Initial Project Summary

Project Location: Gulf of Suez, Egypt

Name of Applicant: Lekela Egypt

Name of Project: Lekela BOO Wind Power Plant in the Gulf of Suez

<u>Project Description</u>: The proposed Project involves the construction and operation of a 250 MW wind farm, comprising 70 turbines of 3.6 MW each, within the wind complex north of Ras Gahreb, where Egypt's New and Renewable Energy Authority (NREA) has allocated 328 km² for generating electricity from wind power. Land for the Project will be under a usufruct agreement between the Company and NREA. The Project will construct 28 km of internal roads. Power will be evacuated via a 30 km 220 kV overhead transmission line that will be constructed and operated by the Egyptian Electricity Transmission Company (EETC).

The Project area is desert landscape with extremely sparse vegetation and little terrestrial fauna diversity. Main land uses within the area are petroleum production and related infrastructure. The nearest residential area, the coastal town of Ras Ghareb, is approximately 28 km to the east of the site.

The Project is located 9 km from the Gabal El Zeit Important Bird Area. A detailed seasonal ornithological survey was carried out on behalf of the Regional Center for Renewable Energy and Energy Efficiency (RCREEE) as part of the Strategic and Cumulative Environmental and Social Assessment for Wind Power Projects in Gulf of Suez, which targets the overall development area including the Lekela project site, as NREA is planning to establish 2,150 MW of wind in the area. The Project has also conducted site-specific pre-construction bird monitoring.

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 the Project represents a large-scale greenfield wind project which could have 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 resident and migrating birds and bats, cumulative biodiversity impacts, and impacts to community health and safety resulting from increased traffic and movement of heavy equipment.

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, and Security; and PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources. Performance Standards 5, 7 and 8 are not triggered by the Project at this time. Applicable provisions of the IFC General Environmental, Health and Safety (EH&S) Guidelines and the EH&S Guidelines for Wind Energy also apply to the Project.

Location of Local Access to Project Information: The Company held a public consultation meeting in Ras Ghareb as part of their ESIA process. Concerns and questions raised were around impacts on migratory birds, impact of flash floods, job opportunities, corporate social responsibility and community engagement. The Company has developed a draft Stakeholder Engagement Plan and Community Grievance Mechanism to guide on-going Project stakeholder communication and engagement.

A local language version of the ESIA's non-technical summary can be found at:

The Local Unit for the City of Ras Ghareb City Council, El-Mina Street – Ras Ghareb Egypt