

Initial Project Summary

Project Location: Terminal 1 of the Açu Port Complex, State of Rio de Janeiro, Brazil

Name of Applicant: Açu Petróleo S.A.

Name of Project: T-Oil

Project Description: The proposed Project consists of two main activities:

1. Supporting the ship-to-ship (STS) transfer of crude oil at three berths at the offshore Terminal 1 (T1) of the Açu Port Complex. The Project is currently licensed to transfer 61.3 million tons of crude oil per year – equal to an average of 1.2 million barrels per day (bpd). However, the maximum capacity of the Project infrastructure at T1 is 1.6 million bpd¹.
2. Dredging the existing T1 turning basin and berth area from their current dredged depth of 20.5 meters down to 25 meters. Additionally, the existing T1 maritime access channel will be widened from 230 m to 280 m, extended from 13.2 km to 19.3 km, and dredged from its current depth of 20.5 meters down to 25 meters.

The existing access bridge and maritime access to T1 were constructed and dredged as part of an iron ore terminal (“T-Ore”) that has been operational since October, 2014, and is located adjacent to T-Oil. The Project will share this access bridge and dredged maritime access area with T-Ore throughout the duration of the Project. The additional T1 infrastructure needed to support the STS operations (i.e., the breakwater, civil works, and electromechanical works) is expected to be installed and commissioned prior to OPIC investment, and STS operations are expected to begin in mid-2016 with smaller ships (e.g., Suezmax size) capable of accessing the current depth of the existing T1 access channel (20.5 meters). Therefore, STS operations will occur prior to (and simultaneously with) the deepening dredging, which will eventually allow larger ships (e.g., Very Large Crude Carriers – “VLCCs”) to access the T-Oil berths at T1. The dredged area is approximately 734 hectares, and approximately 37.5 million m³ of material is expected to be dredged using trailing suction hopper dredgers. The dredged material will be disposed of at sea, in an area 3.59 km by 14.58 km approximately 25 km southeast of T1.

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 it is likely to have significant adverse environmental and social impacts that are irreversible, sensitive, diverse, and/or unprecedented. The primary environmental and social issues include aquatic impacts on water quality and fauna from the deepening dredging activities and emergency preparedness and response relating to potential oil spills and fires/explosions during STS activities.

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:

¹ It is possible that, on a given day, the Project will transfer more than 1.2 million bpd, but the annual capacity was approved by the environmental agency and is established in the Project’s environmental license.

- 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, and Security; and
- PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

Project land was acquired at market rates from willing sellers, and no Indigenous Peoples or cultural heritage were identified in the ESIA, therefore, PS 5, PS 7, and PS 8 are not triggered at this time.

In addition to the Performance Standards listed above, the following IFC Environmental, Health and Safety (EHS) Guidelines are applicable to this project:

- IFC EHS General Guidelines (April 30, 2007);
- IFC EHS Guidelines for Offshore Oil and Gas Development (June 5, 2015);
- IFC EHS Guidelines for Crude Oil and Petroleum Product Terminals (April 30, 2007); and
- IFC EHS Guidelines for Ports, Harbors, and Terminals (April 30, 2007).

Location of Local Access to Project Information: Hard copies of the ESIA will be available at the offices of PRUMO Logística S.A. (the parent company of Açu Petróleo S.A.) in Rio de Janeiro and in São João da Barra at the following addresses:

Rio de Janeiro:

PRUMO Logística S.A.
Rua do Russel, 804, 5º andar
Rio de Janeiro / RJ
Brasil, CEP: 22.210-010

São João da Barra:

PRUMO Logística S.A.
Fazenda Saco D'antas, S/N
São João da Barra / RJ
Brasil, CEP: 28.200-000