Background Information Document

Environmental Impact Assessment for the Cold Solutions Kenya Limited ("CSKL"), Kiambu, Kenya
April 2020

Introduction

This Background Information Document (BID) provides information to assist stakeholder participation in the Environmental Impact Assessment (EIA) and environmental authorisation process for the proposed Tatu City Temperature-Controlled Storage Facility (TCSF or the Project). This BID contains the following:

- Background to the Project;
- Description of the Project;
- Map of the Project location;
- The potential benefits and impacts posed by the Project;
- The processes that will be followed to engage with stakeholders; and
- How and when stakeholders can participate in the EIA process to be followed for this Project.

Background and Project Need

Outside of South Africa, the lack of cold chain solutions is generally a problem throughout Sub-Saharan Africa. It is widely recognised that post-harvest food losses are substantial and lead to significant income reduction for farmers and are a key driver for food insecurity. One solution to significantly reduce food losses is the development and operation of large-scale cold chain facilities with integrated distribution offered by third party providers. Some of the key benefits of cold storage solutions include:

- Strengthens food security and economic development;
- Minimises food losses and associated impacts (e.g. greenhouse gases), improves food hygiene and public health;
- Assists East African industries to move up the value chain;
- Increases opportunities for food exports; Increases and expands trading corridors in East Africa.

As such, Cold Solutions Kenya Limited (CSKL) is developing a portfolio of cold storage warehouses and end-to-end logistics to help close this current gap and realise these benefits. The business intends to build up to 3 facilities in Kenya.

What is an ESIA?

The Project requires Environmental Authorisation (EA) from the National Environment Management Authority (NEMA), through an Environmental and Social Impact Assessment (ESIA) process. NEMA is the competent authority under these regulations and has authority to approve the development or refuse it.

This document provides background information on the project and the ESIA process. It helps Interested and Affected Parties (I&APs) understand the project and provides guidance on getting involved. I&APs play a very important role in the ESIA process. We encourage you to register, this will enable CSKL to keep you informed throughout the ESIA processes. By doing so you will be able to engage in discussions on issues and provide comments on the draft ESIA Project Report.

ERM's Role

CSKL has appointed Environmental Resources Management (ERM) as the independent Environmental Assessment Practitioner (EAP) for the ESIA. The ESIA will determine anticipated impacts and propose measures on how these should be managed. The ESIA Project Report will then inform an environmental authorisation decision to be taken by NEMA.

Project Description

The Project entails the construction and operation of up to 12,000 m^2 cold storage facility with end-to-end logistics capable of storing 15,000-20,000 pallets. Key components of the project include:

- Warehouse facility with different refrigeration temperature zones. Refrigeration technology maybe ammonia, Glycol or CO_2-based.
- Supporting facilities including pump room, chiller area, power system (roof-top solar), guardhouse;
- With 20-30 Loading and unloading bays.
- Small wastewater treatment plant (wwtp) to treat cooling water effluent to national discharge standards and recycle 60% back into the cooling system;

Project Location

The Project is located in the Tatu Industrial Park (TIP), part of the wider Tatu City development – a mixed-use special economic zone (SEZ). TIP is located approximately 10 km north-east of Nairobi off the C63 national road.

The Project will be developed on a 6-acre plot (ref L3-45b) within the NEMA permitted precinct of Tatu City 3BA. Precinct 3BA infrastructure, including roads and utilities, have been completed with over 80% of the plots sold and under development.

Project Activities

Construction Phase

The first phase of the Project will involve the clearance of vegetation, and the separation and stockpiling of topsoil for further use in the facility landscaping process. Thereafter, enabling works including excavation and below groundworks will be completed prior to a concrete foundation being installed. The warehouse itself will entail a steel structure, external walls and roof cladding. Finally, electrical and mechanical equipment will be installed. The outdoor area will involve the construction of loading and unloading bays.

Operational Phase

During the Operational Phase, the warehouse and logistics will be operated on a continuous basis. Activities will include:

- Collection, storage and distribution of goods including meat, vegetables, fruit and pharmaceuticals; and
- Access to third parties to carry out primary food processing activities.

Replenishment and Renewal Phase

The proposed Project has a lifespan of up to or more than 50 years; after which, all infrastructure will require replenishment and renewal.

Project Significance

The Project will create temporary and permanent jobs and sustain employment in the County, with both new and existing employment opportunities. The operation of the facility is resource-intensive with approximately 100-150 permanent jobs foreseen at full capacity. As previously outlined, the Project will realise significant socio-economic benefits for the country and region.

Potential Impacts and Risks

A summary of potential impacts is provided below. The potential impacts are discussed for each of the physical, biological and socio-economic aspects during the construction, operational and decommissioning phases. These impacts will be assessed in detail during the on-going ESIA process and the results included in the ESIA Project Report.

Physical

Air Quality

- The Project is located in an industrial zone that is largely developed. Dust creating activities during the construction phase will largely be associated with land clearing and earthworks. Air quality considerations during the operation phase will be associated with truck movements and the in-frequent operation of a backup generator for power.

