Initial Project Summary

Project Location: Benin City, Nigeria

Name of Applicant: Azura Power West Africa Limited

Name of the Project: Azura Edo IPP

Project Description: The Project involves the construction and operation of a 450 Mega Watt (MW) electric power plant which will be located near Benin City, Edo State, Nigeria and under the jurisdiction of Uhunmwode Local Government Area Council. The project consists of three combustion turbines in open cycle mode, a short transmission line of approximately 1 kilometer in length connecting the power plant to the adjacent Benin North Substation, and a short gas pipeline spur (1 km in length) connecting the power plant to the Escravos Lagos Pipeline System. The main fuel for the Project will be natural gas; however, the plant will use light distillate oil for start-up. The Project site is adjacent to the Ihovbor Power Plant which is under construction by the National Integrated Power Project (NIPP).

Environment and Social Categorization and Rationale: The Project has been reviewed against OPIC’s categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because projected greenhouse gas emissions exceed 100,000 tons of carbon dioxide equivalent (CO$_{2eq}$) annually. The primary environmental and social issues associated with the thermal power plant are: air emissions and ambient air quality impacts; water usage and surface water quality impacts from the discharge of wastewaters; waste disposal; occupational, health and safety during both construction and operations; life and fire safety; influx of construction workers; noise; traffic impacts both during construction and operations of the power plant; compensation of affected communities; and protection of biodiversity and cultural properties.

Environmental and Social Standards: International Finance Corporation’s (IFC) Performance Standards (January 2012) 1 (Assessment and Management of Environmental and Social Risks and Impacts), 2 (Labor and Working Conditions), 3 (Resource Efficiency and Pollution Prevention), 4 (Community Health, Safety, and Security), 5 (Land Acquisition and Involuntary Resettlement), 6 (Biodiversity Conservation and Sustainable Management of Natural Resources), and 8 (Cultural Heritage) are applicable to the Project. The Project does not involve impacts on Indigenous Peoples, as defined by the IFC; the ethnic groups in the immediate vicinity of the Project site share a common ancestry, the Edo language, and socio-economic practices. Therefore, P.S. 7 is not triggered by this Project at this time. Environmental Guidelines applicable to the Project include the IFC’s Environmental, Health and Safety General Guidelines (April 2007), IFC’s Environmental, Health, and Safety Guidelines for Electric Power Transmission and Distribution (April 30, 2007) and the IFC’s Environmental Health, and Safety Guidelines for Thermal Power Plants (December 19, 2008).