



Corner of Athol Fugard Terrace / Castle Hill Central Port Elizabeth 6001  
Private Bag X5001 Greenacres 6057 Republic of South Africa

**Contact Person:** *Andries Struwig*

**Tel:** 041 5085840 **Fax:** 041 5085865 **Email:** [Andries.Struwig@dedea.gov.za](mailto:Andries.Struwig@dedea.gov.za)

Ref: ECm1/C/LN2/M/16-2018

Bay Terminals Group  
153 Grahamstown Road  
Deal Party  
Port Elizabeth  
6001

Attention: Mr. Brian Alexander

e-mail [brian@bayterminalsgroup.co.za](mailto:brian@bayterminalsgroup.co.za)

**APPLICATION FOR AUTHORISATION IN TERMS OF SECTION 24 OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, ACT 107 OF 1998 AS AMENDED:  
CONSTRUCTION AND OPERATION OF LIQUID FUEL AND LPG STORAGE AND HANDLING FACILITY WITHIN ZONE 7 OF THE COEGA IDZ**

1. With reference to the above-mentioned application (Ref No. ECm1/C/LN2/M/16-2018), please be advised that the Department has decided to grant authorisation as set out in the attached Environmental Authorisation. The Authorisation Notice and reasons for the decision are attached herewith.
2. Your attention is drawn to the fact that there are a number of Conditions contained within the attached Environmental Authorisation that are to be complied with before commencement of the project. In this regard Conditions 3.3.1; 3.3.2 and 3.3.3 must be specifically mentioned. Furthermore please note the requirement of Condition 3.4.6 that requires a pre-compliance audit to be conducted and submitted to the Department for verification of compliance with the relevant conditions.
3. In terms of Regulation 4(2) of the Environmental Impact Assessment Regulations, 2014 as amended, you are instructed to notify all registered interested and affected parties, in writing and within fourteen (14) calendar days of the date of this letter, of the Department's decision in respect of your application as well as the provisions regarding the making of appeals that are provided for in the 2014 Appeal Regulations.
4. The written notification referred to above must -
  - 4.1. Specify the date on which the Environmental Authorisation was issued;
  - 4.2. Inform interested and affected parties of the appeal procedure provided for in the Appeal Regulations published in GN R993 of 8 December 2014 in terms of Section 44 read together with Section 43 of the National Environmental Management Act, Act 107 of 1998;
5. Advise interested and affected parties that a copy of the Environmental Authorisation and reasons for the decision will be furnished on request.
6. In the event that an appeal is lodged, copies of such appeal must be served on the applicant (if not the appellant), all registered interested and affected parties as well as

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CHIEF DIRECTORATE: ENVIRONMENTAL AFFAIRS

juristic state departments (organ of state with interest in the matter within 20 days of having been notified in accordance with the requirements stipulated in paragraph 1.

*Only appeals on environmental grounds can be considered. All appeals should be accompanied by relevant supporting documentation.*

7. Any appeal against the decision contained in this Authorisation must be addressed in writing, to the MEC for Economic Development, Environmental Affairs & Tourism (hereinafter referred to as "the MEC") in terms of Regulation 4(1) of the NEMA Appeal Regulations 2014 and within 20 (twenty) days after the appellant has been notified in terms of paragraphs 2 and 3, of the decision. The address to which the **original** of such a notice of intention to appeal must be mailed is outlined below. Please note that originals may also be delivered per hand or courier.
8. An Appeal Submission must be made on a form obtainable from the Department Appeal Administrator and/or the Departmental website on [www.dedea.gov.za](http://www.dedea.gov.za) or relevant Regional Office.
9. The Appellant must also submit a copy of the appeal to the regional office that processed the application.

*Only appeals on environmental grounds can be considered. All appeals should be accompanied by relevant supporting documentation.*

10. The address to which the **original** of such a notice of intention to appeal must be mailed is outlined below. Please note that originals may also be delivered per hand or courier.

Department	Economic Development, Environmental Affairs & Tourism
Attention	General Manager: Environmental Affairs
Postal Address	Private Bag X0054, <b>BHISHO</b> , 5605
Hand delivery	Beacon Hill, Hockey Close, King Williamstown
In order to facilitate efficient administration of appeals <b>copies</b> of the notice of intention to appeal and any subsequent appeal documentation must also be submitted as follows:	
General Manager: Environmental Affairs per fax:	[043] 605 7300
Manager: Mr. S. Gqalangile - Environmental Impact Management per fax:	[043] 605 7300
It is strongly recommended that electronic copies of all appeal documentation also be e-mailed	E-mail addresses will be supplied on request

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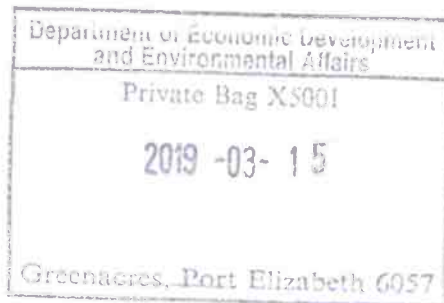
CHIEF DIRECTORATE: ENVIRONMENTAL AFFAIRS

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11. In the event that an appeal is lodged with regard to this Authorisation, the listed activities described in this Authorisation may not commence prior to the resolution of the appeal and prior to the Department's written confirmation of compliance with all conditions that must be met before construction can commence, whichever event is the latter.

**DAYALAN GOVENDER  
DEPUTY DIRECTOR  
CACADU REGION**

DATE: 15/03/2019





Corner Athol Fugard Terrace / Castle Hill Central Port Elizabeth 6001

Private Bag X5001 Greenacres 6057 Republic of South Africa

**Contact Person:** *Andries Struwig*

**Tel:** 041 5085800 **Fax:** 041 5085865 **Email:** [Andries.Struwig@dedea.gov.za](mailto:Andries.Struwig@dedea.gov.za)

## Environmental Authorisation

<b>AUTHORISATION NOTICE REGISTER NUMBER</b>	ECm1/LN2/M/16-2018
<b>LAST AMENDED</b>	Not applicable
<b>HOLDER OF AUTHORISATION</b>	Bay Terminals Group.
<b>LOCATION OF ACTIVITY</b>	Within Zone 7 of the Coega Special Economic Zone formally known as the Coega Industrial Development Zone – See Figure 1.

### DEFINITIONS:

The following definitions are applicable to this Environmental Authorisation:

“CDC” – Coega Development Corporation.

“CEMP” – Construction phase Environmental Management Programme.

“Coega ELC” – Coega Environmental Liaison Committee.

“Coega EMC” – Coega Environmental Monitoring Committee.

“Commencement” – Any physical activity on site that can be viewed as associated with the establishment of the BTG tank farm facility described under Section 2 of this Environmental Authorisation, inclusive of initial site preparation.

“DEA” – The National Department of Environmental Affairs.

“DWS” – The National Department of Water and Sanitation.

“EIA regulations” – These are the 2014 Environmental Impact Assessment Regulations as amended by Government Notice R323 of 7 April 2017 in terms of Chapter 5 of the National Environmental Management Act, Act 107 of 1998 as amended.

“FEIR” – Final Environmental Impact Report compiled by Prism Environmental Management Services titled “Final Environmental Impact Assessment Report Bay

Terminals Group Coega Tank Farm” dated November 2018 as submitted to the Department on 7 November 2018.

“IDZ” – Industrial Development Zone.

“MHI” – Major Hazardous Installation.

“NEMA” – National Environmental Management Act, Act 107 of 1998.

“NEMAQA” – National Environmental Management: Air Quality Act, Act 39 of 2004.

“NEMBA” – National Environmental Management: Biodiversity Act, Act 10 of 2004.

“NEMWA” – National Environmental Management: Waste Act, Act 59 of 2008.

“NMBM” – Nelson Mandela Bay Municipality.

“NWA” – National Water Act, Act 36 of 1998.

“OEMP” – Operational Phase Environmental Management Programme.

“OTGC” – Oil Tanking Grindrod Calulo.

“PAEL” – Provisional Air Emissions Licence.

“SANS” – South African National Standard.

“SEZ” – Special Economic Zone

“Slops” – Hazardous chemical or petrochemical contaminated “oily” water.

“The Department” – The Department of Economic Development, Environmental Affairs & Tourism, Eastern Cape Province.

“TNPA” – Transnet National Ports Authority.

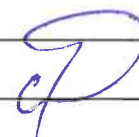
## 1. Decision

The Department is satisfied, on the basis of information available to it and subject to compliance with the conditions of this Environmental Authorisation that the applicant should be allowed to undertake the activity specified below. Details regarding the basis on which the Department reached this decision are set out Section 4 of this Environmental Authorisation.

