

## Environmental and Social Data Sheet

### Overview

Project Name:	PCC ROKITA CHEMICAL UPGRADE PROGRAMME
Project Number:	2017-0540
Country:	Poland
Project Description:	Development and modernization of Promoter's chemical production, mainly in the polyurethanes and chlorine derivatives' segments, to be carried out over 2018-2021 in Brzeg Dolny, Poland.
EIA required:	yes
Project included in Carbon Footprint Exercise <sup>1</sup> :	yes

### Environmental and Social Assessment

#### Environmental Assessment

The project concerns the expansion and technological upgrade of the promoter's chlorine and propylene oxide (PO) production facilities in line with Best Available Techniques (BAT) and the construction of research facilities to develop and demonstrate new environmentally friendly and healthier materials used to produce polyurethane foams for mattresses.

The technological upgrades will improve the environmental performance of the production facilities by reducing the amount of waste, eliminating the use of fluorinated cooling agents and improving the energy efficiency.

All components of the project fall under Annex II of the EU Environmental Impact Assessments Directive (EIA Directive - 2014/52/EU). The Polish competent authority requested a full EIA for the following components:

- the expansion of the brine preparation and purification system;
- the expansion of the caustic soda concentration unit;
- the construction of new incineration plant for chlorinated hydrocarbon waste;
- the construction of polyol pilot plant;
- the construction of a demonstration plant for innovative antioxidants and plasticisers, and;
- the construction of a new research centre.

For the replacement of the whitewash production unit and the addition of a third PO distillation column at the PO production plant, the required documentation for requesting the EIA screening decision are still under preparation.

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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.

Luxembourg, 17 July 2018

The satisfactory conclusion of the respective EIA procedure will be a condition for the disbursement on the respective project component.

### **EIB Carbon Footprint Exercise**

Estimated annual emissions of the project in a standard year of operation are 328,000 tonnes CO<sub>2</sub>e per year. Although the capacity expansion is done with more energy-efficient units, the expansion is such that it will result in an increase of the total CO<sub>2</sub> emissions of 44,000 tonnes (+15%) compared to the current (2017) level.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost'.

### **Social Assessment, where applicable**

The project is expected to significantly increase the scope and number of research services and thus increase employment in the company's R&D department with 20 FTEs. It will furthermore contribute to preserve 3,000 direct jobs in the company's existing research centre and production plants.

### **Other Environmental and Social Aspects**

- All of the company's installations are in compliance with BAT – a compliance assessment has been conducted while requesting the Integrated Permit.
- The company has a certified ISO 14001 and OHSAS 18001 environmental and safety management system in place, and is participating in the Responsible Care initiative.
- An ISO 50001 energy management system was recently implemented to lower energy consumption and reduce the amount of fossil fuels used.
- The company is in full compliance with the SEVESO III Directive concerning major hazards.

## **Conclusions and Recommendations**

The project advances the use of renewable, more environmentally friendly and healthier materials by the development and supply of low emission materials (polyols) and additives (fire retardants) for the polyurethane industry, and backs the transition to a low-carbon green economy.

Both the implementation and operation of the project will not result in any additional adverse environmental effects or cause any negative impact on protected areas, Natura 2000 areas, cultural objects or human life and health. For those components requiring a full EIA, the satisfactory conclusion of the EIA procedure will be a condition for respective disbursement. Considering the above, the project is acceptable for financing in environmental and social terms.