

Initial Project Summary

Project Location: Afungi Peninsula, Mozambique

Name of Applicant: Mozambique Rovuma Venture S.p.A.

Project Description: Rovuma LNG Project

The Project involves the Area 4 Exploration and Production Concession, located in the Rovuma Basin of Northern Mozambique, and is designed to gather, process and export (in liquefied form) natural gas. The Concession, which will be operated by Mozambique Rovuma Venture S.p.A., extends 50 km offshore and involves the initial extraction of up to 12 trillion cubic feet of dry natural gas and ultimate production of approximately 50 million tons per annum (MTPA) of liquefied natural gas (LNG). The upstream portion of the Project consists of 24 wells, subsea intra-field gathering system, export sea line system and subsea network control system from onshore via umbilical. The midstream portion of the Project involves the construction of two onshore liquefaction trains with a nameplate capacity of 2 x 7.6 MTPA; two, 200,000 m³ LNG storage tanks; and two, 45,000 m³ condensate tanks will be constructed to support production from the two trains. The Rovuma LNG liquefaction facility (midstream) will be located on the Afungi Peninsula on the southern shores of Palma Bay close to the town of Palma.

Other areas of the Rovuma Basin are being developed by the Area 1 Exploration and Production Concession (Area 1), which is operated by Anadarko Moçambique Area 1 Limitada. The Project and the Area 1 operator will separately construct and operate their own respective onshore LNG liquefaction and offshore extraction facilities. The two operators will cooperatively develop, construct and operate a marine offloading facility and an export jetty. The marine off-loading facility will include a pioneer dock and service harbor to accommodate the import of construction materials for the Project and Area 1. The two operators are also cooperating in the implementation of the Resettlement Plan (June 9, 2016), which addresses the policies, principles, procedures, roles and responsibilities for managing physical resettlement impacts and economic displacement impacts associated with the development of LNG facilities on the Afungi Peninsula.

The Project's environmental and social impacts were originally assessed in the "Environmental Impact Assessment Report for the Liquefied Natural Gas Project in Cabo Delgado" (February 24, 2014). Since the completion of the EIA both project proponents and scopes have changed from the early definition, resulting in the need for additional environmental and social studies. An overview of the changes and studies, either undertaken, in progress or planned, is provided in the "Supplemental Lender Information Package – Rovuma LNG Project."

Environmental and Social Categorization and Rationale: The Project has been screened as Category A because it has the potential for significant, adverse environmental and social impacts on the offshore and near shore marine environment and the onshore area surrounding the LNG Plant.

Key offshore environmental impacts include impacts on the marine environment due to the discharge of drill cuttings, residual muds, and hydro-test water; increased marine traffic; and habitat modification.

Key near shore environmental impacts include dredging; increased noise, introduction of alien invasive species; waste discharges; and loss of estuary and associated mangroves. The establishment of a security (exclusion) zone around the LNG facility and associated near shore infrastructure will impact artisanal fishermen, international maritime traffic and national and regional marine traffic.

Key onshore environmental impacts include impacts due to air emissions and noise; impacts to the visual landscape; and impacts on soils, surface water, groundwater, vegetation, reptiles, amphibians, birds and mammals. The Project has the potential to emit approximately 2.4 million tons of CO_{2e}/year.

Key onshore social impacts include impacts due to physical and economic displacement; impacts on tourism; impacts due to in-migration; impacts on community health; impacts on archaeology and other cultural heritage; and potential impacts related to regional security concerns.

Environmental and Social Standards: International Finance Corporation's (IFC) Performance Standards (April 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 Living Natural Resources), and 8 (Cultural Heritage) are applicable.

No indigenous peoples have been identified at or near the Project sites. Therefore, Performance Standard (PS) 7 (Indigenous Peoples) is not triggered by the Project at this time.

IFC's Guidelines applicable to the Project include: General Environmental, Health, and Safety (EHS) (2007); Liquefied Natural Gas Production (2017) Guidelines; Offshore Oil and Gas Development (2015); Ports and Harbor Development (2017); and Thermal Power Plants (2008).

Location of Local Access to Project Information: A copy of the Environmental and Social Impact Assessment (ESIA) and Resettlement Plan package may be found at the following locations:

ExxonMobil Moçambique, Limitada
Bairro Sommershield, Avenida Julius Nyerere
Nº 3412, R/C - Caixa Postal 1133
Maputo, Moçambique

ExxonMobil

c/- Kaia Village Hotel

Address: Mahate Estrada Koba, Terreno 308, Pemba 3203, Mozambique

Phone: +258 87 881 5277

Palma District Government Office:

Governo do Distrito de Palma

Rua da Praça da Independência

Palma