## 2. Activities and regulations for which authorisation has been granted

By virtue of the powers conferred on it by the National Environmental Management Act, Act 107 of 1998 as amended and the EIA Regulations the Department hereby authorises Bay Terminals Group being the legal or natural organisation who has applied for this authorisation, with the following contact details:

<b>Name</b>	<b>Bay Terminals Group</b>		
<b>Address</b>	<b>153 Grahamstown Road, Deal Party, Port Elizabeth, 6001</b>		
<b>Telephone</b>	<b>041 1804010</b>	<b>e-mail</b>	<b><a href="mailto:brian@bayterminalsgroup.co.za">brian@bayterminalsgroup.co.za</a></b>
<b>Cell Phone</b>	<b>083 4634828</b>	<b>Fax</b>	<b>086 7197668</b>
<b>Contact</b>	<b>Mr Brian Alexander</b>		



To undertake the following activity (hereafter referred to as “the activity”), in terms of the scheduled activities listed in the table below:

<b>Detailed description of activity</b>
<p>The activity entails the construction and operation of a bulk liquid storage and handling facility (tank farm) and associated infrastructure with a total storage capacity of 204 000m<sup>3</sup> of liquid fuels and 15 000m<sup>3</sup> LPG within Zone 7 of the Coega SEZ as described in Section 4.4 of the FEIR.</p> <p>The facility will cover an area of approximately 24.6ha and contain the following main components as indicated on the draft site development included in the FEIR as figure 4:</p> <ul style="list-style-type: none"><li>• Offices and ancillary buildings;</li><li>• Bulk liquid storage tanks with a total combined storage volume of 204 000m<sup>3</sup> and associated bunding;</li><li>• LPG vessels with a total combined storage capacity of 15 000m<sup>3</sup>;</li><li>• Pigging station;</li><li>• Import manifold;</li><li>• Road Tanker Loading pump bays;</li><li>• Loading gantries with associated vapour recovery unit;</li><li>• Fire water tank with fire / foam pump station;</li><li>• Additive bay;</li><li>• Pump bays;</li><li>• Compressor and generator bays;</li><li>• Boiler room with steam reticulation system and dedicated boiler fuel oil tank;</li><li>• Tanker wash bay;</li><li>• Effluent handling facilities;</li><li>• Slops handling system;</li><li>• Pipe racks, pipe bridges and interconnecting pipes up the battery limit;</li><li>• Parking; and</li><li>• Security fencing around the perimeter of the site – 2.4m high security fence;</li></ul> <p>The main components described above can be further described by the following more detailed description.</p> <p><b>Offices and ancillary buildings:</b></p> <ul style="list-style-type: none"><li>• An administration building;</li><li>• Ablution and rest room;</li><li>• Store room;</li><li>• Workshop;</li><li>• Warehouse;</li><li>• Electrical substation;</li><li>• security building; and</li><li>• Small laboratory for critical testing of final product</li></ul> <p><b>Bulk Liquid Storage and Handling Facility consisting of four separate banded areas containing the following;</b></p> <ul style="list-style-type: none"><li>• 4 diesel tanks with a combined storage capacity of 80 000m<sup>3</sup>;</li><li>• 4 ULP tanks with a combined storage capacity of 80 000m<sup>3</sup>;</li><li>• 2 HFO tanks with a combined storage capacity of 30 000m<sup>3</sup>;</li><li>• 1 JET fuel tank with a storage capacity of 10 000m<sup>3</sup>;</li><li>• 1 Paraffin tank with a storage capacity of 4 000m<sup>3</sup>;</li></ul>

Separate unbunded area that will contain 15 LPG vessels with a total combined storage capacity of 15 000m<sup>3</sup>

All the tanks will be aboveground, vertical, steel, field erected storage tanks complying with API 650. The ULP tanks and the jet fuel tank will be fitted with a fixed dome roof with an internal floating roof. The diesel and paraffin tanks will be fitted with a fixed dome roof with a facility for nitrogen inerting for vapour space. The HFO tanks will be fitted with a fixed dome roof. All tanks and ancillary equipment and bund walls will comply with the applicable SANS requirements (SANS 10089-1).

The bulk storage tanks will be equipped with automatic tank gauging systems and an independent overfill protection system (radar gauge) that will trigger an alarm and activate the fail close remotely operated shut off valves on the tank inlet and outlet valves.

The storage tanks will be surrounded by bund walls that are designed to contain 110% of the nominal capacity of the largest tank capacity within each banded area. The banded areas shall be connected to the internal oily (process waste water) sewer system with isolation valves that are to remain closed during normal operation. Spillages within the banded area will either be cleared by a specialist contractor or sent to the oil/water separator.

The LPG vessels will be installed aboveground and supported by leg plinths in a unbanded area on concrete sloping away from the tanks and will comply with API Standard 2510. All protection and emergency systems will similarly comply with the applicable SANS standards.

#### **Road Tanker Loading pump bays**

- Diesel – 4x 2000ℓ/m pumps (3 operating and 1 standby);
- UPL – 4 x 2000ℓ/m pumps (3 operating and 1 standby);
- HFO – 3 x 2000ℓ/m pumps (2 operating and 1 standby);
- Jet fuel – 2 x 2000ℓ/m pumps (1 operating and 1 standby); and
- Paraffin – 2 x 2000ℓ/m pumps (1 operating and 1 standby).

#### **Loading gantries with associated vapour recovery unit**

A road tanker loading gantry with 22 loading bays will be constructed within the BTG facility site to facilitate the transfer of products from the bulk liquid an LPG storage and handling facility to the road tankers.

- 18 Bays for liquid fuels (3 x diesel; 3 x ULP; 2 x HFO; 1 x Jet fuel and 1 x paraffin); and
- 4 Bays for LPG.

Additives will be added by injection into loading lines from dosing pumps at controlled rates and tankers are to be loaded from the relevant tanks via a calibrated and temperature-compensating measuring system using pumps located in the pump bays adjacent to the banded areas. The system allows for gas returns to the vapour recovery system. The loading bays will consist of concrete islands with package unit steelwork gantries with a covered roof and multiple counterbalanced loading arms.

LPG off-loading will have separate dedicated loading bays. Break-away couplings are to be used at the end of the liquid delivery line at the loading gantry and flexible offloading hoses are to be used to connect to road tankers. A separate vapour recovery system will be installed at the loading gantry to alleviate pressure differences while loading product. The vapour recovery system will extract vapour from the road tankers and re-liquefy such through a compressor to pump back to the tanks.

The road tanker loading area will be paved and provided with drainage channels leading to the internal oily water sewer system.

**The vapour recovery system** will be a membrane technology system or a carbon adsorption vapour recovery system. Recovered hydrocarbons will be adsorbed in a scrubber liquid and sent to the adsorbent tank or into the slops tank depending on the quality of the project.

### **Fire protection and fighting**

The BTG facility will be equipped with fire protection measures that will be designed according to SANS 10089-1, API 650, NFPA and the relevant referenced codes therein. Key fire protection features include adequate tank spacing; overfill protection; bunded areas for spill control, fire protection systems and water and foam supply.

A water tank with a capacity of approximately 3400m<sup>3</sup> are to be provided at the facility which will be capable of supplying 680m<sup>3</sup>/h of cooling water and foam for the largest tanks for 4 hours. A water ring main will be fitted in order to supply the water hydrants that will be provided at strategic locations within 75m of all buildings, structures or tanks. An adequate amount of hoses, nozzles, portable deluge sets and other equipment will be provided and located on vehicles and in hose enclosures throughout the facility. Two fire trucks with a minimum capacity of 1 ton each will be permanently available at the BTG storage facility.

Fixed water spray or deluge systems will be installed on all storage tanks and LPG vessels for shell cooling. Fixed foam equipment with an adequate supply of foam concentrates will be provided at all storage tanks and the amount of foam concentrate provided for will be adequate to extinguish a fire on the largest storage tank.

A zoned fire alarm system will be installed and activation of the fire alarm will activate the site emergency shutdown.

### **Boiler**

A small HFO-fired boiler with a capacity of approximately 3 tons/h and that will burn approximately 1.65 tons of fuel per day (according to the information contained in the Air Quality Specialist Report), will generate steam for the heating of HFO to reduce its viscosity for pumping purposes. It is envisaged that there will be two boilers on site with one boiler being operational at any given time with the second boiler on standby. The boilers will be housed in boiler house and equipped with the necessary safety equipment as required by regulations and design code. Air pollutant emissions from the boiler will be emitted to atmosphere through a stack.

### **Stormwater management**

The site will be separated into three stepped platforms that will each have a slight slope falling to the north-east. Surface water will generally be directed towards the roadways that will act as principal stormwater collectors. All areas that may become potentially contaminated are contained in the main bunded areas around the tanks and the low bunded loading areas. These areas are isolated with sumps and valves and drain to the oil/water separator that discharges to the sewer under controlled conditions. Loading areas and wash bays are to be covered and stormwater diverted away from these areas to reduce the volume of contaminated stormwater to be handled. All contaminated areas will thus drain to the oil/water separator while clean stormwater will drain into the CDC



stormwater system.

