

commission for environmental impact assessment

Ministry for the Co-ordination of Environmental Affairs (MICOA) To: National Director for EIA Ms. Felicidade Munguambe Av. Acordos de Lusaka 2115 Maputo Mozambique

your reference your letter of our reference 8 October 2002 051-456

subject Advisory Review of the SEA for Transport Options for Corridor Sands Limitada, Mozambique direct dial + 31 30 234 76 49 Utrecht, 17 September 2004

Dear Ms. Munguambe,

By letter, dated 8 October 2002, you invited the Netherlands Commission for Environmental Impact Assessment to advise on review of the SEA for the Transport Options for Corridor Sands Limitada (CSL).

It is my pleasure to submit herewith the Advisory Review prepared by a working group of the Commission.

Exploiting this opportunity, I would like to draw your attention to the following issues:

- 1. Having recently reviewed the EIA for the Chongoene Export Facility (CEF), it has become clear that this facility is being designed (capacity, logistics) for sole use by CSL and not for co-use:
- 2. It seems unlikely that co-use of such a facility could successfully be imposed, specifically when co-users are competitors on the same market. Co-use will probably only be possible if the facility is operated by a third party;
- 3. I am concerned that, after licensing of this private infrastructure to CSL, the Government of Mozambique will not have the grounds for refusing requests for licensing of similar infrastructures by other proponents;
- 4. Although the design life span of the infrastructure is indicated to be 20 years, it seems unlikely that the economic life span of the investment as a whole would equal these twenty years. Decommissioning the infrastructure after 20 years would probably imply a substantial loss of capital. It is unclear whether such a loss of capital will be acceptable when the moment of decommissioning arrives and whether Mozambique must and will compensate for this loss of capital.

- 5. Important exploitable mineral deposits are present along the coast of Mozambique and, more specifically, in the Gaza and Inhambane provinces. In order to stay ahead of surprises with regard to other requests for licensing private export structures, to avoid uncontrolled degradation of coastal natural resources and to balance transport needs of other potentially important economic sectors, I do support the recommendation of the SEA to immediately start developing a transport (master)plan for the southern part of Mozambique and to apply Strategic Environmental Assessment for this plan;
- 6. If the Government of Mozambique decides to license the CEF as private facility, it might be realistic to foresee the construction of other private jetties in the transport (master)plan mentioned under point 4. Concentrating multiple jetties at a specific location could then minimise their overall environmental impact;
- 7. I would like to suggest that you study the option of declaring stretches of coast into conservation areas, compensating the loss of coastal natural resources as a result of port development. A fund established by the mining companies could support realising these conservation areas.

The Commission appreciates to be informed about the use that is made of this review.

Yours faithfully,

K.J. Beek

Chairman of the Working Group on Advisory Review of the SEA for Transport Options for Corridor Sands

Limitada, Mozambique