

## Environmental and Social Data Sheet

### Overview

Project Name:	ALUMINIUM PLANT CAPACITY EXPANSION
Project Number:	2017-0048
Country:	Greece
Project Description:	The project purpose is to strengthen the company's competitiveness through raising its productivity, efficiency, product quality and manufacturing capacity by investing (i) in a new state of the art multi-stand tandem hot rolling mill, (ii) in the modernisation of its existing rolling equipment and (iii) in RDI focusing on new process and new product development.
EIA required:	yes
Project included in Carbon Footprint Exercise <sup>1</sup> :	no

### Environmental and Social Assessment

**Compliance with applicable environmental legislation:** The investment programme concerns three components:

- Installation new aluminium hot rolling mill and related machinery
- Modernisation of existing rolling equipment and related machinery
- RDI in new process and product development

The installation of new hot rolling equipment for aluminium is subject to a screening according to Annex II of the EIA directive. The project has been screened in by the competent authorities. Hence, according to legal requirements the promoter has to submit an EIA report covering the project to the relevant competent authorities, in order to be evaluated. This step is followed by public consultation and finally the environmental permit of the plant is amended. The RDI activities and modernisation measures part of the project are all carried out in existing industrial facilities already authorised for this kind of activities and are not expected to require a separate EIA.

**EIA status:** The EIA study has been submitted and the evaluation by the local competent authorities was finalised by the 17.07.2017. Public consultation started end of July 2017. The final decision as well as the amendment of the environmental permit is expected to be issued by the end of 2017.

**Environmental impacts:** The project site operates in compliance with ISO 14001 Environmental Management System. The new manufacturing machinery adheres to best available techniques (BAT) as identified by the European Commission for the non-ferrous metals industries and others.

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<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

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The new equipment will increase the promoter's manufacturing capacity but at the same time increases its productivity and process efficiency and the main environmental impacts are:

- A reduction of the electrical energy consumption index by 8.3% (consumption per ton of final product)
- A reduction of the natural gas consumption index by 9.3%
- A reduction of the CO<sub>2</sub> emission index.
- A reduction of the raw material consumption index by 8.2%.
- A reduction of the water consumption index by 10.4%.
- The new buildings will be constructed inside and adjacent to existing industrial facilities and integrate well into the local landscape. Its visual impact and impact on the land are considered low.
- The additional process waste materials will be stored in suitably organized spaces to avoid material leakage to the environment. Such waste will be separated according to their type and further on be collected, handled and treated by licensed waste collection, transportation and treatment operators.

**Biodiversity issues:** Biodiversity or nature conservation issues are not touched upon as the project and ensuing activities will be carried out within the borders of existing industrial facilities not inside or close to protected areas.

**Public Consultation and Stakeholder Engagement:** Greek legal procedures require public consultation as part of the EIA procedure. Public consultation for this project has been held in July 2017.

**Social Assessment, where applicable:** The project is located in Voiotía, a Cohesion Region with the 9<sup>th</sup> highest unemployment rate in the EU (Eurostat - July 2017). This project will contribute to sustain aluminium rolling activities in Voiotía, which at present employs directly about 766 people. Furthermore, the project is expected to involve about 426 person-years during implementation and generate 46 new FTEs.

## Conclusions and Recommendations

The promoter's plant operates in compliance with ISO 14001 environmental management systems as well as with OHSAS 18001:2007 health and safety management. The new manufacturing machinery adheres to best available techniques (BAT) as identified by the European Commission for the non-ferrous metals industries. Although the project consists of a manufacturing capacity increase it will only lead to a minor negative environmental impact compared to the situation without project. It has to be highlighted that thanks to the project the manufacturing process efficiency indexes as raw material, energy and water consumption are all recued. In addition the CO<sub>2</sub> emissions index is reduced as well. The project is therefore considered acceptable for Bank's financing.

### **Disbursement condition:**

The disbursement of the funds related to the relevant components is subject to the satisfactory conclusion of the EIA process.



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**Contractual undertaking:** Considering the EIA as well as any other environmental and operational authorisation covering project, the complete documentation needs to be sent to the EIB once available to the promoter. In addition, any mitigation measures listed in the EIA and /or the operational permits have to be implemented by the promoter as part of the project execution.

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