### **Internal piping systems**

Pipes within the perimeter of the BTG facility will have expansion loops to compensate for thermal expansion and will run along the ground on concrete / steel sleepers as well as on elevated steel pipe racks and pipe bridges interlinking the various equipment. All HFO pipes will be electrically traced and insulated. Piping within the BTG site perimeter will comply with the requirements of ASME B31-3.

### **Process waste water/effluent**

Process waste water will consist mainly of tank bottom draining and contaminated stormwater runoff including water from tank leads and spills that collect in the containment sump / bund as well as liquefied hydrocarbons from the Vapour Recovery Unit and wastewater from the vapour recovery process. This process waste water will be channelled via the internal process waste water sewer to an oil/water separator. Recovered oil will be pumped to the slops tank and water from the separator will be sampled to ensure compliance with the standards applicable for discharge to the municipal sewer prior to release into the municipal sewer system. Effluent that does not comply with the discharge standards will also be pumped to the slops tank where it will be collected by an appropriately registered service provider and disposed of at an appropriately registered facility.

### **Bulk Liquid Pipelines extending between the proposed BTG facility to the Port of Ngqura**

It is pertinent to mention that currently there is no ancillary infrastructure (such as pipelines etc) in place outside the BTG site boundary that BTG will require to operate. The FEIR made it quite clear that it is not the intention of BTG to supply such infrastructure but rather that they will enter into an agreement with OTGC in terms of which OTGC will be responsible to supply such infrastructure up to the BTG battery limit. Appendix 13.7.1 supposedly contains a Memorandum of Understanding between OTGC and BTG that confirms this. The contents of Appendix 13.7.1 is however not a Memorandum of Understanding but only a letter from OTGC wherein they confirm that they note the expression of interest by BTG to use pipeline(s) that OTGC intend to construct as part of their terminal project in the Port of Ngqura. The content of the letter can in no way be construed as providing any confirmation that OTGC will indeed supply or make the necessary infrastructure available for use by BTG. On the contrary, the letter clearly stated that OTGC will take the matter on advice. The FEIR did not provide any clarity with regard to what the scenario will be in the event that OTGC will not be able or willing to provide the necessary infrastructure other than to say that BTG will then enter into negotiations with TNPA.

At this point in time there is thus no certainty or any information available that relates to any ancillary infrastructure that BTG may need to operate outside their site boundary. Conditions in this Environmental Authorisation requires the necessary clarity and certainty to be provided to the Department in the form of an agreement between OTGC and/or TNPA prior to the commencement of construction as it would be irresponsible to allow BTG to commence with construction in the absence of such certainty.

### **Project Development Cycle:**

- It is anticipated that the construction phase will include activities such as site clearance, levelling and bulk earthworks. During the construction phase, a temporary construction area will be located within the site boundary. The construction phase is envisaged to cover a period of approximately 14 months from commencement of

construction. It is pertinent to note that the site development plan included in the FEIR (Figure 4 on page 38) indicates that development of the BTG facility will take place in two phases. The time frames provided in Section 4.5 and the information provided in Section 4.6 however does not refer to any phasing and it is thus assumed that the 14 months stipulated for the construction of the facility applies to the full facility.


- The operational phase will include normal operation of the facilities as well as maintenance of infrastructure.
- The FEIR concluded that decommissioning of the facility is not foreseen but in the event that decommissioning is required, it would be subject to the applicable environmental legislation and best practice. In addition conditions contained in this Environmental Authorisation requires a basic decommissioning plan to be submitted to the Department.

Services to the BTG facility and infrastructure associated with such services will be supplied by the CDC.

- Access to the BTG facility will be via the existing access road into Zone 7 of the SEZ from the offramp on the N2.
- The operational water needs of the BTG facility will be supplied via the potable water reticulation network in the Coega IDZ and the Port of Ngqura as well as return effluent once such become available.
- Electricity to the BTG facility will be provided by the CDC to the electrical substation that will be established by BTG on their premises.
- Sewage emanating from the BTG will be discharged via the CDC's sewerage system for treatment at the Fishwater Flats Waste Water Treatment Works or alternatively at the proposed Coega Waste Water Treatment Works if and when such become available.

***Appendix 13.7.3 of the FEIR contains a letter from the CDC which is interpreted by the EAP to confirm the availability of the services as contemplated above. This letter however only serves to confirm that the CDC will supply the required services and not that these services are already available in Zone 7 of the SEZ. A condition has been included in this Environmental Authorisation that requires the CDC to confirm that the bulk service infrastructure required to service the BTG facility is indeed already in place prior to commencement of construction of the BTG facility.***

**Listed Activities applied for in terms of the EIA Regulations and hereby authorised.**

GN R325 of 7 April 2017 (LN2) Activity 4	The development and related operation of facilities or infrastructure, for the storage, or storage and handling of a dangerous good, where such storage occurs in containers with a combined capacity of more than 500 cubic metres.
GN R325 of 7 April 2017 (LN2) Activity 6	The development of facilities or infrastructure for any process or activity which requires a permit or licence or an amended permit or licence in terms of national or provincial legislation governing the generation or release of emissions, pollution or effluent.
GN R325 of 7 April 2017 (LN2) Activity 15	The clearance of an area of 20 hectares or more of indigenous vegetation. 

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GN R324 of 7 April 2017 (LN3) Activity 4	The development of a road wider than 4 metres with a reserve less than 13,5 metres. <b>a. Eastern Cape</b> i. Outside urban areas: (ee) Critical biodiversity areas and ecological support areas as identified in systematic biodiversity plans adopted by the competent authority or in bioregional plans. (gg) Areas within 10 kilometres from national parks or world heritage sites or 5 kilometres from any other protected area identified in terms of NEMPAA or from the core area of a biosphere reserve; (hh) Areas seawards of the development setback line or within 1 kilometre from the high-water mark of the sea if no such development setback line is determined.
GN R324 of 7 April 2017 (LN3) Activity 12	The clearance of an area of 300 square metres or more of indigenous vegetation except where such clearance of indigenous vegetation is required for maintenance purposes undertaken in accordance with a maintenance management plan. <b>a. Eastern Cape</b> ii. Within critical biodiversity areas identified in bioregional plans.

At the locality defined in the Table below, hereafter referred to as “the property” and as depicted in Figure 1:

<b>District</b>	Sarah Baartman
<b>Municipal Area</b>	Nelson Mandela Bay Municipality
<b>Farm Name</b>	N/A
<b>Farm Number and Portion</b>	N/A
<b>Erf Number and Township Extension or Suburb</b>	Zone 7 within the Coega SEZ as depicted in Figure 1.
<b>Coordinates of the site corners</b>	25° 42' 16.90"E and 33° 46' 14.94"S
	25° 42' 25.52"E and 33° 46' 25.65"S
	25° 42' 18.91"E and 33° 46' 35.70"S
	25° 42' 6.12"E and 33° 46' 24.08"S
<b>Physical address</b>	Within Zone 7 of the Coega SEZ east of the Coega River.

Figure 1: Proposed locality of the BTG facility within the Coega SEZ.



This Environmental Authorisation is granted subject to the conditions set out below.


### 3. Conditions

*The Department of Economic Development, Environmental Affairs and Tourism may from time to time review this Environmental Authorisation and on good grounds and after written notice to the holder thereof, suspend or amend such Environmental Authorisation.*

### 3.1. Duration of authorisation

- 3.1.1. Construction of the BTG bulk liquid storage and handling facility and associated infrastructure as described in Section 2 of this Environmental Authorisation Notice must commence within 24 months of the date of issue of this Environmental Authorisation. Should the activity not have commenced within this time period, this Environmental Authorisation will lapse and the applicant will be required to re-apply for authorisation in terms of the Environmental Impact Assessment regulations promulgated in terms of the National Environmental Management Act, Act 107 of 1998.
- 3.1.2. Construction of the BTG facility inclusive of associated infrastructure to be completed within 24 months of commencement of construction.
- 3.1.3. Extension of the Environmental Authorisation may be applied for in writing by means of an amendment of the Environmental Authorisation provided that the Environmental Authorisation is still valid on the date that such application is submitted to the Department. If no amendment requesting extension of the Environmental Authorisation is received prior to the expiry thereof this Environmental Authorisation will be deemed to have lapsed.
- 3.1.4. On receipt of any such application for extension, the Department reserves the right to request such information as it may deem necessary to consider the application for extension which may include but not limited to:
- 3.1.4.1. An updated CEMP; and
- 3.1.4.2. Such public participation process as may be deemed necessary at the time of the application for extension.
- 3.1.5. Conditions relating to the operation of the project are valid for the lifetime of the project inclusive of decommissioning.

