

Initial Project Summary

Project Location: Arkari Gol River, Chitral District, Khyber Pakhtunkhwa Province, Pakistan

Name of Applicant: Master Hydro Private Limited

Name of Project: Arkari Gol Hydropower Project

Project Description: The Project involves the construction and operations of a 99 MW hydropower project to be constructed on the Arkari Gol River, a tributary of the Lutkho River. The intake structure will be a concrete-faced, rock-filled structure with a height of 20 m located near the village of Uchatur. There will be a concrete-lined 5.9 km headrace tunnel, a surge tank, a 900 m pressure tunnel to the powerhouse, and a 100 m tailrace. The powerhouse will be located near the village of Andakht. The reservoir will have an area of 10.143 hectares. The transmission line route has not been finalized, but there are several lines in the vicinity of the Project that could be used to evacuate power.

Construction of the Project will require about 112.9 acres of land, which will be utilized for construction of permanent facilities such as the dam, power house, and for temporary construction facilities, such as worker camps and lay-down areas. Land acquisition will result in the physical resettlement of 27 households. An additional 26 households will experience economic displacement. The total construction period of the Project will be 4 years (48 months).

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 hydropower project which may result in 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 aquatic fauna; worker health and safety; alteration of surface and ground water quality and flows; downstream effects on the river channel; traffic and road usage; waste rock disposal; soil contamination from waste and hazardous substances; and impacts related to land acquisition, blasting/noise, worker influx, and alteration of natural landscapes. The Project is located in an area with other hydroelectric projects, and cumulative impacts may be significant.

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; PS 5: Land Acquisition and Involuntary Resettlement; and PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.

PS 7: Indigenous Peoples; and PS 8: Cultural Heritage are not triggered by the Project at this time.

Applicable provisions of the IFC's Environmental, Health and Safety (EHS) General Guidelines (2007), the IFC's EHS Guidelines for Electric Power Transmission and Distribution (2007), the IFC's EHS Guidelines for Construction Materials Extraction (2007), and the IFC/EBRD Workers' Accommodation Processes and Standards (2009) also apply to the Project.

Location of Local Access to Project Information:

Master Group of Industries
82 C-I Gulberg III
Lahore, Pakistan