

Public

Environmental and Social Data Sheet

Overview

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| Project Name: | E-PIIM DAIRY EXPANSION |
| Project Number: | 2018-0381 |
| Country: | Estonia |
| Project Description: | Financing a greenfield dairy plant |
| EIA required: | no |
| Project included in Carbon Footprint Exercise ¹ : | no |

Environmental and Social Assessment

Environmental Assessment

The project concerns investment in a new premise dedicated to dairy products manufacturing in central Estonia. The project falls under Annex II of EIA Directive 2011/92/EU (the project was initiated before 16 May 2017) and under IE Directive 2010/75/EU. Following the Estonian permitting procedure, the Promoter has submitted all project documentation to the local competent authorities.

The project is located within an industrial estate owned by Paide's municipality. The EIA's screening procedure was performed by the municipality during September and December 2016. On the 4th of October 2016, Paide's municipality did send the environmental documentation to the Environmental Board, (authority with specific environmental responsibilities related to Natura 2000 aspects, permitting process, issuing of integrated permits). The environmental board issued its decision the 20th of October 2016, stating that the project will have no likely effects on the environment and screened out the project. The main reasons for not requiring an EIA and how the criteria listed in Annex III of the EIA Directive (characteristic of the project, location, type of impact) were applied are presented in the screening report.

According to the Estonian legislation, in December 2016 Paide's municipality initiated a detailed spatial planning procedure (which forms the basis for construction works) for which was also decided, based on the outcome of previous screening, that an EIA is not required. The decision was made available to the public and concerned third-parties were informed in written.

Its public announcement was published on the local newspaper "Järva Teataja" and the 5th December 2016, it was published on the official Estonian announcements website (https://www.ametlikudteadaanded.ee/avalik/teadaanne?teate_number=1056143) as well as on the web-site of Paide's municipality. In written were informed owners of neighbouring plots,

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.

Luxembourg, MC Decision : 05/02/2019

County Governor, Environmental Board, Land Board, Rescue Board, Health Board and Ministry of Defence.

The detailed spatial plan was adopted the 15th of February 2018 by Paide Municipal Council.

The building permit for the greenfield dairy plant was issued the 3rd of July 2018 (Ehitusluba N°1812271/16747) by Paide's municipality.

The project is situated in the vicinity (170m) of a Natura 2000 site, Pärnu River (EE0040345). The effects of the project on habitats and species of the Natura 2000 site were assessed during the screening procedure in 2016.

The Ministry of Environment did re-confirmed the 3rd September 2018 that the project is not likely to have significant effects on the Natura 2000 site.

The project will be implemented taking into consideration the recently adopted BREF for Food, Drink and Milk Industries, which will be used as a basis of the application for the IPPC permit.

Other Environmental and Social Aspects

The main utilities (industrial steam and part of the electricity) will be provided by the local power plant (wood chip fuelled) plant.

The promoter will implement on site a pre-treatment waste water unit and will send the residual waste water (around 1,500 m³/day) to the nearby municipal waste water treatment plant (WWTP), which has a capacity to process 11,000 m³ per day or 40,000 people equivalent.

Currently, only 15,000 people equivalent's capacity is processed through this WWTP, leaving enough spare volume to connect the new factory. The plant will be linked to the WWTP through the nearest sewage pumping station. The bank did receive a pre-agreement contract between the promoter and the local WWTP.

The Promoter's current main plant is certified BRC (A grade). Strong Occupation Safety and Health (OSH) norms apply on all industrial units. It is expected that the new facility will swiftly follow the above-mentioned standards.

At full capacity, the inbound and outbound truck traffic will represent approximatively 30 trucks per day. The plant is situated 5 km for the nearest motorway exit.

Conclusions and Recommendations

Undertakings

The promoter undertakes to submit to the Bank:

- Following IED directive 2010/75/EU, the integrated permit (IPPC permit) before the start of operation
- The signed contract with the local WWTP