NON-TECHNICAL SUMMARY

Environmental and Social Impact Assessment for Proposed Offshore Drilling Activities in Namibia in PEL 82

Proponent: Chevron Namibia Exploration Limited II

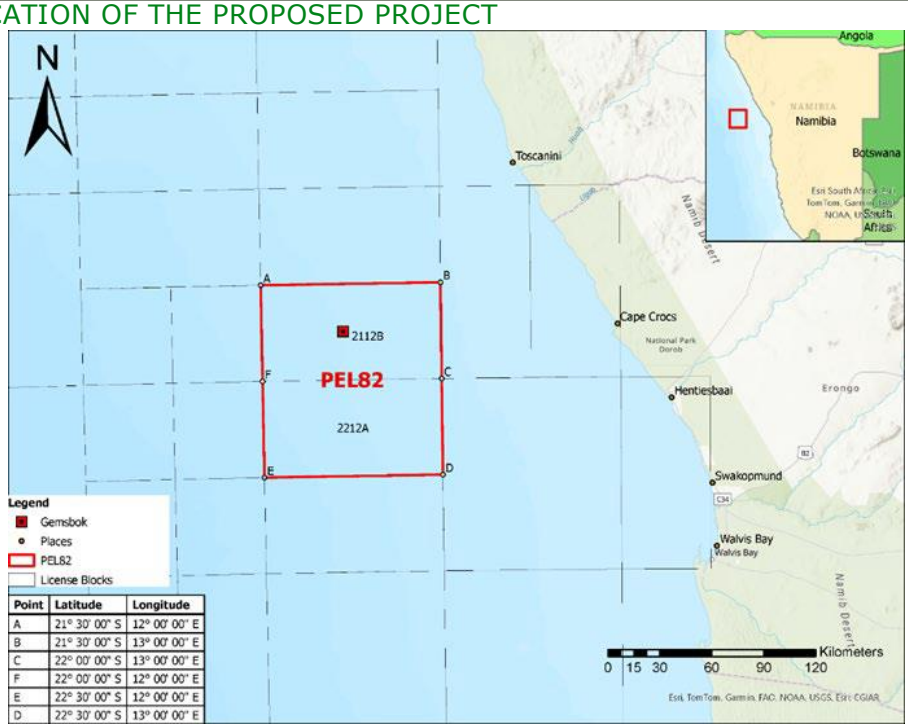
Purpose of this document: This document provides a non-technical summary of the Final Scoping Report (FSR). It outlines the proposed development activities, describes the current environmental and socio-economic conditions in the project area and identifies potential impacts. It also explains how stakeholders can participate in the Environmental and Social Impact Assessment (ESIA) process.

Chevron Namibia Exploration Limited II (CNEL) is planning to carry out offshore oil and gas exploration activities in the Walvis Basin, located off the coast of Namibia. This area, known as Petroleum Exploration License (PEL) 82, includes two blocks, namely: 2112B and 2212A.

The exploration project will begin with the drilling of a single well between the fourth quarter of 2026 and the first quarter of 2027 in a location called the Gemsbok prospect. Additional wells (total of 5 exploration and 5 appraisal wells) may potentially be drilled in the future. These activities are part of a broader effort to understand whether there are commercially viable oil and gas resources in the area.

To support project development with minimal impact on the environment and local communities, CNEL has commissioned an ESIA. This process is being led by Environmental Resources Management Southern Africa (ERM) in collaboration with Urban Dynamics (UD), an independent team of environmental experts.

FIGURE 1 LOCATION OF THE PROPOSED PROJECT



PROJECT DESCRIPTION

The table below provides a summary of the main project components.

TABLE 1 SUMMARY OF MAIN COMPONENTS

Purpose	To confirm and test the presence and quality of hydrocarbon resources
Number of exploration and appraisal wells	• Up to 5 exploration wells • Up to 5 appraisal wells
Size of Area of Interest for proposed exploration drilling	Blocks 2112B and 2212A spanning approximately 11,400 km² located between 80 km and 300 km offshore
Well depth (below seafloor)	Variable depth of 1,500 to 4,000. A notional well depth of 4 000 m is assumed for the ESIA.
Water depth range	Water depth range of license block: 300 m to 2,200 m

Duration	• Mobilisation phase: up to 15 days
	• Drilling phase:
	  ◦ Exploration well: 2-3 months
	  ◦ Appraisal well: 3-4 months
	• Well abandonment: up to 7 days
	• Demobilisation phase: up to 7 days

