

Overview

Project Name:	PSA SMALL CARS CONVERGENCE AREA
Project Number:	2010-0686
Country:	CZECH REPUBLIC - SLOVAKIA
Project Description:	Financing of the Promoter's investments focused on small cars production in convergence areas. EIB's funding is required for financing the adaptation of the production line for the successor of the Peugeot 207 model in Slovakia and for capital expenditure related to the upgrading of the production platform's for the successor of the current C1/107/Aygo models in the TPCA plant in Czech Republic.
EIA:	Required <input type="checkbox"/>
	Not required X

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

The investments for the expansion and modifications in a motor vehicle manufacturing and assembly plant falls under Annex II of the EIA Directive 85/337/EEC, amended by Directives 97/11/EC and 2003/35/EC. The request for an Environmental Impact Assessment (EIA), would be at the discretion of the local and national authorities.

The project in Trnava does not include any modification of the existing buildings that house the production lines and therefore an EIA is not required. The project does entail the increase of production capacity by about 50% of today's volumes, but the existing operating permits that have been provided to the Bank, cover the expected production volumes.

The project in Kolin also does not foresee any modifications in the buildings that house the production facilities. However as the project is at a very early design stage, such modifications following the final designs could not be entirely excluded and therefore the promoter undertakes to inform the Bank of all the final designs and provide any required authorizations that may result from them prior to disbursement. The project does not foresee any increase of the production capacity, but the promoter is required to provide the operating permits authorizing the expected production capacities prior to disbursement.

Overall the project is expected to be acceptable with minor environmental impact

Environmental and Social Assessment

Environmental Impact and Mitigation

In Trnava since 2007 there have been continuous efforts to reduce the energy consumption for the production of vehicles and from around 1169 kWh/car in 2007 the consumption has been dropped to about 1028 kWh in 2010. The promoter is in the process of implementing a new paint shop process that is expected to reduce the energy by an additional 75 kWh/car by 2012.

The cars that will be produced in Trnava will belong in the B segment, will have both petrol and diesel variants. The CO₂ emission levels for the diesel variant will start at 87 g/km, while for the petrol variant at 99 g/km.

Since its construction in 2005 the Kolin management team has undertaken efforts in reducing the environmental impact of its operations, with the following principle results between the years 2005 to 2010:

The Energy consumed per car has been reduced from 1644 kWh/car to 673 kWh/car.

The Waste has been reduced from 17.7 kg/car to 7.5 kg/car.

Water consumption from 2.57 m³/car to 1.17 m³/car; and

VOC from 32 g/m² to 12.9 g/m².

The cars that will be produced in Kolin will belong in the A segment, and will be equipped only with petrol engines, with CO₂ emission levels starting at 89 g/km.

Other Environmental and Social Aspects, as appropriate

Both plants in Trnava and Kolin are certified and operate according to the ISO 14001 Environmental Management Standards.