

## **APPENDICES**

**With the Advisory Review of the Environmental  
Impact Assessment (EIA) for the Chongoene Export  
Facility, Chibuto, Gaza Province**

**- Mozambique -**

**(appendices 1 to 3)**

## APPENDIX 1

**Letter from Mr. Lote Simone Maueia on behalf of the Ministry for the Co-ordination of Environmental Affairs in Mozambique (MICOA) dated 31 March 2004, requesting the Netherlands Commission for EIA to review the EIA for the Chonguene Export Facility (CEF) in Chibuto, Gaza Province, Mozambique**



REPÚBLICA DE MOÇAMBIQUE

**MINISTÉRIO PARA A COORDENAÇÃO DA ACÇÃO AMBIENTAL  
DIRECÇÃO NACIONAL DE AVALIAÇÃO DO IMPACTO AMBIENTAL  
DEPARTAMENTO DE AVALIAÇÃO DO IMPACTO AMBIENTAL**

To:  
Netherland EIA Commission (NCEIA)  
Att: Mr. Reinould Post  
**Netherlands**

Sua referência Sua comunicação

Nossa referência Data: 31-03-04

Nº 224/DNAIA/DAIA/04

Assunto: Projecto "Porto de Chonguene - Corridor Sands"

Exmo. Sr.

Serve a presente para enviar à V.Excia, os volumes 1, 2, 3 e 4 do Relatório de Estudo do Impacto Ambiental do projecto em epígrafe para análise e emissão de parecer em cumprimento do preconizado pelo Artigo 3, alínea d) do Regulamento sobre o Processo de Avaliação do Impacto Ambiental nº 76/98.

Agradecemos que o parecer nos fosse enviado até ao dia 25/04/04, para o cumprimento dos prazos estabelecidos no Regulamento acima citado.

Com os melhores cumprimentos.



C.C. Exma. Sra. Directora Nacional

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## **APPENDIX 2**

### **Project information:**

On 16 September 2002 the Ministry for Co-ordination of Environmental Affairs of Mozambique (MICOA) environmentally licensed the establishment and operation of a heavy mineral sands mining activity in Chibuto in the Gaza province of Mozambique. The activity includes the establishment of a high-voltage power connection, the realisation of a rail link to Matola harbour and the establishment of a bulk cargo facility at the Matola harbour. The proponent of the activity is Corridor Sands Limited (CSL), a Maputo (Mozambique) based 100 % WMC Resources Limited (Australia) owned mining company.

The proposed mining activity includes in the first phase the establishment of three smelter furnaces. Production is scheduled to start in 2007. Production forecasts foresee export of 375,000 tonnes of Titanium slag, 195,000 tonnes of high purity Iron (in pigs), 30,000 tonnes of Zircon and 12,000 tonnes of Rutile per annum from 2007 to 2010. In the second phase, it is planned that the number of furnaces will increase to 10 and annual export will increase to 1,000,000 tonnes of Titanium slag, 520,000 tonnes of high purity Iron, 110,000 tonnes of Zircon and 32,500 tonnes of Rutile in 2019. In addition, up to 200,000 tonnes of Anthracite will be imported per annum as well as diesel fuel.

As an alternative and preferred option for export of the products, Corridor Sands Limited now proposed the realisation of a private Alternative Export Facility (AEF), later renamed Chongoene Export Facility (CEF) composed of:

- A 65 km long private haul road from the smelter at Chibuto to Chongoene beach
- A private bulk cargo facility (Materials Handling and Storage Facility) behind the frontal dunes at Chongoene beach and
- A trellis structured dedicated jetty, built perpendicular to the coast line, which would be 1,2 km long and approximately 20 meters above mean sea level.

Corridor Sands Limited is in favour of the CEF which, as it indicates, would:

1. generate substantive savings in capital expenditure and operational costs of transporting and exporting its products and required inputs;
2. facilitate further expansion and minimise risks of down-time;
3. enhance the company's control of the operations (letter to MICOA of 16 January, 2003).

### **Categories:**

DAC/CRS codes: 21010 transport policy and administrative management; 21020 Road transport; 21030 Rail transport; 21040 Water transport; and 21061 Storage.

