Annex A

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8 November 2023

Attention: TEEPSA 11B/12B ESIA Stakeholder Engagement Team

Per email: gld.teepsaesia@wsp.com

Dear TEEPSA 11B/12B ESIA Stakeholder Engagement Team,

Submission of comments on the Environmental and Social Impact Assessment (ESIA) for the Offshore Production Right and Environmental Authorisation Applications For Block 11B/12B

Thank you for the opportunity for WILDOCEANS, a programme of the WILDTRUST, to review and comment on the Environmental and Social Impact Assessment (ESIA) for the above-mentioned application. We would like to state upfront that we are extremely concerned about the proposed exploration and production activities, that pose a serious risk and threat to the marine biodiversity and livelihoods of coastal communities, off the coast of South Africa and object to this application.

UNDERWATER NOISE

The ESIA acknowledges the various sources of noise generated by vessels, well-drilling operations and the Vertical Seismic Profiling, all fall within the hearing range of most marine fauna, including fish, mammals and reptiles, and are audible and detrimental through the risk of physiological injury or behavioural changes. It is of concern that over the past 15 years, stakeholders have been highlighting the problem to the regulator, but there still remains no national effort to rectify this.

Specifically, to the Acoustics Study/model, the following is of concern:

- There is no assessment of cumulative noise impacts of additional projects which may begin or be underway.

- Cumulative noise from different anthropogenic sources needs to be assessed, such as a helicopter may not reach TTS alone, but helicopter noise in addition to drilling or engine noise certainly would.
- Worst-case cannot be determined for 24-hours alone when timelines for the project are either unknown or not provided, this severely under-estimates impacts when exposure could be on consecutive days or weeks.
- Sonar surveys have been shown to cause harm to marine animals – this has not been acknowledged.

SOCIO ECONOMIC ENVIRONMENT

The document suggests that production drilling for oil and gas will not have any immediate impact on South Africa's energy security. Furthermore, it is not likely to create any long-term jobs. It is concerning that although there is no demonstration of significant economic benefits of this project to the general public, the various sectors (fisheries, tourism etc) bear the risk of a blow-out. In the case of a spill, TEEPSA will call upon their insurance company to financially cover clean-up operations etc, while livelihoods could be devastated for decades. The impacts of a catastrophic spill on the broader South African economy have not been described or quantified and it is queried whether insurance for catastrophic events extends to support lost livelihoods for extended periods.

MARINE ECOLOGY REPORT

The marine ecology report highlights that this area is extremely biodiverse, with a multitude of species being expected to occur in the project area, including many threatened species listed on the IUCN Red List as leatherback, loggerhead and green turtles, numerous seabird species which continue to show a steady deterioration in status around the world and in South Africa, including the Endangered African penguin (which currently has a Ministerial task team and Action Group to ensure the survival of this species), the endangered Cape gannet, Cape cormorant, Indian yellow-nosed albatross and Atlantic yellow-nosed albatross, as well as the Vulnerable spectacled petrel and Leach's storm petrel. Although, it can be argued that the C1 humpback whale population is recovering despite ongoing seismic surveys in South African waters, there are 35 nationally protected cetacean species expected to occur within the application area including the Critically Endangered blue whale, the Endangered sei whale and Indian Ocean humpback dolphin, as well as the Vulnerable Bryde's and sperm whales. There are also many large pelagic fish species expected to be encountered in the area including southern bluefin tuna (Endangered), bigeye tuna (Vulnerable) and blue marlin (Vulnerable) all overfished and threatened with extinction. More than 23 shark species (estimated to be 11 in the Marine Ecology report which is incorrect) and 17 ray species are likely to be encountered in this area, most of which are threatened, including the endangered pelagic thresher shark, dusky shark, whale shark, shortfin mako, longfin mako shark, Spearnose skate, and twineye skate, while the great hammerhead shark, oceanic whitetip shark, soupfin, ragged tooth shark and eagle ray are listed as Critically Endangered. The white shark, copper shark, smooth hammerhead shark, lesser guitarfish, yellowspotted skate, and brown stingray are all listed as Vulnerable. Of the 40 shark and ray species expected to occur in the area, no less than 20 species (half) are endemic to southern Africa.