### 3.2. Standard conditions and Declarations

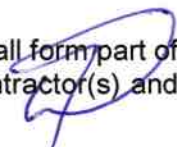
- 3.2.1. Environmental Authorisation is subject to the conditions contained in this Environmental Authorisation which conditions form part of the Environmental Authorisation and are binding on the holder thereof.
- 3.2.2. This Environmental Authorisation applies only to the activities and property described therein.
- 3.2.3. This Environmental Authorisation does not negate the holder thereof of his/her responsibility to **comply with any other statutory requirements** that may be applicable to the undertaking of the activity, including but not limited to:
- 3.2.3.1. The National Environmental Management: Air Quality Act, Act 39 of 2004;
- 3.2.3.2. The National Environmental Management: Waste Act, Act 58 of 2008;
- 3.2.3.3. The National Water Act, Act 36 of 1998;
- 3.2.3.4. The Hazardous Substances Act, Act 15 of 1993;
- 3.2.3.5. The Occupational Health and Safety Act, Act 85 of 1993;
- 3.2.3.6. The National Forest Act, Act 84 of 1998;
- 3.2.3.7. The National Environmental Management: Biodiversity Act, Act 10 of 2004; and
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- 3.2.3.8. The National Heritage Resources Act, Act 25 of 1999.
- 3.2.4. The holder of this Environmental Authorisation shall be responsible for ensuring compliance with the conditions by any person acting on his or her behalf, including but not limited to, an agent, sub-contractor, employee or person rendering a service to the holder of this Environmental Authorisation.
- 3.2.5. Should any environmental damage be detected, that in the opinion of this Department, is the result of the development, then the applicant shall be required to make good that damage to the satisfaction of the said authority at his/her own expense, this without limiting the generality of the provisions of Section 28 of the National Environmental Management Act, Act 107 of 1998.
- 3.2.6. In the event of any dispute as to what constitutes environmental damage, this Department's opinion will prevail.
- 3.2.7. This Department reserves the right to impose additional conditions or requirements on the applicant in respect of impacts identified during the EIA process, or withdraw this authorisation, in the event that such impacts exceed its significance as predicted in the consultant's Final Environmental Impact Report (EIR) and supporting documentation provided by the CSIR.
- 3.2.8. This authorisation applies strictly to the project description as outlined in Section 2 of this Authorisation. Should the applicant wish to amend any component or aspect of the project hereby authorised, then approval will be required from this Department. The Department will advise what information is required as well as the process that must be followed in order to apply for an amendment to this Record of Decision or, if needed, for authorisation in terms of the applicable EIA regulations promulgated in terms of the National Environmental Management Act, Act 107 of 1998.
- 3.2.9. This Environmental Authorisation is issued to the applicant described above. Should the applicant wish to transfer this Environmental Authorisation to another person (whether legal or natural), such transfer are to be affected by means of an amendment to the Environmental Authorisation. Such amendment to be applied for in terms of the relevant provisions contained in the EIA Regulations that may be applicable at the time.
- 3.2.10. This Environmental Authorisation must be made available to any interested and affected party who has registered their interest in the proposed development. The applicant is responsible for ensuring that a copy of this Environmental Authorisation is given to any such interested and affected party within 14 (fourteen) days of receiving this Environmental Authorisation.
- 3.2.11. This Environmental Authorisation or a certified copy thereof must be kept at the property where the activity will be undertaken. The authorisation must be produced to any authorised official of the Department who requests to see it and must be made available for inspection by any employee or agent of the holder of the authorisation who works or undertakes work at the site.
- 3.2.12. Where any of the applicant's contact details change, including the name of the responsible person, the physical or postal address and/or telephonic details, the applicant must notify the Department as soon as the new details become known to the applicant. The Department reserves the right to request that such change be effected by means of an application for amendment of the Environmental Authorisation.

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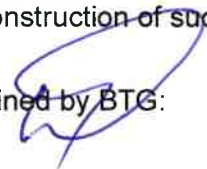
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- 3.2.13. In all cases, the holder of the Environmental Authorisation must notify the Department, in writing, within 48 hours if a condition of this authorisation is not adhered to. Any notification in terms of this condition must be accompanied by reasons for the non-compliance.
- 3.2.14. Any recommendations / mitigatory measures contained in the Final EIR, its appendixes and any additional information submitted subsequent to submission of the Final EIR and not explicitly covered under the conditions contained in this Environmental Authorisation, are regarded as conditions in terms of this Environmental Authorisation. In the event that any such recommendation / mitigatory measure are contradictory to a condition contained in this Environmental Authorisation, such condition will be deemed to take precedence.
- 3.2.15. Further to Condition 3.2.14, BTG to compile a detailed record of all Conditions, inclusive of recommendations / mitigatory measures, in tabular format for inclusion in the Construction phase Environmental Management Programme and / or Operational Phase Environmental Management Programme as applicable.
- 3.2.16. Non-compliance with a condition of this Environmental Authorisation may result in criminal prosecution or other actions provided for in NEMA and the EIA Regulations.
- 3.2.17. BTG will be held liable in the event of non-compliance by any contractor and/or subcontractor involved in this activity.
- 3.2.18. Any upgrading of the bulk liquid and LPG storage and handling facility will be subject to further approval from this Department. For the purposes of this condition, upgrading is defined as the enlargement or expansion of the facility, inclusive of its storage and/or development footprint, but excluding regular or routine maintenance and the replacement of inefficient or old equipment, plants or machinery where such will not result in a detrimental impact on the environment that will be more significant than that predicted in the Final EIR.
- 3.2.19. Furthermore, any approval required in terms of Condition 3.2.18 to be considered in terms of the EIA Regulations applicable at the time if relevant or else by any such process as the Department may prescribe in terms of this condition provided that such process must be in line with the applicable Environmental Assessment Processes prescribed by law.
- 3.2.20. Fourteen days written notice must be given to the Department that the activity will commence. Commencement for the purposes of this condition includes site preparation. The notice must include a date on which it is anticipated that the activity will commence.
- 3.2.21. Any conditions of agreement between BTG and the CDC including but not limited to those dealing with potable water, storm water discharge, air quality monitoring, emergency preparedness and sewage effluent must be adhered to. Copies of such agreements to be supplied to the Department.
- 3.2.22. All environmental standards and guidelines for development within the Coega SEZ and the Port of Ngqura as set by TNPA and / or the CDC to be adhered to.
- 3.2.23. The relevant conditions of this Environmental Authorisation shall form part of any contracts entered into between the applicant and any contractor(s) and or any sub-contractor(s).
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- 3.2.24. Further to Condition 3.2.23, a performance based requirement with regard to environmental impact management must be included in all contracts related to any activity relating to this Environmental Authorisation inclusive of incentives and penalties.

**3.3 Suspensive conditions and conditions specific to Establishment and layout**

- 3.3.1 An agreement to be concluded between BTG and OTGC and/or TNPA for the installation and use of ancillary infrastructure that will be required by BTG to facilitate product delivery and export from the BTG site within six (6) months of the signature of this Environmental Authorisation and the details of such agreement to be provided to the Department. In the event that such agreement is not reached within the time period stipulated, this Authorisation becomes null and void.
- 3.3.2 An agreement to be concluded between BTG and TNPA within six (6) months of the signature of this Environmental Authorisation regarding roles and responsibilities for review of the Oil Spill Contingency and Emergency Preparedness Plan to determine its adequacy in terms of current and planned conditions / operations (inclusive of off shore bunkering) to deal with oil spills and emergency incidents.
- 3.3.3 Further to Condition 3.3.2 an agreement to be concluded between BTG and TNPA within 6 months of the review contemplated in Condition 3.3.2 being concluded that clearly outlines the role and responsibility that BTG will have in terms of the Oil Spill Contingency and Emergency Preparedness Plan inclusive of provision of necessary resources.
- 3.3.4 Prior to commencement of the activity as authorised, written confirmation to be obtained from the CDC and submitted to the Department that bulk service infrastructure is available up to the site boundary of the BTG site.
- 3.3.5 The Major Hazard Installation (MHI) Risk Assessment as referenced in Section 9.4 of the FEIR must be undertaken and completed in terms of the Occupational Health and Safety Act, Act 85 of 1993 (OSH Act) prior to the commencement of any construction on site. Furthermore the design of the bulk liquid storage and handling facility must comply with all statutory requirements and applicable SANS codes or equivalent international codes of good design and practise relating to bulk liquid storage and handling facilities.
- 3.3.6 The findings of the study contemplated in Condition 3.3.5 to be incorporated into the final design and construction of the bulk liquid storage and handling facility.
- 3.3.7 A detailed overall site layout plan (inclusive of construction lay down areas) to be submitted to the Department for approval prior to construction commencing on site.
- 3.3.8 Final, detailed design and layout plans to be submitted to the Department on request. General layout plans and detailed plans for all environmental installations to be submitted to the Department prior to construction of such installations.
- 3.3.9 With reference to Condition 3.2.3 the following to be obtained by BTG:
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- 3.3.9.1 Water use licence and / or general authorisation in terms of the NWA as may be applicable prior to the commencement of construction of the BTG facility; and
- 3.3.9.2 Permits for the removal of vegetation in terms of the NEMBA and the Forest Act where applicable prior to the commencement of any site clearing.
- 3.3.10 Approval of Site Development and Building Plans by the CDC and the Nelson Mandela Bay Municipality for storm water management, sewage pipelines, and facilities for storage of flammable or hazardous materials based on the applicable SABS / SANS codes, as well as any other applicable local authority by-laws to be obtained prior to the commencement of construction.