Commencement of drilling and anticipated timing	Commencement is not confirmed, but anticipated to be between Quarter 4 2026 and Quarter 1 2027 to drill first well.
Proposed drilling fluids (muds)	Water-based Muds (WBM) will be used during the riserless drilling stage and Non-Aqueous Drilling Fluid (NADF) during the risered drilling stage (closed loop system).
Drilling and support vessels	• Drill ship or semi-submersible drill rig. • Three to four support vessels. These vessels will be on standby at the drilling site, as well as moving equipment and materials between the drilling unit and the onshore base.
Operational safety zone	Minimum 500 m around drilling unit
Flaring	If hydrocarbons are discovered, one Drill Stem Test (DST) may be performed well.
Logistics base	Walvis Bay
Logistics base components	Office facilities, warehouse, laydown area, mud plant.
Support facilities	Crew accommodation in Walvis Bay area, helicopter out of Walvis Bay area and fixed wing out of Windhoek.
Staff requirements:	• Specialised drilling staff supplied with hire of drilling unit. • Additional specialised international and local staff at logistics base.
Staff changes	Rotation of staff every four weeks with transfer by helicopter to shore

PROJECT ACTIVITIES

The offshore drilling project will unfold in five main phases, as described below (ie. Mobilization Phase, Drilling Phase, Well Logging Testing Phase, Well Plugging and Abandonment Phase and Decommissioning Phase).

MOBILIZATION PHASE

Before any drilling begins, a range of preparations must take place:

- Transport of equipment and vessels: The mobile offshore drilling unit (MODU) and support vessels will be moved to the drilling site, either from a Namibian port or directly from international waters.

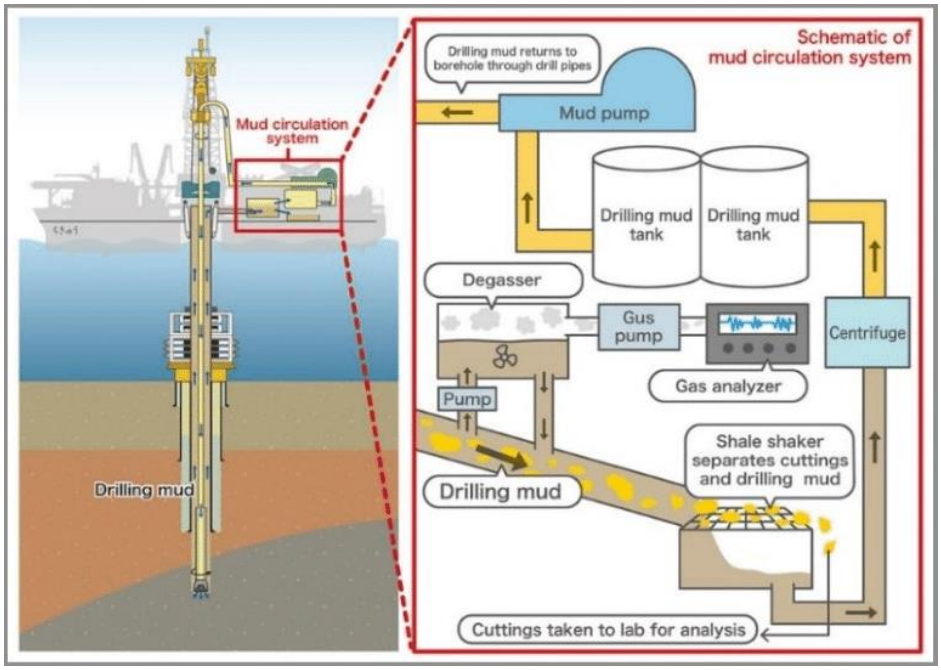
- Setup of the shore base: Walvis Bay will serve as the logistics hub, storing materials like pipes, drilling fluids, and fuel.
- Seabed surveys and safety checks: Remote Operated Vehicles (ROVs) will inspect the seabed to ensure it's safe for drilling. Navigation systems and safety drills will also be tested.

DRILLING PHASE

The offshore drilling process for the exploration project involves two main stages: riserless drilling and risered (closed-loop) drilling. The operation begins with a drillship or semi-submersible rig positioned at sea using a dynamic positioning system, which allows the vessel to remain stable without anchoring. In the first stage, known as riserless drilling, the upper sections of the well are drilled directly into the seabed without a return pipe (riser). During this phase, the drill cuttings—small fragments of rock created by the drill bit—are released directly onto the seafloor. Water-based drilling muds are used to aid the drilling process and stabilize the well.

