

# ENVIRONMENTAL DUE DILIGENCE (EDD)

## CAPABILITY DOCUMENT



### Common Misconceptions about Environmental Due Diligence

#### No need to carry it out.

*Reality: Without EDD, clients can be exposed to a costly clean up job.*

#### It's an expensive process.

*Reality: depending on the complexity, an EDD will cost from €2,500 to €20,000 (relatively inexpensive in the context of an overall project)*

#### It can delay the project.

*Reality: not if it's started with enough lead time. It typically takes two weeks to a month to conduct an EDD and it can be done alongside other property due diligence work. EDD can speed up the process by identifying issues early so that they can be resolved.*

#### Can be done at the end of the Purchasing Process.

*Reality: it is critical to complete EDD at an early stage so that potential issues are identified and understood.*

### IMPORTANCE OF EDD BEFORE BUYING OR SELLING A PROPERTY

The risk of having the profit on a property transaction eaten up by environmental liabilities such as unforeseen clean-up costs – is exactly the kind of gamble taken when environmental due diligence (EDD) is disregarded or left too late.

Although contaminated land evaluation is typically the main purpose of EDD in Ireland, a comprehensive approach to EDD should also include a thorough assessment of many environmental aspects with associated liability concerns e.g. the operational practices of the current and historical site occupiers, the presence of asbestos in buildings, the condition of buildings, regulatory compliance with licence/permit or planning conditions, radon gas, invasive species and impact from neighbouring sites.

*"A buyer needs a hundred eyes but a seller not one".*

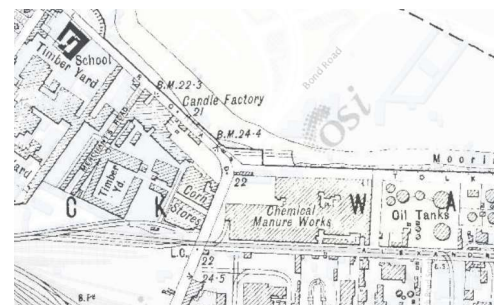
*George Herbert, 17<sup>th</sup> Century Poet and Orator*

*"Without EDD, you could end up with a lot of undue expense".*

*Caveat Emptor*

Environmental liabilities may remain unknown for years. For example, it had been common practice for commercial and industrial operations to bury or burn waste on-site, including hazardous waste, leading to associated soil and groundwater contamination. EDD evaluates potential environmental liabilities and provides confidence to investors who must take these issues into account when evaluating the worth of a property. Investors must price the risk of clean-up costs into their purchase price - liabilities which can result in remediation costs ranging from €10k to over €1m, transaction delays and in some cases the collapse of the deal.

EDD can provide an important input to negotiating transaction terms. It may also present the opportunity to walk away from the deal, knowing that you don't want this liability – that you're not willing to carry the can for historical contamination to the site or to assume responsibility for subsequent cleanup costs.



## OUR CLIENTS INCLUDE



## OUR EXPERTISE & APPROACH

Verde will provide you with independent and impartial expertise and give a clear understanding of the risks and potential impact of issues raised in the EDD exercise. Our tailored advice provided by an experienced and dedicated team of environmental experts is commercially focused, clearly communicated, delivered on time and backed with appropriate levels of professional indemnity cover.



Verde offer a nationwide EDD service that will assist you to:

- Understand the broad framework of potential environmental liability imposed by environmental regulations.
- Manage contaminated property transactions, including brownfield redevelopment projects.
- Successfully negotiate the scopes of work and completion of Phase I and Phase II environmental site assessments.
- Mitigate liability risks by creating an environmental risk management plan that considers environmental insurance, indemnification contracts, and compliance auditing.
- Anticipate remediation requirements and associated costs.

## OUR PEOPLE



**Kevin Cleary, Operations Director** - Chartered Environmentalist and Professional Geologist, with over 20 years' experience advising clients on environmental due diligence. Kevin has built his reputation on providing quality management at all stages of project execution and takes pride in effective project management to meet budgetary and time constraints.



**Malcolm Dowling, Principal Environmental Consultant** - has significant environmental project management experience gained over 18 years. In particular, he has extensive experience in waste management, site assessment and auditing, environmental compliance management, and environmental legislation.

## OUR ACCREDITATION

Quality, Health & Safety and Environmental performance are cornerstones of our business.

We maintain our accreditation to ISO Management Systems Standards and are continually looking to improve our performance.

We also hold memberships and affiliations with relevant industry and professional bodies.



For further information, please visit us at [www.verde.ie](http://www.verde.ie) or email [kevin.cleary@verde.ie](mailto:kevin.cleary@verde.ie)

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