The various benthic habitats (Eastern Agulhas Outer Shelf Mosaic, Agulhas Rocky Shelf Edge, Southwest Indian Upper Slope and the Southwest Indian Mid Slope), have extreme variability in species diversity, substrate type and habitat complexity, which indirectly acknowledges that this application area is one of high benthic variability and biodiversity. The most sensitive benthic communities are known to occur in this area, including the extensive reef framework–forming cold-water corals, including Vulnerable Marine Ecosystems (VME's). These habitats are characterised by highly sensitive benthic communities including reef-building Scleractinia corals, soft corals, gorgonian sea fans, bamboo corals, black corals and hydrocorals. These corals are long-lived (in the order of hundreds of years old) and can form large reef frameworks that persist

for millennia. These VME indicator species were found across the Block 11B/12B Production Right Application Area and in both pipeline routing corridors.

Both of the proposed pipeline routing options pass through a Critical Biodiversity Natural Area, with development impacting 369 km^2 of CBA Natural area while the optional pipeline routing will impact 415 km^2. The purpose of these CBA Natural sites is that they have natural/near-natural ecological condition, with the management objective of maintaining the sites in that natural/near-natural state.

Given the extreme species diversity, habitat complexity, and uniqueness of this area in terms of biodiversity, it is profound that this is not enough to dissuade the Regulator from allowing this area to be modified by a project which a) will cause damage to the environment regardless if there is a blow-out or not, b) in the case that there is an accident, the effects will be devastating on all economic sectors, not to mention loss of life, and c) to allow an industry to operate in a rich biodiversity area where the industry themselves do not require an environment to be healthy and functioning for their benefit.

One of the key failings of this ESIA is the lack of a standardized threshold for what constitutes an acceptable environmental impact. The subjective nature of these assessments leads to varying interpretations and judgments, often influenced by economic and political factors. This results in a situation where even in exceptionally diverse and unique environments, such as pristine ecosystems or culturally significant areas, drilling may be allowed to proceed if the assessment deems the impact as "acceptable." This ambiguity undermines the protection of invaluable natural and cultural resources.

It has to be questioned what is the threshold or the benchmark where biodiversity and environmental uniqueness would be high enough to disallow mining? According to the TEEPSA panel (Public Meeting; 17 October 2023; online), there are no such thresholds, which indicates that there is no intention of the Department of Mineral Resource and Energy (DMRE), Department of Forestry, Fisheries and the Environment (DFFE) or Total Energies to have the environment preclude an application, and the ESIA is merely a tick-box exercise.

OUT-OF-KIND OFFSETS

The proposed pipeline route falls within an area designated as CBA Natural habitat. The specialist states that the pipeline route is primarily characterized by Eastern Agulhas Outer Shelf Mosaic habitat, while their block is primarily Agulhas Rocky Shelf Edge and Southwest Indian Upper Slope meaning they are unable to provide like-for-like offsets within the TEEPSAs designated areas. The specialist therefore proposes the use of an out-of-kind offset model proposing either research undertaken by TEEPSA or providing a funding allocation either to government, parastatal or non-government agency for research.

Some key concerns exist for us regarding the pipeline traversing a CBA natural area and the use of out-of-kind offsets. The EAP states that the pipeline traverses primarily Eastern Agulhas Outer Shelf Mosaic habitat, but multiple biodiversity features are used to designate the area as CBA Natural, not just the ecosystem type provided. Without the detail of why the area is designated as such, it is impossible for us to comment on whether the pipeline route and proposed mitigation are sufficient. A further concern for us is the proposed out-of-kind offset as this may set a precedent for other oil and gas projects moving forward. Due to the complication of multiple users and pressures within the marine environment, the use of out-of-kind offsets is not as straightforward as potentially on land where you could essentially trade up identifying and habitat that is more critical to protect, which can be purchased and put under management. The EAP states that details of this proposed offset will be further unpacked in the Biodiversity Action Plan, however as a concept we do not feel that the use of out-of-kind offsets is appropriate in this case.

