Early Warning System

IDBI-12486-01

National Gas Company - LPG Terminal

Quick Facts

| Countries | Belize |
|-------------------------|---------------------------------------|
| Specific Location | Belmopan |
| Financial Institutions | IDB Invest (IDBI) |
| Status | Approved |
| Bank Risk Rating | В |
| Voting Date | 2020-06-09 |
| Borrower | National Gas Company (Belize) Limited |
| Sectors | Energy, Infrastructure |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 5.50 million |
| Project Cost (USD) | \$ 31.70 million |



Project Description

The project consists of the design, construction, operation and maintenance of an LPG terminal and its associated facilities to be located approximately 100 miles south of Belize's capital, Belmopan.

The new terminal will consist of new LPG tanks, an LPG testing laboratory, loading and unloading facilities, and two bulk plants for wholesale distribution. It's expected that it will be capable of storing at minimum 150% of Belize's monthly LPG demand and will contribute to improve the quality of LPG supply into the country due to improved regulation and appropriate LPG blends, thus leading to a safer use of LPG in Belizean households. Additionally, the Project aims to provide a cost-effective LPG supply. The company leading the development of the Project is National Gas Company (Belize) Limited ("the Company" or "NGC").

People Affected By This Project

1. General Information and Overview of Scope of IDB Invest's Review

The Company will construct and operate a Liquefied Petroleum Gas (LPG) port terminal for receiving, blending, testing, storage and downstream wholesale of LPG received by sea. The Company will also build two central distribution facilities (bulk depots) in the Cayo (central) and Orange Walk (north) districts of Belize, respectively (the "Project"). The terminal as well as the two distribution facilities together will become the central points of LPG purchase in Belize for wholesalers throughout the country.

The terminal, located on a 6-hectare parcel of land leased from the Big Creek Port Facility, Stann Creek District in southeastern Belize, will be equipped with a firefighting facility with equipment, pumping facilities, loading areas, pathways and roads as well as muster points. Its on-site storage facility will comprise 19 storage tanks, with a 90,000 gallons maximum storage capacity each as well as an administration building and control room.

The terminal also includes a loading facility for wholesale tanker trucks, liquid/gas pipelines, and a berthing facility for offloading of the LPG gas carrier ship. Each bulk depot will have a 60,000-gallon storage capacity. Combined, the three Project sites will be able to store at least 150% of the monthly demand of LPG in Belize. Polaris, a Louisiana-based engineering firm, is the main EPC contractor in charge of designing and building the terminal as well as the two distribution bulk depots. Local subcontractors are executing the basic civil construction works.

The Environmental and Social (E&S) Due Diligence (ESDD) process which reviewed the Limited Level Environmental Study (LLES) and associated E&S management plans as well as several technical and Environmental Health and Safety (EHS) documents presented by the company, included a visit to the Project's site which took place from October 20 to 24. During this visit, IDB Invest met NGC's project development team at its office in Belmopan, where the central bulk depot is being constructed. IDB Invest undertook a site-visit of the terminal construction site and held meetings with the Port of Big Creek management and environmental, health and safety (EHS) personnel. At the construction site, workers, local construction subcontractors as well as the EPC construction supervisor were interviewed. Meetings were also held with the current chair and deputy chair of the Mango Creek and Independence Village local council. Other stakeholders interviewed included the Belize Bureau of Standards, Beltraide, the Belize Chamber of Commerce and, subsequent to the site visit, the Department of the Environment (DOE).

2. Environmental and Social Categorization and Rationale

The Project has been classified as aCategory Boperation under the IDB Invest Environmental and Social Sustainability Policy, since its environmental and social (E&S) risks and impacts are expected to be of moderate intensity and importance, reversible and manageable through available mitigation measures and existing technologies. The key E&S risks and impacts associated with the Project's construction phase include: (i) generation of noise and dust, emissions from equipment; (ii) generation of solid (hazardous and non-hazardous) waste and domestic effluents; (iii) workers' health and safety; and (iv) community health and safety. Project key risks and impacts in its operation phase relate to: (i) generation of solid waste, domestic effluents and hazardous waste; (ii) workers' health and safety related to handling of flammable materials and associated fire hazards; (iii) community health and safety related to fire hazards and associated emergency situations; and (iv) natural disasters and physical climate-related risks, notably hurricanes, but also flooding and earthquakes given the location of the Project.

The Performance Standards (PS) triggered by the Project are:

PS1: Assessment and Management of Environmental and Social Risks and Impacts

PS2: Labor and Working Conditions

Investment Description

• IDB Invest (IDBI)



Early Warning System National Gas Company - LPG Terminal

| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|-------------------------|---------------------------|----------|---------------------------------------|-------------------------|---------------------------|
| - | - | - | - | National Gas Company (Belize) Limited | Client | - |



Contact Information

Client Contact name: Erin Ryan Title: Project Development Phone number: +501-604-5481 or +1 (240) 447-7371 email address: eryan@nationalgas.bz

The documentation relating to the project can be accessed at the following link: http://www.nationalgas.bz

ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).



Bank Documents

- LLES National LPG Landing Terminal Final -11th Dec 2017.pdf [Original Source]
- PUBLIC DISCLOSURE NGC.PDF