

Environmental and Social Data Sheet

Overview

Project Name:	FORD OTOSAN II	
Project Number:	20110358	
Country:	Turkey	
Project Description:	The project concerns new investments at Ford Otosan's factory in Koçaeli for the production of a redesigned range of light and medium commercial vehicles.	
EIA required:	No	
Project included in Carbon Footprint Exercise ¹ :	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 investments at the promoter's existing premises, located in an industrial zone already used for the same purpose. The project is not expected to have a significant impact on the environment, as the investments focus on the industrialisation of a new generation vehicle, including the modernisation of the existing production facilities, maintaining the same installed production capacity. In addition, the implementation of the project is planned to result in incremental energy efficiency and productivity improvements. The new generation vehicle has been conceived and developed for reducing its emissions levels, and will mount the promoter's next generation less pollutant powertrains.

If the project would be located within the EU, it would fall under the Annex II of the EU directive 97/11 within the EU (Directive 85/337/EEC amended by directive 97/11/EC and 2003/35/EC) where the request for an Environmental Impact Assessment is at the discretion of the relevant competent authorities. As the specific project's activities will be carried out in existing facilities already authorised for the same purpose, and are not expected to have a negative impact on the environment, an EIA has not been required by the competent authority.

Environmental and Social Assessment

Environmental Impact and Mitigation

The promoter has an excellent environmental record and the operations are certified according to the ISO 14001 environmental management system. Environmental issues are handled in accordance with local and national environmental regulations as well as with Ford's Global Environmental Procedures. The next generation powertrains will be Euro 5 compliant with, resulting in lower CO₂ emissions levels than the current generation.

Overall Ford's strategy in terms of CO₂ emissions reduction is focused on the vehicles' powertrain and tailpipe emissions, through the employment of affordable technologies, to be accessible to a mass market target customer. For that purpose, it has launched a dedicated

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.

brand, ECONetic, meant to highlight the best CO₂ performing powertrain per vehicle line, and eventually to make shift the customer selection from performance obtained from high power engine displacement to environmental performance, achieved through dedicated engineering and environmentally friendly solutions.

With regard to the next generation mid-range commercial vehicle, to be manufactured by Ford Otosan, the design goals in environmental terms are that the next Transit fleet average CO₂ emission levels by the end of 2015 are to be reduced by some 25%, from 239 gCO₂/km in 2010 to 179 gCO₂/km (which outperforms the EU CO₂ guidelines for commercial vehicles of 190 gCO₂/km based on Transit's equivalent mass and running order). These values will help Ford to maintain its actual CO₂ related position amongst industry leaders and to be in line with the industry trend of a yearly 3-4% CO₂ emissions reduction.

EIB Carbon Footprint Exercise

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

Other Environmental and Social Aspects

The project relates to the refurbishment and upgrade of one (of the two) existing vehicle assembly lines. The plant's installed capacity will not increase as a result of the project. Overall, the site's total electricity consumption is assumed to be 215 mio KWh. Following the Carbon Footprint Methodology, in terms of equivalent CO₂ emissions it results in absolute emissions of 94.17 eqKtCO₂ annual, below the methodology threshold.

In addition to the current project, the promoter has future plans for the expansion of its production capacity, through the construction of new production facilities within its industrial area. For this purpose a new EIA file is being prepared for presentation to the environmental authority. Once assessed, also through public consultation, and reported by the public authorities, the new EIA will be valid for the whole industrial site. This future expansion is nevertheless not included in this project.