### **Project numbers:**

the Netherlands Commission for EIA: 051

**Procedural information:**

Request from MICOA	: 8 October 2002
Visit to Mozambique	: 5 – 11 February 2003
Visit to Mozambique	: 6-10 October 2003
Draft advisory review of the draft SEA submitted	: 14 November 2003
Draft advisory review of the final SEA submitted	: 14 July 2004
Draft advisory review of the EIA for CEF submitted:	16 July 2004
Advisory review of the final SEA submitted	: 17 September 2004
Advisory review of the EIA submitted	: 20 September 2004

**Significant details:**

In February 2002, MICOA makes it clear to the NCEIA that both the rail link option and the alternative transport options are open. The NCEIA has the opinion that considerations and choices of a strategic nature, based on forecasts for economic development of the southern Mozambican region and sound national economic analyses should underlie and substantiate the choices between the transport options. Hence, the NCEIA suggests addressing the issue in a two-step approach. The first step would be a strategic environmental assessment (SEA), to facilitate making the fundamental choice between both transport options. This step will also help in defining the optimum corridor for the transport option from a national development and environmental policy point of view. The second step is implementing EIA at project level to support decision-making on the selected transport option's detailed routing, design, and environmental (biophysical, social and economic) management aspects. If the decision is to develop the rail link as already licensed, no second step will be needed (see also appendix 4, 0302).

MICOA has decided to take both steps simultaneously: going through a process of SEA with all relevant stakeholders and, at the same time, allowing WMC to prepare a comparative EIA study for the 'rail link' option and the 'alternative export facility'. As the SEA process might lead to a decision that could pre-empt the 'alternative export facility', MICOA informed WMC that it prepared this EIA study at its own risk. The EIA study is due in February 2004. In October 2003, MICOA has requested the Commission to review the draft of the SEA study. The NCEIA reviewed the SEA process on transparency and participation and the draft SEA on contents. The NCEIA concluded that the process had been transparent and participatory, although a stronger coordination with and participation by decision-makers would have strengthened the process. The SEA report did not include the substantive background studies, which would have given the SEA the required credibility. Notably, the NCEIA indicated that financial and economic background studies -for the options that the SEA proposes for the short term- should have been included in the study. The SEA did contain a sector by sector scan for environmental due diligence requirements. The NCEIA reviewed this scan and as a result formulated their recommendation. On 7 June 2004 the NCEIA received the final SEA, which included the comments of stakeholders but did not include the financial and economic background studies.

On 14 April 2004 the NCEIA received the EIA for the Chongoene Export Facility. Review made clear that CSL prepared this EIA for an export facility with a capacity of 500,000 tonnes per year only and that it designed the facility for exclusive use by CSL. Reviewing the EIA, the NCEIA concludes that the in-

formation in the EIA is based on conceptual design. It judges the level of detail in the EIA sufficient for deciding on whether in the Mozambican context the Jetty option can be safely operated, whether the dedicated haul road option or the railway option should be further pursued and whether, if the jetty option is feasible, diesel should be imported through that jetty or through Matola harbour.

That being concluded, the NCEIA recommends that, before giving the go-ahead for further developing the jetty option, additional information on safety, on risk assessment, on oil spills and oil spill response should be provided in the EIA. In addition, the NCEIA recommends that, before choosing between the road and rail option, detailed and thorough information allowing for correct comparison of the road and rail alternative should be given in the EIA.

The NCEIA judges the level of detail of the information contained in the EIA insufficient as basis for granting an environmental license for the CEF. In its advisory review, the NCEIA therefore recommends that a second and a third tier EIA should be done for detailed design and for operation of the facility respectively. The NCEIA formulates recommendations for the second tier EIA.

**Composition of the working group of the Commission for EIA:**

Mr. K.J. Beek (chairperson)  
Mr. G. de Jong  
Mr. J. Bradshaw  
Ms. B. Walmsley

**MICOA EIA review team:**

Mr. Lote Simione (chairperson)  
Mr. Domingos Gove  
Mr. Wilson Jaime  
Ms. Marília Bene  
Ms. Berta Olga  
Mr. João Mateus Alberto

**Technical secretary:**

Mr. R.A.M. Post

## **APPENDIX 3**

### **List of Abbreviations**

AEF	Alternative Export Facility
CEF	Chonguene Export Facility
CFM	railways and ports company
CLOF	Chonguene Load Out (Offloading) Facility
CO	Carbon Monoxide
CONDES	National Council for Sustainable Development in Mozambique
CSL	Corridor Sands Limited
DHR	Dedicated Haul Road
DWT	Dead Weight Tonnes
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
HC	Hydrocarbons
HIV	Human Immunodeficiency Virus
IMO	International Maritime Organisation
MHSF	Materials Handling and Storage Facility
MICOA	Ministry for the Co-ordination of Environmental Affairs in Mozambique
NOx	Nitrogen Oxides
PM	Particulate Matter
SAFMAR	Maritime Administration & Safety Authority
SEA	Strategic Environmental Assessment
SO <sub>2</sub>	Sulphur Dioxide
ToR	Terms of Reference
tpa	tonnes per annum
WMC	Western Mining Company Resources Limited (Australian based Mining Company)