Once the initial sections are complete, the operation transitions to the risered drilling stage. A marine riser, which is a large pipe, is installed to connect the wellhead on the seabed to the drilling unit on the surface. This creates a closed-loop system that allows drilling fluids and cuttings to be circulated back to the ship for treatment and recycling. In this phase, non-aqueous drilling fluids (NADF) are typically used due to their superior performance in deeper, more complex geological formations. The well is drilled to depths of up to 4,000 meters below the seabed, with metal casing and cement used to stabilize the borehole and isolate different geological layers. Throughout the process, strict environmental and safety protocols are followed to minimize impacts on the marine environment and ensure operational integrity.

FIGURE 2 DRILLING SCHEMATIC



WELL LOGGING AND TESTING PHASE

During drilling, information about the underground rock layers is collected, with more detailed checks—known as wireline logging—planned only if the well shows signs of success. If oil or gas is discovered, a technique called Vertical Seismic Profiling (VSP) may be potentially used to create a clearer image of the underground formations. To determine whether the discovery is worth developing, short-term well testing may be carried out. Although flaring—burning off excess gas—may occur during testing, it is considered unlikely in this case.

WELL PLUGGING AND ABANDONMENT

After drilling and testing are complete, the well is permanently sealed to ensure safety and environmental protection. In deep waters, the wellhead may be left in place for possible future use. A remotely operated vehicle (ROV) performs a final inspection to confirm the site is clean and secure. This process follows strict safety standards and is carried out whether or not oil or gas is found.

FIGURE 3 EXAMPLE OF TYPICAL DRILLING UNIT AND ROV (RIGHT)

DEMOBILIZATION PHASE

Once operations are complete:

- The MODU and support vessels are removed from the site.
- Onshore facilities are cleared and returned to normal use.
- Any remaining waste or equipment is transported to licensed disposal or recycling facilities.

DESCRIPTION OF THE RECEIVING ENVIRONMENT

⚠ KEY ENVIRONMENTAL AND SOCIAL CONSIDERATIONS

The key environmental and social considerations are summarised in the table below:

TABLE 2 KEY ENVRONMENTAL AND SOCIAL SENSITIVITIES

Category	Sensitivity	Description
Physical Environment	Upwelling & Low Oxygen Events	Perennial upwelling near Walvis Bay; periodic low oxygen and sulphur eruptions affecting marine life.
	Sediment Transport	Strong winds and swells mobilize sediments; 'berg' winds can transport dust 150 km offshore.
	Ocean Currents & Circulation	Influenced by Benguela and Angola currents; episodic Benguela Niños bring warm water and species shifts.

Category	Sensitivity	Description
	Bathymetry & Geology	Complex seabed with Walvis Ridge and phosphate-rich sediments; potential for marine archaeology.
Biological Environment	Pelagic Habitat	North-eastern PEL 82 is 'Endangered'; rest is 'Least Threatened'.
	Marine Mammals	33 cetacean species; humpback, sperm, and pilot whales likely in PEL 82; some species are endangered.
	Turtles	Leatherback and loggerhead turtles seasonally present; both are vulnerable or near threatened.
	Fish	Includes endangered and vulnerable species (e.g., kob, sharks, tuna); spawning grounds for hake and monkfish.
	Seabirds	Overlap with foraging areas of endangered albatrosses and petrels; breeding seabirds mostly inshore.
	Benthic Communities	Poorly known beyond 450 m depth; some areas rated 'Vulnerable' or 'Endangered'.
	Demersal Fish & Invertebrates	Includes commercially important species (e.g., hake, monkfish, red crab).
Social Environment	Artisanal Fishers	Vulnerable livelihoods; dependent on access to marine resources; Topnaar community may be potentially vulnerable.
	Employment & Skills	Local workforce may lack oil & gas expertise; limited local contractor capacity.
	Health & Services	High Human Immunodeficiency Virus and/or Tuberculosis (HIV/TB) rates; pressure on health and infrastructure from population growth.
	Vulnerable Groups	Includes women, youth, elderly, disabled, people living on low incomes, artisanal fishers, and ethnic minorities (e.g., Topnaar).
	Cultural Heritage	Potential for unrecorded marine archaeology (e.g., shipwrecks); intangible heritage linked to ocean.
	Marine Traffic & Use	PEL 82 lies in trawling lanes and shipping routes.
	Conservation Areas	PEL 82 overlaps with Ecological Support Areas (ESAs), Marine IBAs, and is adjacent to EBSAs and Ramsar sites.

