

Environmental and Social Data Sheet

Overview

Project Name: **JCI Manufacturing in CZ**
 Project Number: 2012-0195
 Country: Czech Republic
 Project Description: The project consists of (i) the extension of an existing plant for the manufacturing of automotive interior components (such as instrument and door panels) in Zatec (Czech Republic); (ii) the modernisation and capacity expansion of an existing lead-acid batteries manufacturing plant, and (iii) the construction of a “green field” plant to produce poly-propylene components for car batteries. The two latter investments are part of the promoter’s Power Solutions business and will be located in Ceska Lipa (Czech Republic).

EIA required: NO

Project included in Carbon Footprint Exercise¹: NO

(Details are provided in section: “Carbon Footprint”)

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

The project concerns capital investments in three manufacturing plants to produce (a) automotive interior systems and (b) lead-acid batteries and components and in a new plant to produce (c) polypropylene containers for automotive batteries, all falling under Annex II of the EIA Directive 2011/92/EU with respect to “Production and processing of metals” or to “Industrial estate development projects”. The competent authorities have clearly stated for each of the three project components their decision to screen out the full EIA requirement related to law 100/2001 Sb. (transposition of the 2011/92/EU directive). These decisions based on the moderate impact of the project components are acceptable to the Bank.

The project will contribute to optimise the raw material consumption including lead consumption and will significantly improve the recyclability of battery components including lead and polypropylene. Overall, the project’s environmental acceptability is therefore classified by the Bank under the category A (Acceptable).

Environmental and Social Assessment

Environmental Assessment

The investment for the modernisation and capacity expansion of the Ceska Lipa battery manufacturing plant falls under Annex II of the EIA Directive 2011/92/EU with respect to “Production and processing of metals” as some industrial processes performed on this plant includes the smelting of non-ferrous metals. The battery plant also falls under the IPPC Directive 2008/1/EC². Therefore the local administration stakeholders had to assess the impact of the capacity expansion from 110 000 to 170 000 tons of lead to be processed yearly in accordance with the IPPC directive. Considering that the project will not have any additional impact on the environment, the competent authority “Krajský úřad Libereckého kraje” confirmed that a full EIA was not necessary (KULK 10324/2012 dated 15/02/2012)

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.

² Even without the project implementation the site was already exceeding the 4t/day threshold set for the tonnage of lead to be smelted in the IPPC Directive 2008/1/EC.

and renewed the consent to operate (KULK 39295/2012) on 13/06/2012 actualising the emission limits and associated monitoring requirements.

Concerning the worker exposure to lead, collective protection measures are implemented to collect fume and dust as close as possible from emission sources, individual protection equipments are used for the most exposed working posts and that the promoter operates a lead-in-blood monitoring system including an action plan based on thresholds which are significantly more stringent than those currently required by European legislation.

The decisions to screen out the full EIA requirement for the two other project components, namely the extension of the existing plant for the manufacturing of automotive interior components (Zatec) and the construction of a “green field” plant to produce poly-propylene components for car batteries (Ceska Lipa) have been notified by the Ministry of Environment “Ministerstva životního prostředí” on 18/10/2011 (79357/ENV/11) and on 02/01/2012 (100204/ENV/11) respectively, considering the low environmental impacts of the associated activities.

The regional competent authority “Krajský úřad Libereckého kraje” also confirmed that the new plant in Ceska Lipa will not have any impact on the Natura 2000 conservation area located at proximity (2 km): notification KULK/62692/11 dated 29/08/2011.

EIB Carbon Footprint Exercise

Project is not included - the EIB draft Carbon Footprint Methodologies only includes emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

PJ/ECSO