

Environmental and Social Data Sheet

Overview

Project Name:	AN POST INNOVATION AND DIGITALISATION
Project Number:	2018-0596
Country:	Ireland
Project Description:	The project relates to a major upgrade of the parcel sorting infrastructure to radically improve the service offering in this growing market. The project also includes the digitalisation of the promoter's core infrastructure to ensure efficiency, flexibility and traceability in the mail and parcel business. By using analytics and mobile technologies, the promoter will deepen the relationship with its customers and facilitate their access to a growing range of services such as expanded government services and e-commerce. Furthermore, new retail financial services will be developed through digital channels and physical outlets with appropriate digital infrastructure. Finally, the project will help to reduce the promoter's CO ₂ footprint through adoption of a fleet of electric delivery vehicles and related charging infrastructure.
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 is composed of several subcomponents. Development and roll-out of new IT systems and solutions will support the promoter in its migration towards the delivery of advanced postal and digital services. Furthermore, the project relates to the investments in new high-performance parcel sorting equipment and the fitting-out of a new state-of-the-art sorting centre. In order to modernize its last-mile distribution network and to make it more energy efficient, around 25% of the project costs are linked to the acquisition of electrical delivery vehicles. More precisely, the project includes the acquisition of around 750 electrical vehicles, together with the charging infrastructure.

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.

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It represents the replacement of 1/3 of the current diesel fleet. Investment cost of around 8% of the total cost is dedicated to installing public charging infrastructure for electric vehicles at post offices, helping to remove one of the barriers to public uptake of electric vehicles, while improving air quality. Finally, the project includes the installation of solar panels. Around 3 140 sqm will be installed on 14 post office properties for a total green electricity production of 270 MWh per annum.

Around 34% of the project costs relate to Energy Efficiency investments, aiming at reducing the promoter's CO2 emissions.

Neither the IT activities nor the postal developments included in the project fall under any Annexes of the EIA Directive 2014/52/EU amending Directive 2011/92/EU. Moreover, the activities will be carried out in existing facilities already authorised that will not change their scope due to the project. The commissioning of new parcel sorting equipment will also be carried out in an existing facility already authorised, juxtaposed to the Dublin Parcel Handling centre (DPH).

Other Environmental and Social Aspects

The Promoter is subject to the Irish Government's policy of asking State Owned companies to achieve 33% energy efficiencies by 2020. The Promoter has in place an environmental management plan that defines a zero carbon footprint by 2050 and 50% reduction in its carbon footprint by 2030. Since 2008, it reduced already its footprint by 33% (13 400 tonnes of CO2). The project is a step further and is expected to reduce the footprint to an additional 1 500 tonnes of CO2 per year.

The Promoter is accredited for the ISO 50001 (Energy) and is in the process to obtain in 2019 the ISO 14001 (Environment).

The traditional postal business is in decline and is being impacted by technology. This has led to a long-term decline in the number of employees. A key strand of the new Promoter's corporate strategy is to stabilise medium term workforce numbers in sustainable jobs as the company develops its offering and automated traditional processes.

Conclusions and Recommendations

The project activities do not fall under Annexes I and II of the EU Directive 2014/52/EU amending the EIA Directive 2011/92/EU, and are therefore not subject to mandatory Environmental Impact Assessments. Moreover, the activities will be carried out in existing facilities already authorised that will not change their scope due to the project.

In addition, the project includes subcomponents that are directly related to the improvement of the promoter's Energy Efficiency, helping to reduce its CO2 footprint.

Considering the above, the project is acceptable for Bank financing in environmental and social terms.