

Comments on the Environmental Impact Assessment (EIA) Report on the Baterry Anode Facility in Mer Rouge by NextSource CSPG (Mauritius) Ltd

We contend that the EIA report <u>does not comply with all *relevant environmental legislation*</u> as the EIA Report is severely flawed, is not a true and fair statement, and specifically fails to conform with Section 18(2) (d), (f), (g), (h), (i), (j), (k), (m) of the Environment and Section 18(3) (a), (b) and (c) of the Environment Protection Act (2002) as subsequently amended.

- > In the main, the fatal flaws identified in the EIA report include *inter alia*:
 - Deficiencies, lack of information that would allow genuine qualitative and quantitative assessment of impacts and hence raise severe doubts on the sufficiency/validity of several of proposed mitigation measures;
 - Poor/lack of assessment of impacts;
 - Discrepancies and omissions.

o Incoherencies.

Strictly on the basis of the contents of an EIA report as per EPA 2008 as subsequently amended, we are of the opinion that an EIA license should not be granted to NextSource for the BAF in Mer Rouge.

In addition to failing to comply with the EPA, NextSource fails to conform to most of the principles of its sustainability framework as stated in the EIA Report (1.4)

NextSource's sustainability framework is built allegedly around:

I A focus on the economic, environmental and social needs of all our stakeholders today, and in the future,

This is not reflected in the EIA report as No information are disclosed i as to what these needs for all stakeholders are and how it is proposed that they will be met. Furthermore there has been no genuine identifications of who the stakeholders are, including the present tenants in the MFD complex let alone the local inhabitants in the vicinity of the Site.

Respectful and transparent engagement with all our host communities and stakeholders in our operations,

Is it respectful and transparent that no public consultation has been held with either host communities despite residential areas being clearly within the range of the context area as shown in the context plan itself or the present tenants of the MFD complex as well as the general public at large?

The section on Public consultations states that "The proposed site for the battery anode facility is found in the freeport zone and is surrounded by industrial activities. As indicated in the context plan, there are no residential areas in the vicinity of the proposed BAF project. For these reasons, it was judged that the public consultation is not relevant to this project." Above the flagrant disrespect for the inhabitants of Roche Bois residential area and the present tenants of the MFD complex, this is an example of **incoherence** in the EIA Report.

It is not mentioned in the EIA Report whether the Promoter disclosed to the tenants of the MFD area that there will be materials classified as hazardous and/or dangerous chemicals as per Dangerous Chemicals Control of Act 2004 (GN 16 of 2004) stored onsite and processes involving hazardous materials and/or dangerous chemicals onsite. Moreover, the EIA report does not disclose whether there has been consultation with the Dangerous Chemical Control Board as per Act 2004.

The absence o public consultation is flouting the legal recognition of each Mauritian citizen and resident as environmental stewards, as per the existing EPA 2002 as subsequently amended in 2008.

I Consistent and uncompromising adherence to ethical corporate governance and human rights principles with all stakeholders,

The above and the lightness of the evaluation of the environmental impacts (see further down) demonstrate a disregard for "*ethical corporate governance and human rights principles* with all stakeholders".

A risk-based approach to the protection of biodiversity and natural resources,

The EIA Report has not adopted a risk-based approach to the protection of biodiversity and natural resources. There is no comprehensive risk assessment at all in the EIA Report, whether environmental (except for Table 2), economic, financial, climate-related and social. (More on this further down)

This is evidenced, for example, by the unbearable lightness with which it deals with the Terre Rouge Rivulet Estuary and Bird Sanctuary which is a Ramsar site. Stating that the 344m distance between the Ramsar site and the BAF is *"much more than the buffer of >30 m required"* **demonstrates this unbearable lightness in the environmental and risk assessments to the biodiversity of international importance that is harboured in the Terre Rouge Estuary**. The Promoters and/or their EIA Consultant must have been aware, as widely reported in the local press and the social networks that since February 2024, that there has been two recent declaration of the Oil Spill Contingency Plan for the Terre Rouge Estuary due to Heavy Fuel Oil (HFO) Spills from two local companies that contaminated the Rivulet Terre Rouge and ultimately the Terre Rouge Estuary itself; these companies are located several kms from the Terre Rouge Estuary **Since the Project will involve the use/production of dangerous chemicals as well as hazardous compounds in both liquid and solid forms more dangerous and toxic than HFO, we contend that the EIA report fails to provide a genuine assessment of the impacts to not only the biodiversity of the Terre Rouge Estuary but also to the lagoonar and sea waters. Moreover, the threats to the livelihood of the local fishermen have not been evaluated** Safeguarding the health and safety of our workforce and host communities,

