

Environmental and Social Data Sheet

Overview

Project Name:	<i>PSA EFFICIENT POWERTRAINS</i>
Project Number:	2015-0265
Country:	France
Project Description:	The project concerns (i) Research and Development investments on Euro 7 ¹ compliant powertrains (engines and transmissions) and (ii) Capital expenditures in manufacturing facilities in cohesion regions associated with the manufacturing of the developed fuel efficient powertrains
EIA required:	no
Project included in Carbon Footprint Exercise ² :	no

Environmental and Social Assessment

Environmental Assessment

The R&D activities (around 71% of the project) aim at the improvement of the environmental characteristics of motor vehicles mainly in terms of reduction of fuel consumption, hence of CO₂ emissions -PSA being among the European leaders in the area, and also local polluting emissions, another area where PSA is also exhibiting a strong performance being the first OEM to launch the Diesel Particulate Filter (DPF) in 2000 and the first to standardize the Selective Catalytic Reduction (SCR) across its vehicle range in 2014. About 22% of the project concerns the expenditures for machinery and equipment for the production of engines and transmissions in four existing plants. The Environmental Management Systems of all the promoters manufacturing sites around the world have been certified according to the ISO 14001 standards.

Other Environmental and Social Aspects

According to a third party company specializing in the assessment of corporates and organisations with regard to their practices and performance on environmental, social and governance issues, PSA's Environmental management and reporting are considered as "Exceptional", while the overall Environmental performance has been characterised by a "Major improvement". Nevertheless given the company's scope and area of operation its Environmental impact is High, as is the Climate change impact.

Conclusions and Recommendations

The project has two parts: the largest part of the project concerns R&D activities that will be carried out in existing facilities without changing their already authorised scope and do not have any significant negative environmental impact. The second part (about 29% of the project) concerns the expenditures in tooling for the set-up of production of the new engines in two existing plants for which no specific operational and environmental authorisations should be required, and therefore an Environmental Impact Assessment (EIA) should not be required by EIA Directive 2011/92/EU. Nevertheless the relevant confirmation by the promoter is currently pending, and either this confirmation or the Non-Technical Summary (NTS) of the EIA (if it is the case) will be required prior to disbursement.

The project is considered as environmentally acceptable for financing by the Bank.

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¹ Euro 7 is the regulation that will be coming after the Euro 6.x regulations and is expected to be in force around or just after 2020. It will introduce new NO_x, CO, HC limits, new regulated pollutants, On Board Diagnostics and Real Driving Emissions concepts, but neither the exact values nor the exact timing of implementation are set.

² 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.