

 Early Warning System

DFC-TETRA

Environmental and Social Impact Assessment for Tetra4 LNG - Phase 2
Project



Quick Facts

Countries	South Africa
Specific Location	Virginia, Free State, South Africa
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Proposed
Bank Risk Rating	A
Borrower	Tetra4 (Pty) Ltd
Sectors	Energy



Project Description

The Project involves the expansion of Tetra's Helium and LNG Production and is located in Virginia, Free State, South Africa. The Project will expand helium and liquefied natural gas (LNG) production at the Borrower's existing Virginia Gas Project. The Phase 2 targets a production capacity of five (5) metric tonnes of liquid helium per day and 670,000 cubic meters per day per day of LNG.

The LNG produced by the Project will be sold locally. Tetra's production rights cover an area of 187,000 hectares. No thermal power generation has been included in the current Project scope and an ESIA on power generation will be conducted when Tetra decides to secure power supplies from an Independent Power Producer (IPP). The surrounding areas are primarily industrial and/or commercial areas as well as large commercial farms which border the access roads.



Early Warning System Project Analysis

According to DFC documents:

The Project has been reviewed against DFC's categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because it involves a major expansion of an existing LNG and helium production facility which has the potential to cause significant and irreversible impacts which need to be adequately mitigated. Primary environmental and social issues of concern include worker and community safety.

The major risks are associated with the potential for accidental releases of methane (the primary component of natural gas) from process upsets resulting in fire and explosion, but such risks have been determined to be at acceptable levels at the Project fence-line because of the moderate gas pressure (with a maximum pressure of 275 bars) and the volume of gases (helium and LNG) being produced. In addition, there are also potential impacts and risks commonly associated with hazardous materials management, solid and hazardous waste management, occupational health and safety, and community health, safety, and security.



Investment Description

- US International Development Finance Corporation (DFC)



Private Actors Description

Tetra4 (Pty) Ltd (a wholly owned subsidiary of Renergen) holds a Gas Production Right (Ref: 12/4/1/07/2/2) that was granted in 2012 which spans approximately 187 000 hectares for the development of natural gas production operations near the town of Virginia in the Free State Province. Within the approval of the Production Right, the 2010 Environmental Management Programme (EMPr) was approved which was applicable to a large portion of the Production Right area.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Tetra4 Proprietary Limited	Client	-



Contact Information

The Project ESIA will be available for review at:

Virginia Public Library,
47 Virginia Gardens, Virginia, 9431

and

Welkom City Library,
Welkom Central, Welkom, 9460

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>



Bank Documents

- [Appendix 1: Curriculum Vitae](#) [Original Source]
- [Appendix 2: Maps](#) [Original Source]
- [Appendix 3: Public Participation Report](#) [Original Source]
- [Appendix 4: Specialist Assessments](#) [Original Source]
- [Appendix 5: Environmental Management Programme](#) [Original Source]
- [Appendix 6: Financial Rehabilitation Decommissioning and Closure Plan](#) [Original Source]
- [Appendix 7: Well Closure Sealing and Rehabilitation Guidelines](#) [Original Source]
- [Appendix 8: MHI Reports](#) [Original Source]
- [Appendix 9: Application Form \(Revised\), Minutes, and Letters](#) [Original Source]
- [Environmental and Social Impact Assessment \(ESIA\)](#) [Original Source]
- [ESIA Addendum](#) [Original Source]
- [Initial Project Summary](#) [Original Source]



Other Related Projects

- DFC-2023-TETRA4PROPRIET Tetra4 Proprietary Limited