- On account of the poor assessment of environmental and health impacts, and the absence of risk assessments, NextSource is not conforming to neither their owns principle nor to the requirements of the EPA 2002 as subsequently amended.
- > There is no contingency plan and management plan for spills of any kind.

Dinimizing environmental and social impacts and creating value for stakeholders,

The EIA Report fails to demonstrate how the environmental and social impacts will be minimised, as our above comments demonstrate. We fail to see how this project will create value for stakeholders directly concerned or at large given all the shortcomings identified so far as illustrated above.

Promoting the use of renewable energy sources in our operations, commercial activities and stakeholder communities,

The BAF will be using fossil fuels (HFO and LPG) as an energy source and it does not provide a carbon balance for its proposed activities in the EIA report as although this Project will be promoting renewable energy.

Responsible practices as we foster a circular and sustainable battery material value chain.

The EIA Report does not demonstrate that the BAF is using responsible practices as it provides no guarantee that effluents (solid, liquid and gas) and wastes (solid, liquid and gas) will be dealt with in a sustainable and circular battery material value chain (more on this further down).

Some detailed comments

8.0 Predicted Environmental Impacts and Mitigation Measures

- The EIA Report does not demonstrate how the 15 impacts (out of 26 identified impacts) categorised as Harmful but Correctable will be corrected; the mitigation measures which are being proposed are not elaborated. hence the sufficiency of the mitigation measures cannot be ascertained
- > It does not disclose what contaminants will be present in the effluents produced, and

therefore dealt with. This is a flaw in the EIA Report as impacts resulting from the presence of contaminants have not been assessed and corresponding mitigation measures provided.

- It fails to assess the risks of spillage of any chemicals used or/and process hazardous wastes generated the moreso that the Site id on reclaimed land and close to an environmentally sensitive area which is a Ramsar Site with threatened biodiversity.
- It does not disclose any information on fugitive emissions (except for Emission of fugitive dust from vehicle movement!) and hence provides no impact assessment and mitigating measures.

8.3.3 Solid Waste Generation

"The solid waste from the effluent treatment plant will be in the form of filter mud. Almost 15.6 tonnes of filter mud is expected to be produced per day from the process."

"The filter mud produced will also be stored in a separate solid waste storage shed. As regards the mud cake, the latter will be used as an aggregate in road making and for concrete production."

- It is not disclosed in the EIA Report if the mud cake is not a hazardous waste by virtue of its content and characteristics as per international guidelines
- The EIA Report does not state whether the mud cake (5,500t/year) will meet international (and MSB) standards for reuse in the manner stated.
- The EIA Report does not disclose any agreement with a company as to the reuse of the mud cake in road making and for concrete production and what tests have been carried out and validated by the end users (Asphalt and cement producers). We contend that the EIA report lacks seriousness in addressing the reuse of these solid wastes and as such the disposal of such wastes is a live issue that need to be confirmed by the relevant authorities. Furthermore, the EIA report does not even provide any assessment and analysis of the project with the principles and requirements of THE WASTE MANAGEMENT AND RESOURCE RECOVERY ACT 2023 (Act No 3 of 2023)
- We contend that disposal of any process solid wastes from the Project at Mare Chicose Landfill is not an acceptable option at any time horizon given that Mare Chicose does not possess a hazardous waste cell that can deal with this type of wastes and Mare Chicose is already saturated and beyond its life time.

With a full disclosure of the characteristics of the process wastes (liquid, solid and gaseous), we contend that the EIA report does not conform to the requirements of EPA 2002 as subsequently amended.

8.3.4 Wastewater Generation

"The wastewater from the process will contain acid residues and may contaminate the soil and water if not disposed properly.