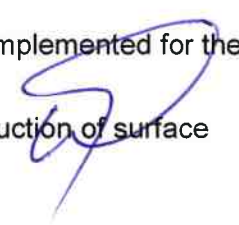
### **3.4 Conditions specific to construction**

- 3.4.1 A dedicated CEMP to be compiled and submitted to and approved by this Department prior to the commencement of construction. In this regard the CEMP contained in Annexure 13.6.1 of FEIR may be used as framework. The CEMP to include as a minimum:
  - 3.4.1.1 Applicable conditions of this Record of Decision;
  - 3.4.1.2 All recommendations, measures, responsibilities, key actions and other provisions contained in the Final EIR (inclusive of all its volumes);
  - 3.4.1.3 Copies of all permits / licences issued to BTG that have relevance to the environment; and
  - 3.4.1.4 A framework for all contracts associated with the construction phase of the development and the Environmental Method Statements that will be associated with such contracts.
- 3.4.2 The CEMP referred to in Condition 3.4.1 to be implemented and strictly adhered to for the duration of the construction phase.
- 3.4.3 BTG shall appoint a suitably qualified construction Environmental Control Officer (ECO) who must be based on site for the duration of construction and who will be responsible for ensuring that the CEMP is implemented and strictly adhered to (inclusive of the relevant conditions contained within this Environmental Authorisation).
- 3.4.4 The ECO referred to in Condition 3.4.3, shall be required to report to the Coega Environmental Monitoring Committee via the ECO for the IDZ and the Port of Ngqura on environmental performance related to the implementation of the CEMP.
- 3.4.5 BTG must ensure that all contracting companies tendering for any work related to the construction of the facility receive a copy of the CEMP referred to in Condition 3.4.1. Furthermore BTG must ensure that all appointed contractors have made appropriate allowance for managing the environmental aspects related to their work in accordance with the provisions of such CEMP.
- 3.4.6 A pre-commencement audit to be conducted and submitted to the Department prior to the commencement of construction. Such audit to provide for amongst others proof of compliance with Conditions 3.2.3, 3.2.21, 3.3.1, 3.3.2, 3.3.3, 3.3.7 3.3.9, 3.3.10, 3.4.1, and 3.4.3 and must be

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- submitted to the Department at least 30 days prior to the commencement of any construction activities related directly or indirectly to this project.
- 3.4.7 No construction village to be established on the site.
- 3.4.8 The principle of Best Practicable Environmental Option to be applied to all technologies used/implemented during construction.
- 3.4.9 No blanket clearing of vegetation to take place on the site. Vegetation only to be cleared to facilitate the installation of infrastructure and the construction of the various components of the bulk liquid storage and handling facility. All indigenous vegetation on areas within the site that are not part of the development footprint to remain intact.
- 3.4.10 The development footprint as contemplated in Condition 3.4.9 to be clearly demarcated with pegs. Construction activities, stockpiling of any building material and the storing of machinery must be accommodated within such demarcated area and in accordance with the relevant provisions of the CEMP.
- 3.4.11 An archaeologist must inspect the construction site after the removal of surface vegetation and prior to any further activities on the site to establish if there are any archaeological material / sites present.
- 3.4.12 Further to Condition 3.4.11, if any archaeological sites or concentrations of archaeological material are uncovered during the removal of surface vegetation, such to be reported to the Eastern Cape Province Heritage Resources Agency (ECPHRA) and the Albany Museum and the necessary permits / permissions obtained from the ECPHRA in terms of the National Heritage Resources Act, Act 25 of 1999.
- 3.4.13 All major bedrock excavations (below a depth of 2m) at the BTG Facility are to be monitored by a professional palaeontologist for the occurrence of fossil material.
- 3.4.14 Further to Condition 3.4.13, if any substantial fossil remains are found, these to remain in situ and reported to the ECPHRA and the necessary permits / permissions obtained from the ECPHRA for the sampling, recording and collection of such fossil material.
- 3.4.15 A Dust Management Plan to be compiled and implemented for the construction phase of the development and the following key issues to be included:
- 3.4.15.1 Avoidance of unnecessary removal of vegetation;
  - 3.4.15.2 Routine spraying of unpaved site roads and access roads with water;
  - 3.4.15.3 Limiting vehicle-entrained dust from unpaved roads through traffic control measures;
  - 3.4.15.4 Re-vegetation of disturbed areas not occupied by facility infrastructure to take place as soon as possible (This must be done in accordance with the landscaping plan contemplated in Section 3.10 of these conditions).
- 3.4.16 A Storm Water Management Plan to be designed and implemented for the construction phase of the development.
- 3.4.17 The Storm Water Management Plan to address the reduction of surface water run-off and resultant erosion.
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- 3.4.18 A Waste Management Plan to be designed and implemented for the construction phase of the development.
- 3.4.19 A complete materials mass balance and waste inventory for the construction phase to be compiled as part of the Waste Management Plan contemplated in Condition 3.4.18 and such to be submitted to this Department and the DEA on a quarterly basis.
- 3.4.20 The ECO must compile monthly progress / audit reports and submit them to the TNPA, this Department as well as the ECO for the IDZ and the Port of Ngqura within 2 weeks of the end of each month. Furthermore, any significant deviations from the CEMP, any major non-compliances or any imminent risk to the environment must be reported immediately to the NPA and this Department.
- 3.4.21 A post construction environmental audit to be carried out and the report submitted to this Department. This audit to, as a minimum, consider adherence to the relevant conditions contained in this Environmental Authorisation and the stipulations of the CEMP.

### **3.5 Conditions relating to operational management**

- 3.5.1 A dedicated OEMP to be compiled and submitted to this Department prior to the commissioning of the bulk liquid storage and handling facility. In this regard the OEMP contained in Annexure 13.6.2 of the FEIR dealing with operation may be used as framework. The OEMP to include as a minimum:
  - 3.5.1.1 The implementation (inclusive of certification and accreditation) of a suitable independently audited, internationally recognised Environmental Management System (EMS) such as ISO 14001, for the operational life of the facility;
  - 3.5.1.2 A comprehensive air emissions management plan;
  - 3.5.1.3 A comprehensive waste management plan;
  - 3.5.1.4 A comprehensive groundwater monitoring plan;
  - 3.5.1.5 A comprehensive incident detection and emergency response plan inclusive of an oil spill contingency plan for the facility;
  - 3.5.1.6 Management and responsibilities associated with the use of any ancillary infrastructure that may be made available to BTG by a third party outside the site boundary or BTG; and
  - 3.5.1.7 All recommendations, measures, responsibilities, key actions and other provisions relating to operation that are contained in the Final EIR (inclusive of all its volumes and specialist studies).
- 3.5.2 The EMS referred to in Condition 3.5.1.1 to be in place before commissioning of the bulk liquid storage and handling facility and to be certified and accredited within a specified period subsequent to start-up, which period will be agreed upon with this Department.
- 3.5.3 BTG shall appoint a suitably qualified Environmental Manager who must be based on site for the duration of the operational life of the bulk liquid storage and handling facility and who will be responsible for ensuring that the OEMP (inclusive of the EMS) is implemented and strictly adhered to (inclusive of the relevant conditions contained within this Environmental Authorisation).

- 3.5.4 Proof of compliance with Conditions 3.5.1, 3.5.2 and 3.5.3 must be submitted to the Department at least 30 days prior to the commissioning of the facility.
- 3.5.5 The Environmental Manager must compile quarterly reports and submit them to the NPA, this Department and the Coega EMC or any other such body which may replace the Coega EMC in future, within 2 weeks of the end of each quarter. Furthermore, any significant deviations from the OEMP (inclusive of the EMS), any major non-compliances or any imminent risk to the environment must be reported immediately to TNPA and this Department.

### **3.6 Conditions specific to bulk liquid handling and other hazardous substances.**

- 3.6.1 All storage and handling facilities for hazardous substances to comply with the relevant SANS codes of practice for the handling and storage of hazardous substances, including adequate bunding of such facilities in order to contain possible spillages.
- 3.6.2 All bulk liquid handling areas on the site to be under cover or enclosed.
- 3.6.3 All bulk liquid handling equipment to be maintained and tested at regular intervals in order to ensure efficient and optimum operation.
- 3.6.4 The detailed incident detection and emergency response plan referred to in Condition 3.5.1.5 must amongst others address:
  - 3.6.4.1 A detailed site management plan and layout indicating loading areas, storage areas, all bunded areas and other measures aimed at the containment of spills.
  - 3.6.4.2 Appropriate identification, classification, recording, clean-up and disposal of spillages;
  - 3.6.4.3 Responsibilities for clean-up and procedures for the training of workers and contractors; and
  - 3.6.4.4 A programme for the audit of plant wide spillages.

