

Luxembourg, 24.07.2024

Environmental and Social Data Sheet

Overview

Project Name:	NOKIAN TYRES SUSTAINABLE MANUFACTURING ROMANIA		
Project Number:	2024-0053		
Country:	ROMANIA		
Project Description:	The Project concerns the Promoter's investments in the construction and ramp-up of a manufacturing facility deploying advanced manufacturing technologies to produce passenger car tyres. The investments will be carried out in Romania over the period between 2023 and 2027.		
EIA required:	no		
Project included in Carbon Footprint Exercise ¹ :	yes		

Environmental and Social Assessment

Environmental Assessment

The Project's activities are listed in the Annex II of the Environmental Impact Assessment (EIA) Directive 2011/92/EU amended by the Directive 2014/52/EU under Point 9: "RUBBER INDUSTRY/Manufacture and treatment of elastomer-based products". The EU Directive is captured by the Romanian legislation. The Project has been screened-out for the EIA directive and the building permit has been granted.

The Project is aligned with the Climate Bank Roadmap and, as such, with the principles outlined in the Paris Agreement. In particular, the Project is part of the supported activities listed in Annex 2 of the CBR (Table B: Industry) corresponding to Manufacturing in Energy-Intensive Industries (EII) sector based on low-carbon technologies.

The Project contributes in full to the Bank's Climate Action and Environmental Sustainability CA&ES as it concerns a highly efficient or low-carbon greenfield manufacturing facilities and the technology to be implemented is widely recognised in the sector's decarbonisation roadmap. Moreover, The Promoter has committed to close agreements with the local utility supplier to source electricity that is produced 100% with renewable sources so to make the new factory a zero-emission production facility.

EIB Carbon Footprint Exercise

The annual emissions of Project in a standard year of operation after ramp-up is estimated in 59.6 kT CO₂e/year. The boundary of the calculation is the current factory at the maximum capacity; the calculation assumes that all electricity is sourced from the grid, thus using the Romanian grid factor, which captures the country electricity generation mix, the emissions based on.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB 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.



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The relative emissions amount to 13.5 kT CO₂e/year. The baseline used for the calculation assumes that an equivalent number of tyres were to be produced in a recently sold factory of the Promoter, the production capacity of which will be partly guaranteed by the financed Project, that was equipped with gas boilers instead of electric boilers like the ones foreseen in the Project.

The Project's emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of Project cost.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty NOKIAN TYRES is in scope and screened out for PATH considering that the manufacturing of rubber tyres and tubes is not classified as a high emitting sector and the climate risk score is below three.

Other Environmental and Social Aspects

Environment and Health & Safety aspects are embedded into the Promoter's management procedures; the Promoter's operations are based on and fulfil the requirements of standards ISO9001, IATF16949, ISO14001, ISO45001 and ISO17025, as well as those of customers and authorities. The same standards will be extended to the new facility. In addition, the Promoter is committed to UN Global Compact principles.

Conclusions and Recommendations

In the light of the above, the Project is acceptable for Bank financing in environmental and social terms.