

18/12/24
Public

Environmental and Social Data Sheet¹

Overview

Project Name:	<i>INERATEC POWER-TO-X (IEU GT2) - CATALYST –</i>
Project Number:	<i>2024-0328</i>
Country:	<i>Germany</i>
Project Description:	<i>The project concerns the financing of a pilot carbon neutral e-fuel facility in Germany as well as the R&D cost related to the further development of the company's Power-to-X technology.</i>
EIA required:	No
Invest EU sustainability proofing required	Yes
Project included in Carbon Footprint Exercise ² :	No

Environmental and Social Assessment

Environmental Assessment

The project comprises a pilot plant located at the Höchst Chemical Park in Frankfurt and the research, development and innovation (RDI) activities at the Promoter's premises on an industrial site in Karlsruhe. Neither (RDI) activities nor the investment in mechanical manufacturing capacity are specifically mentioned under Annex I or Annex II of the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU. However, industrial estate development fall under Annex II of said directive, therefore the project is subject to screening by a competent authority. The pilot plant is, given its size and location, is considered not to have significant impacts and the project is fully permitted for the activities envisaged. The screening decision did not require an EIA.

The Project also adheres to the Industrial Emissions Directive (IED) 2010/75/EU.

The environmental impacts of the project are considered to be low. The pilot plant produces e-fuels, and the only by-product is water, that is treated in the existing wastewater treatment facility. Noise emissions are restricted and monitored by the local municipality. The RDI activities are limited to material tests and prototyping to be carried out in a laboratory setting with low impact. The Project has no emissions to air, soil or water and its waste management processes are well structured and managed.

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary

² 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.



Climate Assessment

The project will promote the manufacturing of equipment for producing e-fuels and run a pilot plant to demonstrate the equipment as well as to develop new fuel products for end-customers at low volumes. Thus, the project will be an enabler of a climate transition.

No greenhouse gas emissions are considered for the RDI part of the work. Emissions for the early pilot plant are based on the electricity consumption at full capacity and the emission factor for the high voltage grid in Germany, amounting to 11 kt of CO₂ equivalent per year. In addition, the project will sequester 8 kt/year of CO₂ from a nearby bio-power plant.

The project meets the criteria as defined in the 2020-2025 EIB Climate Bank Roadmap (Annex B: low carbon framework for industry) and physical climate risks are assessed as not material. As such the project is considered as aligned to the goals of the Paris Agreement, both in terms of low carbon and resilience goals.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty is a start-up company not engaged in any other activity than research and small-scale manufacturing of electrolysers. It is in scope but screened out of the PATH framework, because it is neither considered high emitting nor of high vulnerability.

Social Assessment

The project does not carry any significant labour risks and risk to health and safety is minimal with the overall social risk being low. The promoter is considered to proactively follow appropriate occupational health and safety procedures.

Other Environmental and Social Aspects

The promoter is a start-up presently building up its ISO 14001 environmental management system, ISO 50001 energy management systems and ISO 45001 occupational health and safety management systems, for accreditation. The capacity of the to manage impacts and risks and to implement mitigation measures is considered good.

Conclusions and Recommendations

The overall impacts of the project are low and limited. In addition, the promoter has well defined structures in place to mitigate and manage residual risk. Given the project enables a transition to a hydrogen economy, the project has overall positive benefits.

Sustainability proofing conclusion: The Project is carried out in compliance with applicable national and EU environmental and social legislation. Based on the environmental, climate and social information and based on the review of the likely significant environmental, climate and social risks and impacts and the mitigation measures and management systems in place, the Project is deemed to have low residual environmental, climate and social risks and impacts. No further sustainability proofing is therefore required.

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