### **3.7 Conditions specific to waste management**

- 3.7.1 An efficient Waste Management Plan for the operational phase of the project to be designed and implemented in conjunction with the relevant authorities.
- 3.7.2 The Waste Management Plan must address amongst others:
  - 3.7.2.1 The possible treatment of hazardous waste on site in order to allow recycling and/or possible disposal at a general waste disposal site.
  - 3.7.2.2 Minimisation of waste including recycling and re-use of waste.
  - 3.7.2.3 Possible opportunities for recycling and re-use of waste by small, medium and micro enterprises (SMMEs).
- 3.7.3 The Waste Management Plan to be updated and resubmitted to the relevant authorities on an annual basis.

- 3.7.4 A complete materials mass balance and waste inventory for the operational phase of the project to be submitted to the Department and DWS prior to commissioning of the bulk liquid storage and handling facility.
- 3.7.5 The materials mass balance and waste inventory to be updated and resubmitted to this Department and DWS on an annual basis once the bulk liquid storage and handling facility is operational.
- 3.7.6 BTG to participate and to subscribe to the implementation of the NMBM Integrated Waste Management Plan.
- 3.7.7 All waste storage areas on site to be designed according to the Minimum Requirements for Waste Management and licensed / registered in terms of the National Environmental Management: Waste Act, Act 58 of 2008 where applicable.

### **3.8 Emissions to the atmosphere**

- 3.8.1 Any requirements that are stipulated in the Air Emissions Licence issued by the NMBM with regard to emission control and abatement, to be incorporated into the final design and subsequent construction of the BTG facility.
- 3.8.2 All conditions included in an Air Emissions Licence issued by the NMBM for the BTG facility to be complied with.
- 3.8.3 A comprehensive staff training programme to be designed and implemented to ensure adherence to best practice operating procedures with regard to emission control and abatement.
- 3.8.4 Particulate and other matter trapped in air pollution abatement equipment, to be identified in the waste inventory and disposal thereof addressed in the waste management plan.
- 3.8.5 The results of any ambient air quality monitoring programme must be used for optimal emissions management and immediate corrective action when necessary.
- 3.8.6 Not with standing any conditions included in the AEL, reporting to the NMBM and this Department with regard to air quality monitoring and management must as a minimum:
  - 3.8.6.1 Report on the failure of any equipment for a duration of 30 minutes or more immediately and corrective measures taken stated in a monthly report;
  - 3.8.6.2 Include measures for notification of planned maintenance and downtime at least three days in advance.
  - 3.8.6.3 Report on total particulate matter on a monthly basis;
  - 3.8.6.4 Reflect monitored and modelled ambient air quality results;
  - 3.8.6.5 Report on equipment availability on a monthly basis;
  - 3.8.6.6 Be summarised in an annual report;
- 3.8.7 A contingency plan to be compiled with details of steps to be taken in the event of a catastrophe and such plan to be submitted to the NMBM and this Department.
- 3.8.8 As a minimum, all emissions from the bulk liquid storage and handling facility, inclusive of fugitive emissions and dust must adhere to the

minimum emission standards provided for listed Activities in terms of Section 21, Part 3 of the National Environmental Management: Air Quality Act, Act 39 of 2004 as contained in GN 248 of 31 March 2010 or its replacement.

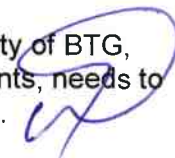
**3.9 Conditions relating to water use and liquid waste**

- 3.9.1 Process water requirements to be met by means of return effluent as soon as it becomes available in Zone 7 of the IDZ located in the Port of Ngqura.
- 3.9.2 Any liquid effluent and /or storm water that are to leave the BTG site must conform to the standards to be set by the CDC in order to meet the water quality requirements at the point of release into the environment and to the standards set by the NMBM for discharge to sewer.
- 3.9.3 A Storm and Waste Water Management Plan to be compiled to the satisfaction of this Department, DWS, NMBM and the CDC and to be approved by DWS prior to construction of any permanent storm water infrastructure.
- 3.9.4 The Storm and Waste Water Management Plan must be informed by a detailed study which must consider amongst others:
- 3.9.4.1 A comprehensive water balance;
  - 3.9.4.2 The principles of prevent, separate, concentrate and contain;
  - 3.9.4.3 An assessment of all appropriate management options and mitigatory measures including waste water minimisation, treatment, and contractual aspects;
  - 3.9.4.4 Identification of sources of pollutants reported to contaminate storm water;
  - 3.9.4.5 Mitigation measures of how such sources can be designed and engineered at source so that the potential for pollution is eliminated;
  - 3.9.4.6 Total storm water containment, treatment and re-use on site; and
  - 3.9.4.7 Appropriate site selection and design plans for storm water containment / attenuation structures.
- 3.9.5 The storm water management infrastructure constructed on site must reflect the approved storm water management plan and must be fully functional prior to the commissioning of any of the liquid storage tanks.
- 3.9.6 Any storm water dams/ponds that will be constructed as part of the storm water management infrastructure must be designed to contain runoff from a 1:100 year storm event, and must be registered and licensed in terms of Section 21(g) of the National Water Act, Act 36 of 1998 if applicable.
- 3.9.7 Construction of the ponds contemplated in Condition 3.9.6 may only commence once licensing of such has been confirmed by DWS.
- 3.9.8 The storm water management system must be designed and constructed to trap particulates.
- 3.9.9 Particulate matter captured in the storm water system must be stipulated in the waste inventory and disposal thereof addressed in the Waste Management Plan.

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- 3.9.10 Storm water management ponds / attenuation dams must be lined with an appropriate impermeable material/substance to the satisfaction of DWS and this Department.
- 3.9.11 Storm water not re-used on site or diverted for treatment may be released into the storm water reticulation of the CDC, provided that it complies with the quantity and quality requirements specified by the CDC Storm Water Management Plan and in terms of any water licences that may have been issued to the CDC.
- 3.9.12 BTG to adopt water conservation best practice including but not limited to the following:
- 3.9.12.1 Implement water saving devices for domestic water use at the bulk liquid storage and handling facility (e.g. dual flush toilets, automatic shut-off taps, etc.);
  - 3.9.12.2 As a general principle, potable water should not be used for irrigation purposes and landscapes must be designed to absorb rainwater run-off rather than having to carry it off-site in storm water drains;
  - 3.9.12.3 Indigenous vegetation to be used for landscaping to minimise watering requirements;
  - 3.9.12.4 Cleaning methods utilised for the cleaning of vehicles, floors etc. must aim to minimise water use;
  - 3.9.12.5 Maintenance of proper pressure within fire water systems to limit water use;
  - 3.9.12.6 Conducting of regular audits of water systems to identify and rectify any possible water leakages; and
  - 3.9.12.7 Implementing a system for the proper metering and measurement of water use and wastewater discharges to enable proper performance review and management.
- 3.9.13 DWS to be kept informed of events/incidents that could lead to water pollution.
- 3.9.14 DWS to be involved in any mitigation/corrective measures undertaken as a result of such events/incidents.
- 3.9.15 A monitoring programme for water related impacts to be compiled and implemented to ensure that the predictions of the EIR are correct and such monitoring programme to be approved by DWS. Such a monitoring programme must amongst others consider:
- 3.9.15.1 The quality and quantity of process wastewater;
  - 3.9.15.2 The quality and quantity of storm water;
  - 3.9.15.3 Determination of both particulate and dissolved concentrations of contaminants with separate reporting; and
  - 3.9.15.4 In the event that storm water may leave the property of BTG, monitoring thereof inclusive of potential contaminants, needs to take place at the point where it leaves the property. 

**3.10 Conditions pertaining to site rehabilitation and landscaping**

- 3.10.1 Vegetation removed during construction to be incorporated into landscaping of the bulk liquid storage and handling facility site wherever possible.
- 3.10.2 Topsoil removed during construction to be used wherever possible in site landscaping.
- 3.10.3 A detailed landscaping plan to be compiled to the satisfaction of this Department and landscaping of areas on the site that was disturbed as a result of construction activities to take place in accordance with such an approved plan.
- 3.10.4 The landscaping plan to address/incorporate amongst others but not limited to the following:
  - 3.10.4.1 Maximum use of construction rubble in landscaping and site rehabilitation;
  - 3.10.4.2 The use of indigenous vegetation native to the general area in site landscaping and rehabilitation;
  - 3.10.4.3 The controlled removal of all invasive alien plant species evident on the site;
  - 3.10.4.4 The control and eradication of all invasive alien plant species that may colonize the site before such can attain the seed formation stage;
  - 3.10.4.5 The addressing of the visual impact of large paved areas by planting vegetation/trees in such areas and through the construction of low walls or screens; and
  - 3.10.4.6 The shaping of cut-and-fill slopes to allow for the re-establishment of indigenous vegetation.

