

## **Initial Project Summary – Pakistan GasPort Private Limited**

Project Location: Port Qasim, Karachi, Pakistan

Name of US Applicant: Walters Power International, LLC

Project Description: The Project involves construction of a liquefied natural gas (LNG) terminal for the re-gasification of LNG and supply to the local markets in Pakistan. The Project will build a jetty in the existing Port Qasim area for permanently mooring a Floating Storage and Re-gasification Unit (FSRU) vessel. The vessel, an existing LNG tanker, will be retrofitted with equipment to re-gasify the LNG stored in onboard tanks. Re-gasified LNG will flow from the FSRU to the shore via a 4.5 km subsea pipeline, which will interconnect with Pakistan's existing gas pipeline transmission system. The FSRU will receive LNG from ocean going transport tankers. The Project will supply 400 million standard cubic feet per day on average of LNG to Pakistani gas consumers, primarily in the electric power generation sector. The Project will also have a 12 MW thermal power plant which will be used to supply un-interrupted power supply to the FSRU and LNG terminal.

Environmental and Social Categorization and Rationale: The Project has been screened as Category A because it requires a major industrial complex that has the potential to impact local infrastructure and the potential for accidental releases of methane. The major environmental and social risks associated with the project include the potential for methane and nitrogen oxides (from power generation unit) releases to impact beyond the project boundary, adverse impacts on habitats and surface water quality during dredging, economic impacts on the fishing community, occupational health and safety risks associated with the handling of hazardous materials (including methane), and potential risks to community health and safety.

Environmental and Social Standards: International Finance Corporation's (IFC) Performance Standards (April 2006) 1 (Social and Environmental Assessment and Management Systems), 2 (Labor and Working Conditions), 3 (Pollution Prevention and Abatement), 4 (Community Health, Safety and Security), 5 (Land Acquisition and Involuntary Resettlement) and 6 (Biodiversity Conservation and Sustainable Natural Resource Management) are triggered. Based on the information currently available, the project will not acquire land as the site will be leased from Port Qasim Authority and no indigenous people and cultural heritage sites have been identified near the Project site. Hence, IFC's Performance Standard (PS) 7 (Indigenous Peoples) and PS 8 (Cultural Heritage) are not triggered. However, the Project may have some adverse economic impacts on the nearby fishing community.

Environmental Guidelines applicable to the Project include: International Finance Corporation's (IFC) General Environmental, Health, and Safety (EHS) Guidelines (April 2007) and IFC's EHS Guidelines for Ports, Harbors, and Terminals (2007) and EHS Guidelines for Liquefied Natural Gas (LNG) Facilities (2007).

June 16, 2011

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

Associated House  
65, Old Clifton, Karachi, Pakistan 75600  
Ph: (021) 586.7145

and

Liaqat National Memorial Library  
Culture Department  
Government of Sindh  
Stadium Road  
Karachi, Pakistan

Ph: +92-21-99230116