



Publishing date: 29.06.2015

Category: B

25 MW gas power plant – Myanmar

GIEK and United Overseas Bank (UOB) in Singapore will participate in the financing of a gas power plant in Myanmar owned by Myanmar Central Power Company Ltd. and Zeya & Associates. The exporter, Rolls-Royce Bergen Engines, will export 3 gas engines with a total of 25 MW capacity, which will double the energy produced by an existing 25 MW power plant located adjacent to the new project site. This is an important contribution to energy production in the country that has a lack of energy. There is a PPA with the State Ministry of Electric Power. The facility is under construction.

According to the OECD Common Approaches on Environmental and Social Due Diligence this project is categorized as **Category B**.

The project is located directly adjacent to an existing power plant with already existing infrastructure, such as a gas pipelines, transmission lines, and roads, including a main highway that runs along the immediate vicinity of the site. The new plant will be utilizing the same infrastructure. There have also been other power plants near the project location for many years. There has been no relocation, or negative impacts on livelihoods on account of land acquisition. The project site and exiting plant is in the vicinity of a lake used as a source of drinking water. It was also originally located on the most outer edge of an area classified as a national park. This area was reclassified by the government as an industrial area as part of the concession process. GIEK was on site visits to the area to assess this and several civil society organizations were contacted in relation to the conservation values of the park and reclassified area. The project area in question was not seen as an area of high conservation value. The conclusion was that the project has limited adverse social and environmental impacts which will be readily addressed through mitigation measures as part of an Action Plan.

The project has taken into account the possible chemical and waste release risks, and the owners were planting trees in other areas to replace those that were cut as part of the building process. The project had acceptable noise, emissions and environmental systems in place and good systems for working conditions, including HSE.

An Environmental and Social Impact Assessment (ESIA) was amended using an independent consultant to meet IFC Performance Standards and included an Environmental and Social Action Plan. The documentation was sufficient and acceptable to meet a Category A project requirements. The owner shall comply with IFC Performance Standards and Action Plan, and eventual deviations will be handled by GIEK.