

Initial Project Summary – Yilport Project

Project Location: Puerto Bolívar, Machala, El Oro Province, Ecuador

Name of Applicant: - Yilport Terminal Operations S.A.

Name of Project: Yilport Project

Project Description: The Project involves expansion of the existing Puerto Bolívar Port Terminal, located in the City of Machala, El Oro province, Ecuador. The Project consists of:

- Demolition of a mooring dolphin with catwalk, the navy jetty, revetments, and various smaller structures;
- Construction of a new 450 m quay structure for Berth 6, connecting to the existing Berth 5. The quay will be made up of a reinforced concrete deck supported by deep foundation steel-cased piles and concrete pile caps;
- Dredging a total of 6,043,462.3 cubic meters (m³). Dredging works will take place in the area for construction of Berth 6 (71,192.40 m³) to increase existing port draft to a depth of 16.5 m, the access canal (4,131,787.30 m³), and the Maneuver zone (1,840,482.6 m³). Execution of dredging works will utilize both trailing suction hopper dredging and backhoe dredging. The proposed final disposal site for the dredged material is 13 nautical miles west of the Project site in the Jambelí Channel in the Gulf of Guayaquil.
- Substrate improvements onshore to improve the soil-bearing capacity through dynamic replacement, and offshore using cutter soil mixing technology.
- Onshore excavation of trenches for water piping (potable, sewage, and fire system) and installation of a fire water tank;
- Onshore yard expansion and construction including a new cold storage warehouse of 5,600 m³, paved yards for containers with twelve gantry crane blocks, and improvements to the access roads to the quays; and
- Electrical works and connection to the power grid.

The surrounding areas are primarily industrial and/or commercial areas. There are some, limited residential areas within the Project's area of influence. It is estimated that approximately 800 temporary workers will be hired for the construction phase.

Environmental and Social Categorization and Rationale: 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 renovation and expansion of an existing large-scale port facility. Primary environmental and social issues of concern include artisanal fishers' livelihoods, community health and safety, occupational health and safety, marine biodiversity, marine water quality, and cumulative impacts.

Environmental and Social Standards: DFC's preliminary environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following of the International Finance Corporation's (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 6: Biodiversity Conservation and Sustainable Management of Living Resources ; and
- PS 8: Cultural Heritage.

The Project is a brownfield renovation/expansion of an existing port, no land acquisition is necessary, and the Project will not adversely impact Indigenous Peoples. Therefore, PS 5 and 7 are not triggered by the Project at this time.

In addition to the Performance Standards listed above, the IFC's Environmental, Health, and Safety (EHS) General Guidelines (April 30, 2007), and the IFC's EHS Guidelines for Ports, Harbors, and Terminals (February 2, 2017) are applicable to the Project.

Location of Local Access to Project Information: The Project ESIA will be available for review at:

Location:

Yilport Office in Machala

Address:

Yilport Puerto Bolivar - Av. Bolívar Madero Vargas S/N Machala-Ecuador

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