

## **Environmental and Social Data Sheet**

### **Overview**

Project Name:	CARBERY GROUP INVESTMENT PROGRAMME
Project Number:	2018-0749
Country:	Ireland
Project Description:	Financing of a brownfield cheese diversification project
EIA required:	Yes
Project included in Carbon Footprint Exercise <sup>1</sup> :	Yes

### **Environmental and Social Assessment**

#### **Environmental Assessment**

The project consists in the financing of a cheese diversification project within the existing facilities of the promoter in Cork county, Ireland, which are currently dedicated to produce cheddar cheese. The project will add a third cheese making line in the existing facilities of the promoter in order to produce mozzarella cheese and in addition will allow a moderate increase in the capacity of the promoter to receive and treat milk. The project falls under Annex II of the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU. More specifically under Annex II Class 7 (c), that is, installations for manufacture of dairy products. While the daily milk throughput at the facility will not increase significantly with the new cheese unit, the proposed development, when operational, will have a capacity above the threshold established by the regulations, and therefore the application for planning permission for the proposed development required the preparation of an Environmental Impact Assessment Report (EIAR). The full EIAR was completed and submitted to the competent authority on 8 June 2018.

In preparing the EIAR, relevant regulations and guidelines were taken into account. This included consultations with Cork County Council, the Environmental Protection Agency and other relevant stakeholders. As part of the EIA work, an Appropriate Assessment was carried out to assess the potential of the proposed development to affect the integrity of the Natura 2000 Network. The Appropriate Assessment Screening Report was submitted together with the planning application and the EIAR. The report concluded that a Natura Impact Assessment was not required for the proposed development.

The Council of the County of Cork granted permission for construction (Planning Register No. 18/00324) on 10/09/2018 for the brownfield dairy plant.

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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 20,000 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, June 3 2019

## **EIB Carbon Footprint Exercise**

In accordance with the EU Emissions Directive 2003/87/EC the processing plant has received from the relevant authority a Greenhouse Gas Emissions Permit, which requires annual reporting of emissions. The Carbery site has a mixture of combustion sources which come under the combustion activity section of the Directive. The main source stream is natural gas supplied to the site for combustion in a gas turbine which can generate up to 5 MWhr of electricity and also for combustion in a CHP boiler as well as 5 onsite boilers. Back-up for the natural gas supply is from light fuel oil. There are two biomass streams used by Carbery, biogas and bioethanol, which combined, provide on average less than 10% of the energy requirements of the plant.

Based on the 2018 Annual Emissions Report, the promoter's estimated annual emissions reached 53.8 kT CO<sub>2</sub>e/year. Following the implementation of the proposed investments, the promoter expects an increase in capacity close to 25% within five years, if achieved, the emissions will reach 67.2 kT CO<sub>2</sub>e/year. Therefore, the relative (net) increase in emissions would reach 13.4 kT CO<sub>2</sub>e/year.

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.

## **Other Environmental and Social Aspects**

The promoter owns an off-site wastewater treatment plant (WWTP), located 1.5 km away from the main plant, where secondary treatment is provided. The WWTP also produces biogas that is fed into the boilers. The promoter was placed under review in 2017 by the EPA as a result of a temporary breach of its emissions licence. This arose from an incident in July 2017 due to the malfunction of a sludge decanter in the WWTP. This problem was compounded by power cuts caused by concurrent severe thunderstorm activity. Consequently, the discharge to the river was outside the quality limits set in their licence specification. This incident which was resolved by July 23rd 2017, caused the promoter to be placed on the EPA's National Priority Sites Listing. The promoter was removed from the list in January 2018 as a result of the prompt implementation of a series of remediation actions agreed with the EPA, including the installation of a second brand new sludge decanter and improvements in their procedures to react to similar events.

## **Social Assessment**

The promoter is compliant with BRC Global Standard, the Sedex Members Ethical Trade Audit (SMETA), and ISO 9001 for Quality Management. The project will secure existing jobs of the company and create 14 new FTE positions.

## **Public Consultation and Stakeholder Engagement**

The decision from the local competent authority was made available to the public in August 2018. No complaints were raised. There was an extensive consultation process during the first semester 2018 as part of the EIA preparation as foreseen in the methodology and guidance of EPA.

Luxembourg, June 3 2019

## Conclusions and Recommendations

The promoter has provided a copy of the operating permit from the environmental competent authority.

The operation as designed is acceptable for EIB financing in environmental and social terms.