Ambient Noise

- The Project is located in an industrial area with light industrial facilities similar to the Project. Noise will primarily be a consideration during the construction phase but there are no residential receptors within 1 km radius of the Project Site. During operation phase noise will be associated with the movement of trucks, again within an industrial area.

Soils and Geology

- Soil quality could be impacted through compaction created by construction, operations, and stockpiling.
- Soil quality and properties could be altered through the release of potential contaminants to land as a result of an unplanned event or accident.

Water Resources

- The size of the Project Site and planned earthworks are very unlikely to result in impacts to water resources. Full utilities and drainage are already included in the TIP infrastructure.
- The on-site waste water treatment plant (wwtp) will discharge cooling water effluent to national water discharge standards. Tatu City monitors effluent discharge twice daily through their on-site laboratory.

Waste Management

- Various wastes will be generated during Project development and operation.

Landscape and Visual

- The Project is located within an existing industrial zone and will fit in with the existing landscape character.

Biological

Habitats, Flora and Fauna

- The habitats at the Project Site are highly modified which is attributed to previous land use (particularly farming) and the subsequent zoning of the Project Area as an industrial zone. Therefore, it is not of conservation concern and, site preparation and site clearing will result in removal of generally secondary vegetation (grasses and shrubs) and one Mugumo (fig) tree (see cultural heritage resources). It is important to note that based on the approved EIA for the wider development of the Precinct 3BA in which the Project Site is located, the management of Tatu City has already started clearing and levelling the Project Site, resulting in the loss of this existing vegetation.

Socio-economic

Land Acquisition

- The plot for the proposed Project is one of the many plots in the wider Tatu City privately owned by its management. The Project Proponent is in the process of obtaining a long-term lease from the management of Tatu City.

Community Health & Safety (H&S) and Security

- Movement of trucks during construction and operation outside of the industrial area will pose a risk to community health and safety;
- Due to the construction of Tatu City and the industrial nature of the wider Ruiru area, there is availability of labour in all categories of skilled, semiskilled and unskilled workers in the Project Area who will be locally recruited to work at the Project. Therefore, no influx of workers is expected as a result of the Project.

Worker Health & Safety.

- Construction or operational activities poses occupational health and safety risks to the workforce including those associated with working with Project machinery and equipment and working at heights.

Traffic and Transportation

- Transport of equipment and machinery during the construction phase may impact upon local transport and accessibility.
- The logistics operation will increase traffic on local roads, albeit within the allotted tolerances of Tatu City Masterplan.

Cultural/Heritage Resources

- Site clearing will result in the removal of a Mugumo tree, a species considered sacred with the Kikuya communities. Engagements with the Area Chief and Elders has shown that the specific tree on the Plot, although sacred, is not actively used for cultural activities and can be cut down to pave way for development if a cultural ceremony is performed. Tatu City, in coordination with the Area Chief, Elders and the Deputy County Commission, are arranging for the necessary cultural ceremony to take place.

Steps for the ESIA Process

ESIA is part of the Project development process and is usually done at the initial stages of the Project planning and development. It is a decision-making tool and should guide

whether a Project should be implemented, abandoned or modified before implementation.

The objectives of the ESIA are to assess the significance of all identified impacts and to formulate mitigation measures. After the different aspects of the ESIA have been completed, an ESIA Project Report including an Environmental and Social Management and Monitoring Plan (ESMP) will be compiled.

Public Participation

Public participation is a legal requirement in the ESIA process; the key principle of consultation is to ensure that the views of stakeholders are considered and reported throughout the ESIA process. The objective is to ensure that the assessment is robust, transparent and has considered the full range of issues or perceptions, and to an appropriate level of detail. Stakeholder participation will assist in identifying environmental and social consequences of the proposed Project and ensure that these are evaluated in the process.

Figure 0.1 Project Location Map (circled in red)

