Luxembourg, 15/03/2012

Environmental and Social Data Sheet

Overview

Project Name:	**EUROPAC PAPER PRODUCTION UPGRADE**
Project Number:	2011-0271
Country:	**SPAIN, FRANCE AND PORTUGAL**
Project Description:	The project concerns investments within the strategic plan 2011-2014 aiming to upgrade and expand the promoter's paper mills and cardboards installations.
EIA required:	☐
EIA not required:	x
Yes	☐
No	x

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

The containerboard paper mills of Rouen (France) and Dueñas (Spain) will use only Recovered Paper, reducing in this way the pressure on natural resources by the avoidance of the use of virgin fibre. In order to ensure the supply of raw material, the promoter will enter in the urban solid waste recovery business in Portugal and in Spain and the project's investments in this component will contribute to improve the degree of selective collection of paper waste. In Rouen the promoter will allow a global operator in environmental services to set in the site a facility to recover paper (that will be used in the mill). The plants are situated in designated industrial zones and out of any protected area and far from inhabited zones. There is then no major impact on biodiversity.

Air emissions from operations are treated where required (black liquor recovery boiler, biomass boiler and lime furnace in Viana's factory) with electrofilters to achieve satisfactory quality standards. The substitution of the existing electrofilter by two new ones in Viana is included in the project to allow the capacity increase.

Process water is treated in adequate waste water treatment plants of different technology that include primary and secondary anaerobic and aerobic treatments by activated sludge plus secondary clarifiers. In Rouen's factory the project includes a press for better transport and disposal of treated sludge. These waste water treatment plants allow the treated effluent to discharge into the hydrographical network or, as in the case of Viana's factory, into the sea via a submarine pipe.

The plants use steam produced by the promoter's owned cogeneration plants (with the exception of Rouen, where the cogeneration plant is not Europac's property) fired on natural gas and that sell excess electricity to the grid. Additionally Viana's factory (production of kraftliner from virgin fibre and recovered paper) is using the black liquor in a recovery boiler and additionally other solid biomass residues are burned in a specific power plant to produce renewable heat and electricity with the excess electricity sold to the grid. Carbon footprint has been estimated on the basis of the overall energy consumption and the project is not to be included in the EIB GHG footprint.

The Social Assessment of the project has been carried out and it results acceptable for the Bank. Because the project is "Promoting sustainable use of natural resources, waste management" by waste recovery and re-use, it could be also eligible under EIB's Environment heading.

In the project the enlargement of forestry assets is included and prior to disbursement of the component an acceptable and sustainable forestry management plan for the existing and new areas has to be presented to the Bank. Under these conditions the impact on the environment will be limited.

Environmental and Social Assessment

Environmental Assessment

The project mainly consists in the upgrading of existing containerboard paper mills that are included in the Council Directive 96/61/EC of 24 September 1996 concerning Integrated Pollution Prevention and Control. The facilities have permits issued in accordance with this Directive for the final capacities. Rouen's factory current production is lower than the historical production of the factory prior to Europac's acquisition.

Environmental project by several aspects because it will increase the use of recovered paper and reduce the pressure on natural forests, and it will improve the solid waste collecting and increase the recovered paper use. The project includes investments in waste and gas emission treatments.

The promoter produces heat and electricity through energy efficient gas cogeneration facilities as well as from renewable energy. The production increase will affect the traffic access to Viana's factory that is currently slow.

Social Assessment, where applicable

The project fulfils the entire EIB social requirements and its impact of the plant that has been analyzed results to be positive because of the much needed employment creation.

Public Consultation and Stakeholder Engagement, where required

N/A

Other Environmental and Social Aspects

Air emissions from process will be treated by electrofilters achieving acceptable level of quality for the effluents. Gas emissions will be monitored and as the boiler is natural gas fuelled they are expected to have low content of pollutants.

Sludge from operations and waste water treatment plant are solid residues to be discharged in approved areas by specialized companies.

Carbon footprint has been estimated on the basis of the overall energy consumption that are in form of electric energy from the grid and natural gas and the project is not to be included in the EIB's GHG footprint.

Social Assessment, where applicable

The project fulfils the entire EIB social requirements and its impact of the plant that has been analyzed results to be positive because of the much needed employment creation. The promoter contributes to the neighbouring communities' social infrastructure (a potable water tank reservoir has been offered by the promoter).

Other Environmental and Social Aspects

N/A