

## Environmental and Social Data Sheet

### Overview

Project Name:	CORTICEIRA AMORIM RDI (RSFF)
Project Number:	2013-0532
Country:	Portugal
Project Description:	The project concerns Amorim's RDI investment programme for research, innovation and product development (cork industry), including energy efficiency, environment protection and safety. The project is expected to be carried out at the promoter's dedicated technology centres and production plants in Portugal, in partnership with Portuguese and EU universities or other research centres.
EIA required:	No
Project included in Carbon Footprint Exercise <sup>1</sup> :	No

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

The proposed project targets investments in RDI and Manufacturing. The Promoter has a long history in the use of the peeled bark of *Quercus Suber*, commonly known as the cork oak, to manufacture stoppers for bottles. Until the 1990's it focused on this single sector, and employed traditional manufacturing techniques and technologies. However, over the last 20 years it has been diversifying its product range, all based on natural cork, and modernising and optimising its production processes.

Most of the investments proposed are aimed at either optimising the use of renewable resources: material and energy, or product efficiency and effectiveness. None of the foreseen investments would require an EIA under Directive 2011/92/EU.

#### RDI

The company's RDI activities are carried out within each business unit, and have three objectives: product diversification and extension, process development to improve product properties, and manufacturing process development. There are well developed links with a range of academic institutions and co-development of manufacturing systems with international equipment suppliers.

#### Manufacturing

The manufacturing investments proposed target: production and energy efficiencies and the introduction of new production lines based on best available technology. The investments in existing activities will improve energy efficiency, optimise the use of the available cork, improve the functional characteristics of the products, and reduce operating costs.

### Environmental and Social Assessment

#### Environmental Assessment

None of the sub-projects would individually require an EIA. All investments will take place on existing sites, and most within existing buildings. Part of the investments will expand the use of cork materials acquired as by-product from other cork processors, which would otherwise been classed as waste.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

The RDI to be funded will have positive environmental impacts in three areas:

- Reduced product losses where the improved chemico-physical properties of the traditional cork stopper should result in maintained quality following transport and extended storage of liquids for human consumption;
- Reducing thermal losses and noise pollution, and improving fire safety by developing composite products which take advantage of cork's natural physical characteristic;
- Providing a market for a renewable forestry activity. Cork is obtained by stripping the bark from mature cork oaks on a nine year cycle, encouraging proper management of the forest environment.

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

The investments proposed to improve production efficiencies, to maintain the company's competitive position against other cork processors and, more importantly, against alternative product solutions may result in the loss of jobs in some areas. These will be labour intensive activities including the manual inspection and hand grading of individual cork stoppers. The company is confident that departures will be on a mutually acceptable basis, under agreed financial compensation terms based on length of service. These losses will be partly offset by the creation of higher skilled jobs in the development and maintenance of the automation equipment which will be installed.

By maintaining and developing demand for cork as a raw material, the Promoter will provide continuing employment in rural and mountain areas, helping to avoid rural depopulation.