

Environmental and Social Data Sheet

Overview

Project Name:	LENZING INNOVATIVE FIBRES (RSFF)
Project Number:	20120629
Country:	AUSTRIA
Project Description:	The project concerns the promoter's R&D investment in the field of Man-Made Cellulose (MMC) fibres for textile and nonwoven applications and consists of: (i) R&D operational expenditures covering a three year development programme; (ii) the construction of new R&D facilities; (iii) the installation of new pilot plant lines and equipment; and (iv) selected proprietary process innovations to pilot the industrial-scale feasibility for the manufacturing of new, high quality TENCEL® fibres.
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

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

The project concerns investments in R&D including the construction of a commercial pilot plant for the production of Man-Made Cellulose (MMC) fibres. Cellulose processing and production installations fall under the Annex I of Directive 2011/92/EU. The Environmental Impact Assessment (EIA) has been approved by the competent authorities.

A significant part of the project including the new commercial pilot plant is focusing on the development of TENCEL® products. Although it uses an organic solvent, the TENCEL® manufacturing process is the most environmentally-friendly process amongst all MMC manufacturing processes, as more than 99% of the organic solvent is recycled. By promoting the development of substitutes for cotton, the project generates significant positive externalities for the environment as cotton requires substantially higher water consumption and land use by metric tonne of produced fibres. The Bank considers the project acceptable with minor residual risks.

Environmental and Social Assessment

Environmental Assessment

The project will be managed and carried out by the promoter's existing staff in Austria, mainly located at the headquarters in Lenzing, a site which is ISO 9000 and ISO 14001 certified as all the other facilities of the promoter worldwide.

The promoter also maintains OHSAS 18001 certification (the British Standard for Occupational health and safety management systems) on all its sites.

The Lenzing manufacturing site is fully integrated (wood to pulp and pulp to fibre); it uses 50% of the wood material to produce pulp² and then fibres and the remaining components are essentially converted into a biogenic source of energy which represents about 90% of the energy which is necessary to feed and run the entire site. The Lenzing site is also characterised by almost fully combined power and heat generation, high energy efficiency and optimised fuel sourcing including biogenic and waste fuels.

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 tonnes CO₂e/year absolute (gross) or 20 000 tonnes CO₂e/year relative (net) – both increases and savings.

² And a few co-products such as acetic acid and xylose.

The project will globally have a positive impact on the environment as it promotes the development and the manufacturing of cotton substitutes which require much lower amounts of water and land per metric tonne of fibres than cotton (respectively 22 times and 3.4 times lower).

Public Consultation and Stakeholder Engagement, where required

The usual formal public consultation process has been carried out in the context of the EIA process. There have not been any major issues.

Other Environmental and Social Aspects

The promoter has received several prestigious environmental awards such as the Energy Globe Award (silver in the category "Earth"), and became the first fibre producer in the world to be an awardee of the EU Ecolabel in 2002. More specifically, the TENCEL® production process has also received the European Award for the Environment and the European Flower Award.

Two of the most recent products of the promoter (including TENCEL®) were recently granted the "Biobased label" of the US Department of Agriculture (USDA) which acknowledges that these products are made of renewable raw materials.