEA PROTEIN ISOLATE INVESTMENT
Project Number:	2023-0432
Country:	Sweden
Project Description:	Construction and operation of a first of a kind production facility in Sweden for pea protein isolates. The facility will process annually 40,000 tonnes of pea and fava beans sourced locally from the cooperative members.
EIA required:	Yes
Invest EU sustainability proofing required:	Yes
Project included in Carbon Footprint Exercise:	Yes

### Environmental and Social Assessment

#### Environmental Assessment

The Project consists of the construction and operation of a greenfield pea-protein isolate plant in Sweden (the "Project"), with a nameplate capacity of up to 7,000 tpa of protein isolate, as well as all the required up- and downstream infrastructure.

The Project is subject to the Swedish environmental Laws that transpose the Environmental Impact Assessment (EIA) Directive (2014/52/EU) (amending 2011/92/EU) and Industrial Emission Directive (IED) 2010/75/EU. The Project is implemented within an existing industrial area (Lidköping Municipality, 2022) located in the northeastern vicinity of the city centre of Lidköping, Sweden, by Lake Vänern. The site is adjacent to the existing Promoter's wheat processing production plant for wheat protein, wheat starch, technical bioethanol and alcohol for human consumption. The site already holds an environmental permit (55169726-2008) initially issued on 13 May 2009. This EIA authorisation has been subject to revisions and the last one includes the pea protein factory, (decision reference 46488-2022 dated 15 December 2023, issued by the Country Administrative Board of Västra Götaland County<sup>1</sup>).

The production site will incorporate the Best Available Techniques (BAT), as defined under the IED Directive 2010/75/EU for the food, beverage, and milk industries. The environmental permit includes measures to reduce emissions (i.e. dust and Volatile Organic Compounds VOCs) to minimize odour disturbance to local residents.

The Project is not located in any protected natural area, but in the vicinity of protected natural areas (i.e. 1.1 km east of the site is the Östra Sannorna nature reserve hosting valuable biotope and endangered bird species; 4 km west of the site is a water protected area). The environmental and biodiversity assessment conducted under the environmental permit concluded that the Project is not expected to have any significant residual impact.

#### EIB Carbon Footprint Exercise

<sup>1</sup> The EIA can be found under this link: [2023-12-15-mpd-vastra-gotaland.pdf](https://2023-12-15-mpd-vastra-gotaland.pdf) ([naturvardsverket.se](https://naturvardsverket.se))



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The absolute emissions of the Project are estimated at 27 ktonnes of CO<sub>2</sub>e per year. The absolute emissions stem from Scope 1, 2 and 3 emissions that occur during the farming of the peas, their transporting and processing into isolate. At the moment, the extraction of plant proteins is not available on a large scale in Sweden. Swedish yellow peas that are not used as animal feed on the farm are therefore exported to other factories in Europe for processing and, as the EU has a deficit in plant proteins, the remaining quantities needed are imported. Based on most conservative value, it is estimated that the overall Project will result in emission savings of 17 ktonnes of CO<sub>2</sub>e per year. In addition to producing pea protein isolate closer to the production area, the Project will reduce demand for mineral nitrogen fertiliser at farm level by promoting the cultivation of peas and fava beans as a profitable and sustainable complement to cereals. These nitrogen-fixing crops benefit crop rotation by reducing nitrogen fertilizers supplements for subsequent crops.

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's cost.

### **EIB Paris Alignment for Counterparties (PATH) Framework**

The counterparty, Lantmännen Biorefineries AB located in the city of Lidköping, is not in scope and screened out of the PATH framework, because it is not considered high emitting nor high vulnerability sector.

### **Climate Assessment**

By promoting the cultivation of peas, nitrogen-fixing crops, the Project will contribute to Sweden's nationally determined contribution by promoting more efficient use of nitrogen.

The new plant will employ modern and energy-efficient technologies, that minimise the energy and resource consumptions and have low level of emissions to the environment. In terms of risk related to climate change, the Project's permit evaluated the risk of flooding, heavy rain and other natural disasters (breeds and slides). The Project's climate risks are assessed as low or manageable. The risks and events frequency were assessed, and mitigating measures are in place.

The Project is therefore considered to be 'Paris aligned', both against the low carbon and resilience goals of the Climate Bank Roadmap, in particular Table E, Bioeconomy, activities along the value chain focusing on protein production from sustainable and innovative sources with a low carbon footprint.

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

The public consultation has been carried out in line with the National legislation transposing the EIA directive.

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

The Promoter undertakes to extend the Quality Management System (QMS) on the new production site. The Promoter currently operates its site under the following accreditation: ISO 9001:2015 (quality management system), ISO 14001:2015 (environmental management system), ISO 22000:2018 (Food Safety).

Pea starch will be produced as a by-product out of the protein separation process and could be sent and utilized by Lantmännen Biorefineries. The Promoters will pursue ISCC - RED II certification to classify this starch as a food waste-derived product.

The Project will promote safe working environment and create approximately 30 FTE job positions.

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## Conclusions and Recommendations

The Promoter has effective policies and operating procedures in place, which are in line with industry standards. The Project is carried out in compliance with applicable national and EU environmental and social legislation. Based on the information available, and with appropriate contractual conditions (see below) and monitoring in place, the Project is expected to be acceptable for Bank financing under environmental and social terms.

### Condition for disbursement:

- None

### Undertakings

- Deliver to the Bank the operating permit (or updated permits) for the Project, once issued by the competent authorities.
- Inform the Bank about any change/modification/extension of the Project that could trigger an EIA-IED permitting process, following EIA directive 2011/92/EU, amended 2014/52/EU and IE directive 2010/75/EU and submit the relevant assessment reports to the Bank.
- Extend the Quality Management System (QMS) of the production site to the Project.
- Ensure that the Environmental Social Health and Safety management team is adequately staffed with appropriately qualified and experienced staff to meet the E&S requirements of the Project.

**Sustainability proofing:** Subject to the above-mentioned contractual conditions the Project will be carried out in compliance with applicable national and EU environmental and social legislation.