

PUBLIC PROJECT SUMMARY

Screening: This Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. The Project has been screened as Category A because its greenhouse gas emissions exceed 100,000 tons of CO_{2eq} per year.

Applicable 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 Performance Standards:

- PS1: Social and Environmental Assessment and Management Systems.
- PS2: Labor and Working Conditions.
- PS3: Pollution Prevention and Abatement.
- PS4: Community Health, Safety and Security
- PS 6: Biodiversity Conservation and Sustainable Natural Resource Management
- PS 8: Cultural Heritage.

The Project site is leased from the Ministry of Finance/Department of Lands and Survey, therefore, no new land acquisition is required for the Project. No resettlement is necessary and there are no known impacts on Indigenous Peoples. Therefore, P.S.'s 5, 7 are not triggered at this time.

Consistent with the requirements of PS 3 (Pollution Prevention and Abatement) the project is required to meet applicable provisions of the 2007 IFC General Environmental Health and Safety Guidelines and the 2998 IFC Environmental, Health and Safety Guidelines for thermal power plants.

Although field studies and survey of relevant literature indicate that there are no significant cultural or historic assets or sites in the area of influence of the project, as part of construction environmental and social management plan, a Chance Find Procedure aligned with the requirements of PS 8 (Cultural Heritage) will be developed.

Environmental and Social Risks: The major environmental and social issues associated with the Project are related to air quality, noise, biological or ecological issues associated with disturbance to the site, water supply or water discharge, and the need for appropriate occupational health and safety measures to assure worker safety during construction and operation of the Project. Additionally, the facility will be located close to the Village of Al-Manakher and mitigation of impacts to nearby residences is an important consideration.

The plant will primarily run on heavy fuel oil, but is capable of also operating on diesel fuel or natural gas. Air emissions will be controlled using the appropriate technology for controlling nitrogen oxides and low sulfur oil (less than 1%). Additionally, space has been left on site for the installation of additional sulfur control equipment (Flue Gas Desulfurization) should sulfur emissions be problematic once the facility is operating. Low ash content fuel (less than .08 percent) will be used to control particulate emissions. Greenhouse gas emissions will vary

depending on the fuel used and the operating hours the facility. Operating hours are uncertain as the power plant is planned to be run only to supply power during peak hours of electrical use. Estimating conservatively, the CO_{2eq} emissions are likely to be between 300,000 (operating at 20% load) and 600,000 (operating at 40% load) tons annually.

Modeling indicates that noise emissions from the proposed power plant alone are within the recommended IFC guideline values; however, cumulative noise emissions may exceed the guidelines at some receptors at the nearby village. These exceedances are primarily due to a change in operating regime due to a change in fuel at the existing power plant. The Project will be required to conduct a detailed noise study and provide a noise mitigation plan to address the issue.

Site disturbance is minimal. Water use is also minimal as engines do not require large quantities of water. Additionally, the Plant has a dry cooling system in place which minimizes its water needs. Both municipal and hazardous waste disposal facilities are available for the disposal of solid and hazardous wastes. The transmission line will connect via underground line to a nearby substation and transmission line.

Fuel oil will be trucked to the power plant most likely from the port of Aqaba and is the responsibility of the utility company. Roads are good from the port to the site and safety measures are in place.

Risk Mitigation: The Project has not yet received approval from the Jordanian Environmental Ministry, however, during due diligence the Ministry indicated all agencies involved in the review have commented and no major issues were identified. The Project will be required to provide OPIC with a more detailed noise monitoring and mitigation program. Additionally, the Project will provide OPIC with annual reports summarizing the Project's Environmental and Social Performance and demonstrating compliance with the IFC performance standards and industry specific guidelines. The Project will also be required to conduct an independent third party audit to show compliance with environmental and social covenants and to develop an Occupational Health and Safety Plan for both the construction and operational phase of the Project.

OPIC Site Visit: OPIC staff undertook an environmental and social due diligence site visit from June 26 to 28. Meetings were held with the Jordanian Ministries of Environment, Health and Water and with residents of the nearby village of Al- Manakher.

Community Consultations: Public consultation meetings were held in Al-Manakher Village in August of 2010 to identify the concerns of the residents regarding the project. It was attended by about 75 people including the Deputy Parliament of the area, and the Chairman of Al-Manakher Village. Additionally, house to house meetings with people of the village were undertaken to explain the Project and its expected impacts and benefits and to independently solicit input from the female members of the community. Informal meetings are continuing between the Project team and the community and the development of a formal stakeholder engagement process is in progress.