

Environmental and Social Data Sheet

Overview

Project Name:	<i>REPSOL RDI</i>
Project Number:	<i>2012-0325</i>
Country:	<i>Spain</i>
Project Description:	The project concerns selected investments of the promoter's Research, Development and Innovation (RDI) programme in areas of the natural gas value chain, energy and resource efficiency in oil refining, production of petrochemical derivatives and CO ₂ storage. It also includes programmes for the development of renewable energy systems for transport and offshore power generation. The activities will be predominantly carried out in Spain between 2013 and 2016.
EIA required:	EIA might be required for some small components of the RDI investment programme
Project included in Carbon Footprint Exercise ¹ :	no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The RDI activities defined within the proposed project will not change the current RDI practices and will be carried out in its majority within existing research centres or operative facilities without significantly adding to their environmental load.

The proposed programme foresees the construction of pilot /demo plants towards the end of the implementation period. These small scale, non-commercial units are intended for R&D purposes only and will be constructed within permitted industrial or research facilities. They may potentially fall under Annex II of the EIA Directive 2011/92/EU but this can only be confirmed upon final design. Furthermore, some prototyping in the area of floating wind energy generation and bioenergy/biopolymers may require specific environmental permitting or notifications. Undertaking clauses to the finance contract have been proposed, to ensure that the Bank receives relevant permitting information related to project components before their implementation.

A number of the proposed RDI projects, if successful, could lead to significant positive environmental benefits.

Environmental and Social Assessment

The promoter has a Health, Safety and Environment management system (MS) in place which is aligned with the ISO 14001 and OHSAS 18001 international standards. Progressive certification of all company sites is enforced as a way to promote continuous improvement and obtain external validation. The MS includes requirements for the protection of the environment, health and safety, occupational health (OH&S), human rights and other aspects related to the safe handling of petrochemical products. The promoter has a safety and audit plan in place that foresees internal audits, legal external audits and audits for certification. This plan establishes three-year cycles for the auditing of all company sites worldwide. In 2011 a total of 912 audits were conducted on both, technical and management systems

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

related aspects. The company's Technology Centre in Madrid is also ISO14001 and OHS180001 certified and undergoes regular legal environmental and OH&S compliance evaluation.

Effluents and waste treatment is in place to keep the small quantities of discharges and waste within regulatory limits. The company is committed to developing solutions that contribute to sustainable development.

Other Environmental and Social Aspects

In its bioenergy and bio-polymers programmes, the proposed RDI project foresees the handling of genetically modified microorganisms (GMM) in contained environments (synthetic biology laboratory and possibly some piloting units). GMM are commonly used in industrial processes for production of industrial chemicals, enzymes, proteins, medicines and food additives. These products are produced using selected and often genetically-modified non-pathogenic fungi, bacteria and microalgae and separated from the micro-organisms in the production process. There will be no genetically-modified micro-organisms in the end products.

The use of GMM is regulated by the Council Directive 2009/41 EC and related National acquis. According to these regulations the promoter has the obligation to notify the installation together with an assessment of the contained handling of GMM with respect to potential risks to human health and environment. This assessment shall result in the final classification of the contained uses in four risk classes, and shall establish and commit to implement measures for the treatment of waste and effluents as well as all necessary safety measures. On the basis of the assessment, the competent authority shall issue an acknowledgement notification.

The micro-organisms targeted in the concerned RDI programmes are expected to be categorised under class 1, (the lowest risk level corresponding to a level of containment of 1): No likely risk for health and environment. The notification to the competent authorities will be done during the planning and construction phase of the planned units. The Cat 1 RDI activities themselves are non-notifiable, although they are open to scrutiny by the competent authority that enforces the Regulations.

An undertaking clause to the finance contract has been proposed, to ensure that the Bank receives copy of the relevant notification information related to project components that may fall under the provisions of Council Directive 2009/41/EC and, if applicable, the corresponding acknowledgement notes from the competent national authorities.