NEED & DESIRABILITY AND CLIMATE CHANGE

Globally, the climate change crisis dictates that South Africa needs to move away from fossil fuels and should not continue to drill for new oil and gas. It is with this in mind that South Africa recently committed to a Just Transition at the COP27 which encourages the shift to green energy with an aim for net zero by 2050, which has included over $10 billion in investments. It is concerning that despite this clear government mandate, the fundamental outcome of the need and desirability assessment is centered around the determination of whether gas technology will ensure security of supply for electricity. It should rather be due to the climate crisis, South Africa needs to find renewables and other alternatives which have less risk.

Further to the above, the following concerns are raised from Chapters 8 – 12:

CHAPTER 8 - ENVIRONMENTAL AND SOCIAL SCREENING OF POTENTIAL IMPACTS

- What ensures that the screening process is rigorous enough to identify the full extent of potential environmental and social impacts, including those that might be downplayed or overlooked?
- What safeguards and contingency plans are in place to address unexpected environmental and social impacts that may not have been initially identified in the screening process?
- In what ways does the screening process incorporate the perspectives and concerns of indigenous peoples and local communities who may have unique knowledge about the area's ecology and social dynamics?

CHAPTER 9 - IMPACT ASSESSMENT DURING NORMAL OPERATIONS

- Are there specific metrics or indicators that are used to monitor and measure the environmental and social impacts of day-to-day activities in an oil spill project?
- Are there local or regional factors, such as weather patterns or seasonal changes, that are considered in assessing the environmental impacts of normal operations?
- What strategies are implemented to engage and collaborate with local communities and indigenous groups in the assessment of impacts resulting from regular project activities?
- What steps are taken to promote transparency and accountability in reporting and addressing the impacts of day-to-day activities within this oil spill project?

CHAPTER 10 - IMPACT ASSESSMENT OF UNPLANNED EVENTS

- Are there specific monitoring and reporting protocols that are established to quickly identify and respond to unplanned events and their impacts?
- What technologies and tools are employed to enhance the early detection and rapid response to unplanned events in oil extraction projects?
- Are there any insurance and financial mechanisms arranged that are expected to play a role in addressing the financial and economic consequences of unplanned events in oil extraction projects?
- What considerations are made in terms of addressing the liability and responsibility for unplanned events and their impacts, including potential legal and regulatory aspects?

CHAPTER 11 - CUMULATIVE IMPACT ASSESSMENT

- What methodologies and data sources are used to quantify and analyse the cumulative environmental and social impacts of this proposed oil extraction project in a comprehensive manner?
- What ways are used to address the challenge of assessing long-term and delayed cumulative impacts that may not manifest until years after the completion of the oil extraction project?

- What are the economic and social implications of cumulative impacts on local economies, livelihoods, and infrastructure, and how are these factored into the assessment process?

CHAPTER 12 - ENVIRONMENTAL MANAGEMENT PROGRAMME

- One may understand the role of independent audits and third-party assessments in evaluating the effectiveness and compliance of the environmental management program but how are their assessment results presented to the I&APs?

For the reasons outlined above, the WILDTRUST believes that the proposed oil and gas production project poses an unacceptable pollution, ecological and socio-economic risk to South Africans. A major spill cannot be completely eliminated and the WILDTRUST is of the view that an Environmental Authorization should not be issued.

We look forward to your response.

Yours sincerely,

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Dr Kendyl Wright
MPA Scientist WILDOCEANS
WILDTRUST