

Initial Project Summary

Project Location: Temane/Mangugumete, Inhassoro District, Inhambane Province, Mozambique

Name of Applicant: Mozambique Power Invest, S.A. (MPI), in a joint development agreement with Sasol New Energy Holdings (Pty)Ltd (SNE) (together “CTT Sponsor”). MPI’s major shareholders include Electricidade de Moçambique (EDM, the Mozambican state-owned national power utility) and Temane Energy Consortium (Pty) Ltd (TEC). TEC is a joint venture (JV) of Globeleq and EleQtra.

Name of Project: Central Térmica de Temane Project

Project Description: The Project involves the construction and operation of a 420 MW natural gas power plant (Combined Cycle Gas Turbine) situated approximately 500 m south of the existing natural gas Central Processing Facility (CPF) of the Sasol Petroleum Mozambique Limitada (SPM) and Empresa Nacional De Hidrocarbonetos E. P. (ENH) Temane and Inhassoro gas fields. The Project involves the construction of a 1.6 km gas pipeline to connect the power plant to a new Liquid Petroleum Gas (LPG) plant to be developed by the gas supplier under its existing field development plan. The Project involves the construction of a 25 km 400 kV electrical transmission line to connect the power plant to a new Vilanculos substation being developed as part of the ~563 km 400 kV Temane Transmission Project (TTP) connecting Vilanculos to Maputo. The TTP will be implemented by Sociedade Nacional de Transporte de Energia (SNTE), a wholly-owned subsidiary of EDM and supported by multiple development finance institutions including a World Bank International Development Association (IDA) loan. The Project involves transshipment of power plant equipment to the Port of Beira where it will be barged to a temporary jetty at SETA or Maritima and transported by vehicles on N241 road from Inhassoro to the EN1 national highway. The Project involves bridge reinforcement across the Govuro River and a new paved access road into the Project site at Temane.

Environmental 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 Project are: air emissions (especially nitrogen oxides, sulfur oxides, and particulate matter) and ambient air quality impacts; water usage and surface water quality impacts from the discharge of wastewaters; waste disposal; process safety hazards associated with the handling of natural gas and other petroleum (inflammable) products, occupational, health and safety during both construction and operations; life and fire safety; biodiversity; influx of construction workers; noise; and traffic impacts both during construction and operation of the power plant.

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), and 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources) are triggered by the Project. The Project does not involve any involuntary resettlement or impacts on Indigenous Peoples, or cultural heritage as defined by the IFC. Therefore, Performance Standards (P.S.) 5, 7, and 8 are not triggered by this Project at this time. Guidelines applicable to the Project include the IFC’s Environmental, Health, and Safety (EHS) 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).

Location of Local Access to Project Information

Address: Ave Zedequias Manganhela No 267, Predio JAT, Maputo, Mozambique

Telephone: Telephone: +258 84 464 6853

Point of Contact: Pedro Nguelume, EDM