In the rare event that wastewater may be generated by the process, the latter will be stored on site and trucked away to WMA facilities for safe disposal."

The EIA Report fails to disclose the full characteristics of all process liquid effluents and these cannot be evaluated against the permissible standards described in the fourth schedule of the Wastewater (licence for discharge of Industrial Effluent into a wastewater system) Regulations 2019 (GN No 2 of 2020).. We contend that this is another serious flaw of the EIA report and not in conformity with the requirements of EPA 2002 as subsequently amended.

Disaster and Risk Reduction for SIDS

- There is little by way of Disaster and Risk Reduction for a Small Island Development State (SIDS). A combination of severe rainfall, storm surges and causing extensive flash flooding is not anymore an extremely rare occurrence. We have a freeport fairly close to work areas, recreational facilities and residential areas. The EIA Report fails to assess the risk of accidents and spills, in this case chemical spills and explosions.
 - Chemical spill It is to be underscored that should the current EPA 2002 as amended in 2008 be repealed and replaced by the Draft Environmental Bill as presented without amendment, there is no provision for chemical spill, explosions etc. as it stands. There is only provision for oil spill management.
- The Report seems to ignore policy and legislative frameworks as well as Nationally Determined
 Contributions in regard of UNfCC as well as the First Biennial Report of 2021.

As such, we there is no mention and **still less calculation as to its Green House Gas Emissions** profile and level, under different risk scenarios. The GHG should also include shipping to and for along the supply chain. Re 8.1 Outcome of Environmental Analysis When it assesses 'harmful' in terms of both severity and likelihood of impacts, it asserts that it is correctable, but without specifying how. We have a non-natural hazard, which increases exposure and vulnerability to negative climate change events.

10. The EIA Report's socio- economic assessment is borderline scandalous. It asserts positive socio economic without any evidence base.

- a. It asserts positive foreign exchange. Under what headings of its product streams and exports? What is the net foreign exchange impact for a foreign-owned company which will benefit from freeport allowances, tax concessions and repatriation of profits, dividends and remittances? What are the freeport revenues from leasing land and so on? How does it know that there may well be other less polluting uses than the current one and the proposed one? In the absence of a Freeport Master plan subject to an SEA, we do not know this.
- b. What is the employment generated for what level of investment and income and what quality of income? The purchase of food by some 100 workers from hawkers and vendors?

Responsibilities of the Authorities in the Assessment of this Project

We contend that due to the numerous flaws highlighted in this Comment Note, the following Authorities have unfailing responsibilities to ensure that all the identified flaws are addressed and evaluate the sufficiency of the mitigation measures proposed or identified the lack of mitigation measures; they are inter alia :

- The Department of Environment to ensure that all the flaws are addressed and substantiated

 since the Project is highly technical for which local competence might not be available, EPA
 2002 as subsequently amended in 2008 provides the remedy to ensure the technical aspects of
 the project are assessed and thereafter the sufficiency or insufficiency of impact assessment and
 mitigation measures provided in the EIA report;
- The Solid Waste Division of the Ministry of Environment and Climate Change to ensure that the

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process solid wastes produced by the Project are hazardous or not and the sufficiency of the proposed reuse or/and disposal;

- The Wastewater Management Authority for the process liquid effluents and whether these conform to not only the discharge standards as per regulation but also to their disposal at Roche Bois Pumping Station and ultimately into the sea outfall at Baie Du Tombeau without any further treatment at present;
- The National Parks and Conservation Service (NPCS) that manage the Bird Sanctuary at Terre Rouge Estuary as well as the Ministry of Fisheries particularly ad the Project uses chemicals that are classified as per Dangerous Chemical Control Act of 2004 and the production and storage of wastes (liquid and solid) which are likely classified as Hazardous wastes until proven the contrary by the Promoters and the risks of any spillage of these chemicals and wastes and their potential negative impacts to the Bird Sanctuary. Particularly in the light of the recent HFO spillage in Rivulet Terre Rouge upstream of the Terre Rouge Estuary – The Project make use of chemical and produce waste streams that are likely to be more toxic than HFO.

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