

Environmental and Social Data Sheet

Overview

Project Name:	VELATIA RDI & INVESTMENTS
Project Number:	20180009
Country:	SPAIN, GERMANY AND FRANCE
Project Description:	The proposed EIB loan aims at financing investments in RDI activities, as well as expenditures in tangible and intangible assets in Europe, which are expected to support the future growth and competitiveness of the group, an innovative midcap mainly supplying critical equipment, solutions and services for electric energy grids.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

(details for projects included are provided in section: “EIB Carbon Footprint Exercise”)

Environmental and Social Assessment

Environmental Assessment

The project concerns the R&D activities of the promoter’s main subsidiary for the development of new equipment used in the electrical distribution networks. One component of the project is dedicated to support the promoter’s continuous maintenance and modernisation efforts of its existing manufacturing facilities.

The RDI activities included in the project do not fall under any Annex of the EIA Directive 2014/52/EU amending the Directive 2011/92/EU; moreover, they will be carried out in existing facilities already authorised that will not change their scope due to the project. The same applies to the investments in the existing manufacturing facilities. Those mainly consist of manufacturing tools, machinery and equipment.

The output of the investment programme is associated with significant environmental benefits for the following reasons: First, through the development of technologies that may avoid the usage of the GHG SF6 within certain types of electrical equipment used in the distribution networks. Second, by developing new types of materials and transformers achieving the future goals set in the specific eco-design regulation for small, medium and large power transformers (Commission Regulation (EU) No 548/2014). Third, by developing electrical power storage solutions that will support the implementation of renewable power sources into the existing grids. Fourth, by developing high-tech equipment and software that supports the digitalisation of the electrical grids and that may ultimately lead to more efficient grids. Therefore, the project is expected to have a positive environmental impact.

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.



The residual environmental project risks are deemed low. Moreover, increasing equipment efficiency is a key driver for the promoter's RDI. If successful, the promoter's equipment energy efficiency will further improve and finally those benefits will be available to its worldwide clients.

Other Environmental and Social Aspects

Awareness on environmental protection appears to be well integrated into the company's procedures. To facilitate the reduction of environmental impacts, the great majority of the promoter's manufacturing facilities are certified ISO 14001 for environmental management. Several of its manufacturing facilities are certified OHSAS 18001 for occupational health and safety management. The promoter's corporate and social responsibility policy supports and promotes training, innovation, continuous improvement and environmental protection by preventing pollution and respect for people's health and safety by preventing accidents, illnesses or damage to health.

Conclusions and Recommendations

Considering the above, the project's direct environmental impact is expected to be very limited, whereas some products of the programme are very likely to contribute to a more sustainable electrical power distribution and the reduction of GHG emissions. The project is thus acceptable for financing by the Bank in environmental and social terms.