**3.11 Conditions pertaining to noise**

- 3.11.1 BTG to adhere to the noise regulations as implemented within the Nelson Mandela Bay Municipal Area.
- 3.11.2 As a minimum, ambient noise levels emanating from the bulk liquid storage and handling facility must not exceed 70 dBA at the site boundary.
- 3.11.3 If and when noise generating industries locate adjacent to the bulk liquid storage and handling facility, appropriate measures must be implemented by BTG in conjunction with such industries to not exceed a maximum combined noise level of 70 dBA at the site boundary.
- 3.11.4 BTG to comply with the occupational noise regulations of the Occupational Health and safety Act, Act 85 of 1993.
- 3.11.5 BTG to institute a noise monitoring programme that must incorporate sound level metering at key locations during the construction and operation of the bulk liquid storage and handling facility.

**3.12 Conditions pertaining to visual aspects**

- 3.12.1 The CDC guidelines with regard to attenuation of visual impact (choice of colours, type of paint etc) to be applied and appropriate architectural



modelling and surface colour treatment of buildings to reduce visual impact of the bulk liquid storage and handling facility to be used.

- 3.12.2 The use of primary colours to be limited and only paint that has a non-reflective finish (mat paint) to be used.
- 3.12.3 Visual impact of large paved areas to be avoided by planting vegetation and through construction of low walls or screens.
- 3.12.4 External signage to be minimised.
- 3.12.5 Signage that has a silhouette effect to be avoided.
- 3.12.6 Outdoor lighting with reflectors to be fitted to avoid light spillage and low-level lighting for parking areas to be used (also refer to the CDC guidelines with regard to lighting).
- 3.12.7 Cut-and-fill slopes to be shaped to allow the re-establishment of indigenous vegetation.
- 3.12.8 The final layout plan and architectural design of the BTG bulk liquid storage and handling facility must be reviewed to:
  - 3.12.8.1 Ensure that visual mitigation measures have been incorporated into the final documentation for the General Contract Manager; and
  - 3.12.8.2 Verify that the design satisfies the visual guidelines prepared by the CDC to attenuate visual impact within the IDZ.

### **3.13 Conditions pertaining to social aspects**

- 3.13.1 Contract documentation for the General Construction Manager (GCM) and sub-contractors to include requirements for preferential use of local labour, designated employees in terms of the Employment Equity Act, goods and services, and SMMEs.
- 3.13.2 Contract documentation for the GCM and subcontractors to include requirements for the multi-skilling of construction workers, as per CDC rules and Zone Labour Agreement.
- 3.13.3 A skills development and training programme to be implemented.
- 3.13.4 A system for public reporting on compliance of the GCM and subcontractors to the EMP for construction to be established.
- 3.13.5 A Corporate Social Investment programme to be developed in consultation with relevant stakeholders.
- 3.13.6 Linkages with existing initiatives within the NMBM to be established in order to support training and SMME development.
- 3.13.7 Opportunities for downstream industries and SMME development to be facilitated.
- 3.13.8 An HIV/AIDS policy and programme to be implemented.
- 3.13.9 BTG to support the community health monitoring undertaken by the CDC.

### **3.14 Conditions relating to decommissioning**

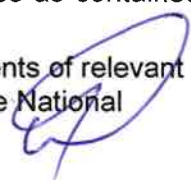
- 3.14.1 A basic decommissioning plan to be compiled and submitted to this Department before commissioning of the bulk liquid storage and handling facility.

- 3.14.2 The decommissioning plan to be reviewed on a 5 year cycle during the operational phase and immediately prior to actual decommissioning taking place

## **4. Reasons for Decision**

### **4.1. Information considered in making the decision**

In reaching its decision, the Department took, *inter alia*, the following into consideration:

- 4.1.1 The information contained in the following documentation:
- Completed application form dated 20 March 2018 as registered on 24 April 2018 as per correspondence from the EAP dated 28 March and 16 April 2018 respectively;
  - The Draft Scoping report by Prism Environmental Management Services dated February 2018 and titled "Scoping Report Bay Terminals Group Coega Tank Farm – Draft for public review" as submitted to the Department on 25 April 2018;
  - The Final Scoping Report by Prism Environmental Management Services dated June 2018 and titled "Scoping Report Bay Terminals Group Coega Tank Farm" as submitted to the Department on 8 June 2018;
  - The Draft Environmental Impact Report by Prism Environmental Management Services dated September 2018 and titled "Environmental Impact Assessment Report Bay Terminals Group Coega Tank Farm – Draft for Public Review" with its appendices as submitted to the Department on 3 October 2018;
  - The Final Environmental Impact Report by Prism Environmental Management Services dated November 2018 and titled "Environmental Impact Assessment Report Bay Terminals Group Coega Tank Farm – Final" with its appendices as submitted to the Department on 7 November 2018;
  - Supplementary information submitted on 8 March 2019 in response to a request for clarification of certain aspects from the Department on 1 March 2019; and
  - Deliberations and discussions at ELC meetings held on 24 May 2018, 23 August 2018; 22 November 2018 and 28 February 2019 respectively.
- 4.1.2 Confirmation from the NMBM in a letter dated 26 November 2018 as submitted to the Department via email on 10 December 2018 that they are in a position to grant a provisional Air Emissions Licence.
- 4.1.3 The comments received from interested and affected parties as contained in the above-mentioned reports; and
- 4.1.4 The EIA regulations of 2014 as amended and the requirements of relevant legislation, policies and guidelines, including Section 2 of the National Environmental Management Act, Act 107 of 1998.
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## **4.2. Key factors considered in making the decision**

- 4.2.1. The Environmental Impact Assessment process undertaken satisfies the procedural requirements of the EIA Regulations and the National Environmental Management Act, Act 107 of 1998.
- 4.2.2. Issues and concerns raised by interested and affected parties were addressed in the Final EIR and supplementary information provided. Pertinent to consider though is that some concerns and issues raised were not addressed to the satisfaction of the Department. These relate mainly to:
- Ancillary infrastructure required by BTG to operate (such as pipelines) but that was not assessed / addressed in the EIA process (inclusive of the FEIR) due to the fact that it is argued that provision of such infrastructure will be negotiated with a third party (OTGC and/or TNPA); and
  - Increased risk of pollution and emergency incidents with specific reference to the adequacy of the current Oil Spill Contingency Plan to deal with the increased risk inclusive of actual resources required.
- These are addressed further in paragraphs 4.2.8 and 4.2.12 below.
- 4.2.3. The Final EIR and its associated specialist studies provide adequate information on which to base an informed decision on the environmental implications of the various elements of the proposed project.
- 4.2.4. The Department is satisfied that, the risks to the natural environment and to humans can be adequately managed if all the conditions contained within this Environmental Authorisation are adhered to.
- 4.2.5. The Department is of the opinion that after implementation of the mitigation measures described in the Construction and Operational EMPs together with the conditions contained within this Authorisation, that the residual impacts and risks to the environment are acceptable.
- 4.2.6. The conditions set out in this Environmental Authorisation have been designed to ensure that the negative impacts and risks associated with the project are identified, addressed and/or managed effectively.
- 4.2.7. The BTG bulk liquid and LPG storage and handling facility will be constructed in Zone 7 of the Coega SEZ which has been identified as the chemicals cluster within the SEZ. Although Zone 11 is the dedicated petro-chemicals cluster it is argued that the placement of the BTG facility in Zone 7 is favoured due to its close proximity to the TNPA boundary and proclaimed pipeline reserve. The site is also in close proximity to the OTGC bulk liquid and handling facility to be constructed within the Ngqura Port precinct. It could be argued that placement of the BTG facility should have been accommodated within the dedicated tank farm precinct within the Port of Ngqura which has been set aside specifically for facilities of this nature. BTG however acted on a tender request that was placed by the CDC for development of a tank farm within Zone 7 of the Coega SEZ and as such they did not have the option of locating within Zone 8.
- 4.2.8. As mentioned in Section 2 under detailed description of the activity there is no ancillary infrastructure (such as pipelines etc) in place outside the BTG site boundary that BTG will require to operate and it was made quite clear by the EAP that it is not the intention of BTG to supply such infrastructure but that they will enter into an agreement with OTGC in terms of which OTGC will be responsible to supply such infrastructure up to the BTG battery limit. This issue was raised at various stages throughout the process and at various

Coega ELC meetings due to the uncertainty that is associated with this approach.