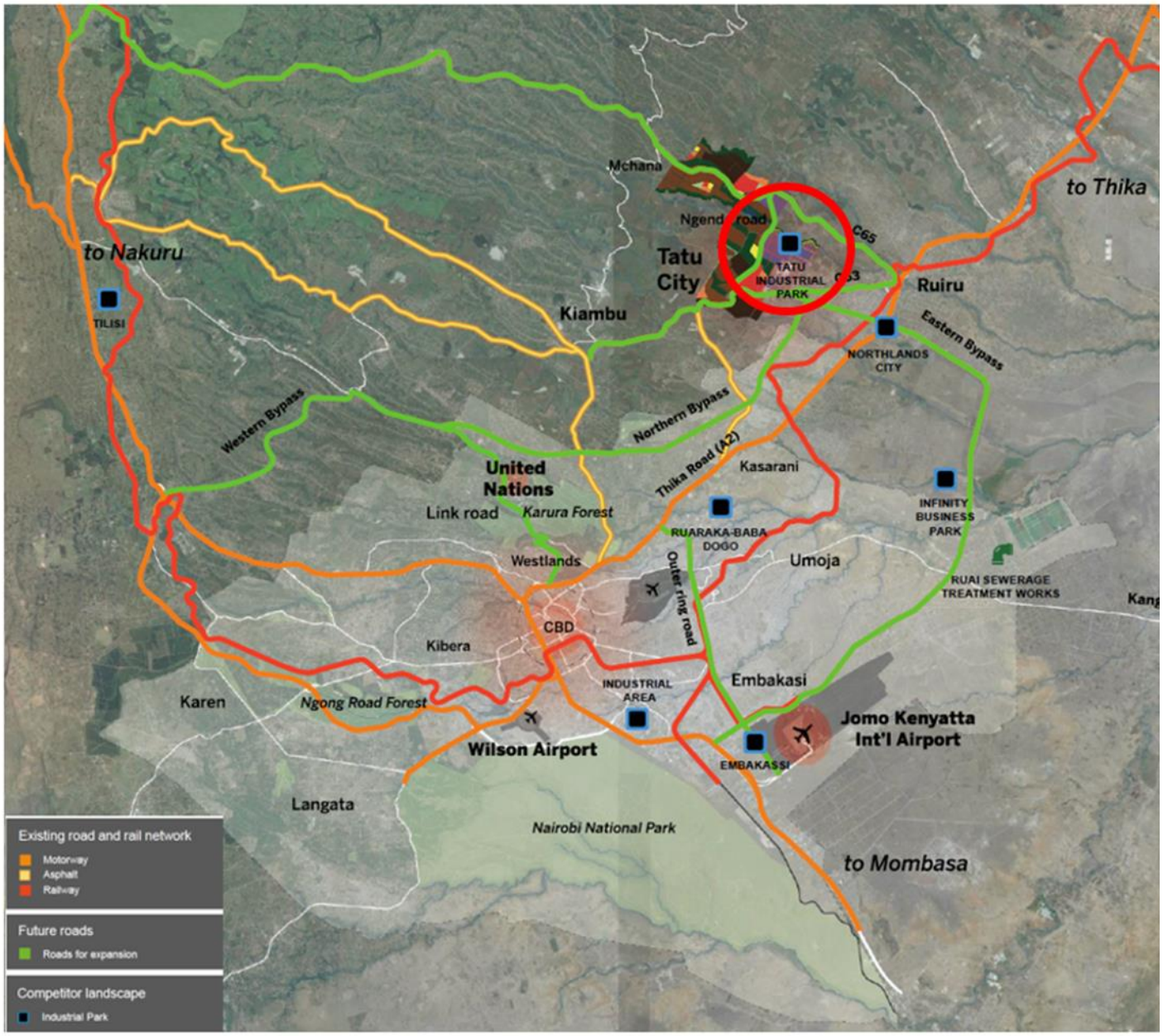

Figure 0.2 Site Photos

Project Site: Access road available, Mugumo tree on the left with a few eucalyptus trees behind it, levelling on-going under Tatu City.

Mugumo tree at the Project Site: Tatu City in coordination with the Area Chief, Elders and the office of the County Commission arranging for the required cultural ceremony before it is cut down

On-going grading of the Project Site by Tatu City guided by the approved ESIA Study conducted for the wider development of the Precinct 3BA in which the Project Site is located

Completed Facility for Africa Logistics Properties on the south eastern border of the Project Site

Another Facility Constructed opposite the Project Site; electricity and Road available

Ongoing construction activities in the wider Project Area

How to Submit Comments

Should you have any queries, comments or suggestions regarding the proposed project, please note them below.

Please provide your contact details.

Name and Title:	**Affiliation/Organisation:**
Phone:	**Email:**
Address:	

Cold Solutions Kenya Limited

Tel : +254 20 389 2512

Email : info@coldsolutionseastafrica.com

Address: ICEA Lion Centre, Riverside Park, Chiromo Road, Nairobi

Project Website: https://www.coldsolutionseastafrica.com/

Public Participation in the ESIA

The stakeholder engagement process is designed to conform to the NEMA Regulations and global best practice. Key objectives for stakeholder engagement for this Project are:

- Share information about the Project and gather local knowledge to improve understanding of the environmental and social context and understand locally important issues;
- Enable stakeholders to raise concerns/questions about the Project and incorporate stakeholder views into the design and management measures;
- Respond to concerns and questions and report back on the findings of the ESIA and proposed management measures;
- Lay foundation for future stakeholder engagement.

Any party that is interested or potentially affected by the Project is invited to participate in the ESIA process. Please make use of the following opportunities to be involved in the stakeholder engagement process:

- Study the information in the BID.
- Contact the Project Team for further information or raise issues and concerns.
- Complete the Comment Sheet (attached) and return by hand, mail, fax or e-mail;
- Attend planned stakeholder meetings. More information about the meetings will be circulated through letters, community leaders, and through the Project website.

Comments Form (please feel free to use an extra form if you have more comments)

What are the primary comments / questions / concerns that you or your organisation have about this Project?

What positive impacts do you expect to emanate from the development of the proposed Project?

What negative socio-economic impacts do you anticipate from the development of the proposed Project?

What negative environmental impacts do you anticipate from the development of the proposed Project?

Kindly propose mitigation measures the Developer needs to put in place during and after the development of the proposed Project

Do you support the development of the proposed Project?

Other Comments