

Initial Project Summary

Project Location: Onive River, 100 km southeast of Antananarivo, Madagascar

Name of Applicant: Nouvelle Energie Hydroelectrique de l'Onive (NEHO)

Name of Project: Sahofika Hydropower Project

Project Description: The Project involves the construction and operation of a 192 MW hydropower facility on the Onive River. The Project's main components will include a 57 m high concrete dam with 396 m crest length and a 35 m high embankment saddle dam, with a 230 m crest length forming a 124 million m³ storage reservoir. The proposed design includes a 4 km long intake headrace tunnel and approximately 2 km penstocks. The powerhouse will be equipped with 6 vertical axis Pelton turbines under approximately 700 m of head, which will produce an estimated 1670 GWh annually. The Project also includes rehabilitation and construction of approximately 110 km of access roads and construction of a 74 km 220kV transmission line.

Environmental and Social Categorization and Rationale: The Project has been reviewed against DFC's categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because the Project may result in significant adverse environmental and social impacts that are diverse and irreversible. The major environmental and social concerns related to the Project include: the potential for impacts on local fauna; resettlement and livelihood restoration; worker health and safety; alteration of surface and ground water quality and flows; downstream effects on the river channel; waste disposal; security management; appropriate stakeholder engagement to ensure broad community support; and cumulative impacts related to worker influx and new access roads in close proximity to important biodiversity areas.

Environmental and Social Standards: OPIC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following International Finance Corporation (IFC) 2012 Performance Standards: PS 1: Assessment and Management of Environmental and Social Risks and Impacts; PS 2: Labor and Working Conditions; PS 3: Resource Efficiency and Pollution Prevention; PS 4: Community Health, Safety, PS 5: Land Acquisition and Involuntary Resettlement, and Security; PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources and PS 8: Cultural Heritage. PS 7: Indigenous People is not triggered by the Project at this time. Applicable provisions of the IFC's Environmental, Health and Safety (EHS) General Guidelines (2007), the IFC's EHS Guidelines for Electric Power Transmission and Distribution (2007), IFC's Good Practice Note: EHS Approaches for Hydropower Projects (2018), World Bank Group Good Practice Handbook: Environmental Flows for Hydropower Projects (2018), and the IFC/EBRD Workers' Accommodation Processes and Standards (2009) also apply to the Project.

Location of Local Access to Project Information

Address: Bâtiment C1, Business Park, Antananarivo 101, Madagascar

Telephone: (+261) 020 22 207 58

Point of Contact: Mr. Didier Payerne / Ms. Aro Ratovonomenjanahary

Email: didier.payerne@eiffage.com