

Public

Environmental and Social Data Sheet

Overview

Project Name: **GLASS MANUFACTURING LEBANON - INTERMEDIATED LOAN**
Project Number: 20180804
Country: Lebanon
Project Description: The project consists of a greenfield investment in a glass container manufacturing plant in the region of Taanayel-Bekaa.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

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

Environmental and Social Assessment

Environmental Assessment

The proposed project is a glass container factory in Taanayel - Bekaa Governorate, situated at approximately 40 km from the capital city of Beirut, Lebanon. The factory will produce bottles and jars intended for various glass-packaging purposes such as wine, beer and juice bottling in addition to jars for food packaging (e.g. olives, tomato sauce).

The project is designed, implemented and followed-up by a well-known European glass technology provider and the facility will be equipped with state-of-the-art technology in compliance with relevant EU regulations, i.e. compliance with the BAT ELV as laid down in the EU Directive 2010/75/EU on Industrial Emissions (integrated pollution prevention and control). The project will be located in an existing industrial zone and will not affect any area of special concern as designated under the EU Habitats Directive.

Equivalent investments in the EU would fall under Annex II of Directive 2014/52/EU amending Directive 2011/92/EU (EIA Directive). In Lebanon, Decree No. 8633/2012 sets out the rules regarding the environmental impact assessment (EIA) of public and private projects to avoid potential environmental impacts at construction, operating and decommissioning these projects. Under this Decree, glass manufacturing is listed in Annex 2: "List of projects that require an Initial Environmental Examination (IEE)". The IEE is used to screen whether a full EIA is needed or not – similar to the EU EIA procedure.

Based on the IEE report submitted by the promoter, the Ministry of Environment (MoE) – the competent authority in Lebanon for EIA – advised that this project did not require a full EIA

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

Luxembourg, 10 September 2019

study. The MoE evaluation of the IEE report concluded that the project is not likely to have a significant negative impact on the environment, on the condition that it adheres to the environmental management and monitoring plan requirements; the MoE will follow up the implementation of the environmental management and monitoring plan during construction, implementation and operation.

EIB Carbon Footprint Exercise

The carbon footprint of the new facility is estimated at about 42 000 tonnes CO₂ per year, with a fuel and emissions intensity of 8 GJ per tonne of saleable glass and 0.67 tonnes of CO₂ per tonne of saleable glass respectively.

The relative emissions for this project are negligible considering that currently all glass is imported mostly from Egypt and Syria.

This fuel and emission intensity are above the EU average of 6.4 GJ and 0.48 tonnes of CO₂ per tonne of saleable glass respectively due to the use of heavy fuel oil in Lebanon which is less efficient compared to the use of natural gas in EU glass production.

Lebanon currently does not have access to natural gas; gas exploitation is on its way and the Lebanese Ministry of Industry aims to start the gas pipeline development within 5 years. The factory can then easily switch to natural gas.

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

At the peak of the construction phase, 460 workers per year will be required. During operation, the project is expected to create ca. 162 direct jobs. Job opportunities include truck drivers, machine operators and helpers, inspection and cleaning staff, engineers and construction workers.

Conclusions and Recommendations

Considering the project's compliance with the EU environmental (i.e. compliance with EIA, Habitat and BAT principles) and social standards, and the direct and indirect jobs created, this project is acceptable for EIB financing in terms of environmental and social aspects.