Appendix 13.7.1 of the FEIR supposedly contains a Memorandum of Understanding between OTGC and BTG that confirms this. The contents of Appendix 13.7.1 is however not a Memorandum of Understanding but only a letter from OTGC wherein they confirm that they note the expression of interest by BTG to use pipeline(s) that OTGC intend to construct as part of their terminal project in the Port of Ngqura. The content of the letter can in no way be construed as providing any confirmation that OTGC will indeed supply or make the necessary infrastructure available for use by BTG. On the contrary, the letter clearly stated that OTGC will take the matter on advice.

The FEIR did not provide any clarity with regard to what the scenario will be in the event that OTGC will not be able or willing to provide the necessary infrastructure other than to say that BTG will then enter into negotiations with TNPA.

At this point in time there is thus no certainty or any information available that relates to any ancillary infrastructure that BTG may need to operate outside their site boundary. Conditions in this Environmental Authorisation requires the necessary clarity and certainty to be provided to the Department in the form of an agreement between OTGC and/or TNPA prior to the commencement of construction as it would be irresponsible to allow BTG to commence with construction in the absence of such certainty. If one take into account that discussions / negotiations between BTG and OTGC have been ongoing since the first half of 2018 it was deemed reasonable to provide a further six months for such negotiations to be concluded. In the absence of such agreement, this Authorisation will be deemed to become null and void.

- 4.2.9. Services to the BTG facility and infrastructure associated with such services will be supplied by the CDC. In this regard Appendix 13.7.3 of the FEIR contains a letter from the CDC which confirms that the CDC will supply the required services and not that these services are already available in Zone 7 of the SEZ. A condition has been included in this Environmental Authorisation that requires the CDC to confirm that the bulk service infrastructure required to service the BTG facility is indeed already in place prior to commencement of construction of the BTG facility.
- 4.2.10. It is pertinent to consider that there is authorisations / approvals in place for the construction of a bulk liquid storage and handling facility within Zone 8 of the Coega SEZ (within the Ngqura Port Precinct) that will have a storage and handling capacity 790000m<sup>3</sup>. It could thus be asked whether there is indeed a need at this point in time for a similar facility. The FEIR concluded that there will indeed be a need for the BTG facility. The main reasons provided for this relates to a perceived independent wholesaler demand of up to 50 million litres per month of combined fuel and that the major oil companies including PetroSA will require additional storage capacity.
- 4.2.11. Emissions to the atmosphere will be managed and controlled through an Air Emissions licence to be issued by the NMBM. In this regard the NMBM has confirmed that the information at their disposal with regard to potential emissions to the atmosphere and the control / abatement thereof is sufficient for them to issue a provisional AEL as contained in their letter to the Department dated 26 November 2018. The NMBM has subsequently issued the Provisional AEL on 1 February 2019.
- 4.2.12. Throughout the assessment process the EAP was requested to address the issue of marine related impacts and more specifically the increased risk of

pollution and emergency incidents occurring. Although the FEIR did to an extent allude to the fact that BTG will have to contribute to Transnet's third party oil spill contingency plan of the harbour and pipelines. This in itself did not adequately address the issue as raised as it was expected that the existing Oil Spill Contingency Plan (inclusive of the availability / adequacy of resources) should have been evaluated in terms of its adequacy to deal with the increased risk.

Under the circumstances it was deemed prudent and responsible to include conditions in this Environmental Authorisation that compels BTG to reach agreement with TNPA regarding roles and responsibilities for review of the Oil Spill Contingency and Emergency Preparedness Plan as well as roles and responsibilities that BTG will have in terms of said plan inclusive of provision of the necessary resources.

- 4.2.13. Impacts during construction will be managed through the implementation of a comprehensive Construction Environmental Management Programme (CEMP) as required in terms of Condition 3.4.1. Implementation of and adherence to this CEMP as well as compliance with the conditions of this Authorisation are to be overseen by a dedicated Environmental Control Officer (ECO) as provided for in Condition 3.4.3.
- 4.2.14. Impacts during operation will be managed through the implementation of a comprehensive Operational Environmental Management Programme (OEMP) incorporating an internationally recognized Environmental Management System (EMS) as required in Condition 3.5.1. Implementation of and adherence to this OEMP are to be overseen by a dedicated Environmental Manager as provided for in Condition 3.5.3.
- 4.2.15. In conclusion, this Department is satisfied that the benefits associated with the proposed project outweigh the environmental costs and are consistent with sustainable development principles provided that the requirements and conditions as stipulated in this Environmental Authorisation are implemented and complied with.
- 4.2.16. In general the environmental process followed is deemed to be satisfactory. It is the opinion of the Department that the information at hand is sufficient and adequate to make an informed decision. In this regard the Department is satisfied that, subject to compliance with the conditions contained in the Environmental Authorisation, the proposed activity will not conflict with the general objectives of integrated environmental management as laid down in Chapter 5 of the National Environmental Management Act, Act 107 of 1998, and that any potentially detrimental environmental impacts resulting from the proposed activities can be mitigated to acceptable levels.

## **5. Appeal of Environmental Authorisation**

5.1. In terms of Regulation 4(2) of the Environmental Impact Assessment Regulations, 2014, you are instructed to notify all registered interested and affected parties, in writing and within fourteen (14) calendar days of the date of this letter, of the Department's decision in respect of your application as well as the provisions regarding the making of appeals that are provided for in the 2014 Appeal Regulations.

5.2. The notification referred to in 5.1 must:

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CHIEF DIRECTORATE: ENVIRONMENTAL AFFAIRS

- 5.2.1. Specify the date on which the Environmental Authorisation was issued;
- 5.2.2. Inform interested and affected parties of the appeal procedure provided for in the Appeal Regulations published in GN R993 of 8 December 2014 in terms of Section 44 read together with Section 43 of the National Environmental Management Act, Act 107 of 1998 as amended; and
- 5.2.3. Advise interested and affected parties that a copy of the Environmental Authorisation and reasons for the decision will be furnished on request.
- 5.3. Any appeal against the decision contained in this Authorisation must be addressed in writing, to the MEC for Economic Development, Environmental Affairs & Tourism (hereinafter referred to as "the MEC") in terms of Regulation 4(1) of the NEMA Appeal Regulations 2014 and within 20 (twenty) days after the appellant has been notified in terms of paragraphs 5.1 and 5.2, of the decision.
- 5.4. An Appeal Submission must be made on a form obtainable from the Department Appeal Administrator and/or the Departmental website on [www.dedea.gov.za](http://www.dedea.gov.za) or relevant Regional Office.
- 5.5. The Appellant must also submit a copy of the appeal to the regional office that processed the application.
- 5.6. In the event that an appeal is lodged, copies of such appeal must be served on the applicant (if not the appellant), all registered interested and affected parties as well as juristic state departments (organ of state with interest in the matter) within 20 days of having been notified in accordance with the requirements stipulated in paragraphs 5.1 and 5.2 of the decision.
- Only appeals on environmental grounds can be considered. All appeals should be accompanied by relevant supporting documentation.***
- 5.7. The address to which the **original** appeal and any associated appeal documentation must be mailed is outlined below. Please note that originals may also be delivered per hand or courier.

Department	Economic Development, Environmental Affairs & Tourism
Attention	General Manager: Environmental Affairs
Postal Address	Private Bag X0054, <b>BHISHO</b> , 5605
Hand Delivery	Beacon Hill, Hockey Close, King Williamstown
In order to facilitate efficient administration of appeals <b>copies</b> of the notice of intention to appeal and any subsequent appeal documentation must also be submitted as follows:	
Manager: Mr S. Gqalangile - Environmental Affairs per fax:	[043] 605 7300
It is strongly recommended that electronic copies of all appeal documentation also be e-mailed	E-mail addresses will be supplied on request

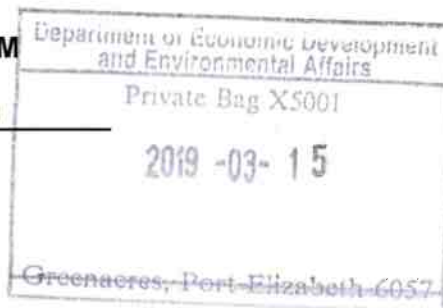
**ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS & TOURISM**

CHIEF DIRECTORATE: ENVIRONMENTAL AFFAIRS

- 5.8. In the event that an appeal is lodged with regard to this Authorisation, the listed activities described in this Authorisation may not commence prior to the resolution of the appeal and prior to the Department's written confirmation of compliance with all conditions that must be met before construction can commence, whichever event is the latter.



**ANDRIES STRUWIG**  
**ASSISTANT DIRECTOR: EIM**  
**CACADU REGION**  
DATE: 15 March 2019



**DAYALAN GOVENDER**  
**DEPUTY DIRECTOR: ENVIRONMENTAL AFFAIRS**  
**CACADU REGION**  
DATE: 13/03/2019