STAKEHOLDER ENGAGEMENT

PURPOSE OF STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a critical component of the ESIA process. It ensures that individuals and groups affected by or interested in the project are informed, consulted, and provided with meaningful opportunities to participate.

A Preliminary Stakeholder Engagement Plan (SEP) has been developed to guide this process. It includes a grievance mechanism (GM) and will be updated as the project progresses. Key features include:

- Public meeting in affected area.
- Information sharing in local languages (English, Afrikaans, Oshivambo).
- Use local media (newspapers, radio) to announce meetings and share updates.
- Distribution of Background Information Documents (BIDs) to help people understand the
- project.
- Recording feedback and concerns during meeting.
- Inclusion of vulnerable groups, such as the elderly, disabled, or low-income households,
- using tailored approaches to ensure they can participate.

ENGAGEMENT ACTIVITIES

To date, the following stakeholder engagement activities have been undertaken:

- Distribution of the Non-Technical Summary (NTS) with meeting invitations.
- Invitations sent to all stakeholders in the project database, with access to the Draft Scoping Report (DSR) and NTS via a dedicated website.
- Meeting details advertised in The Namibian and New Era newspapers over two consecutive weeks.
- Public comment period for the DSR from 26 May to 19 June 2025.
- Public meeting held on 12 June 2025 at 17:30 at the Walvis Bay Town Hall.
- Focus group meeting held on 03 July 2025 with Ms. La-Toya Shivute from the Ministry of Fisheries and Marine Resources (MFMR).

KEY ISSUES RAISED:

- Interest in employment opportunities, local content development and project clarifications.
- Declining attendance at public meetings; recommendation for more focused group discussions.
- Concerns about incomplete distribution of project information; request for both hard and soft copies to Ministry offices.
- Request for clearer mapping of PEL 82 boundaries in relation to Ecologically or Biologically Significant Marine Areas (EBSAs).
- Suggestions to improve fisheries sector engagement, including updating stakeholder databases and clustering stakeholder groups.
- Discussion on post Environmental Clearance Certificate (ECC) environmental concerns, including a dolphin mortality incident and the importance of early Ministry engagement.
- Observations on stricter environmental scrutiny in South Africa compared to Namibia.

Responses were provided by CNEL, UD and ERM. A summary of issues and responses is provided in Table 5.5 of the FSR.

HOW YOU CAN GET INVOLVED IN THE PROJECT?

If you are interested in the project or think it might affect you, you can take part by registering as an Interested and/or Affected Party (I&AP). This means you will receive updates and have the chance to share your thoughts, ask questions, or raise concerns.

You can register below using any of the contact details below or by scanning the QR code.

Contact Person: Heidri Nel

Postal Address: PO Box 20837, Windhoek

Phone /SMS/WhatsApp: +264 81 124 5188 or +264 81 651 7336

Email: cnel.pel82esia@udanam.com

ENVIRONMENTAL AND SOCIAL CONSIDERATIONS

The scoping process has identified several key environmental and social impacts that require further assessment. These impacts are considered potentially significant and will be studied in detail to ensure they are properly managed or mitigated.

TABLE 3 SUMMARY OF ENVIRONMENTAL AND SOCIAL CONSIDERATIONS FOR FURTHER ASSESSMENT IN THE ESIA PHASE

Impact Category	Issue	Cause/Activity	Why It Matters	What Will Be Assessed
Marine Environment	Seabed and water quality degradation	Discharge of drill cuttings and fluids during drilling	May disturb marine habitats and benthic (seafloor) communities	Spread and impact of cuttings and fluids on marine ecosystems
	Water quality changes from cement discharge	Disposal of excess cement during well casing	Could temporarily affect water chemistry and marine life	Volume and dispersion of cement and its environmental effects
	Disturbance to marine fauna from noise	Drilling operations, vessel movement, and potential VSP	Marine mammals and fish are sensitive to underwater noise	Noise levels and potential behavioural impacts on marine species
Fisheries & Navigation	Restricted access to fishing and navigation areas	Temporary safety exclusion zones around drilling sites	May temporarily affect local fishers and maritime traffic	Extent and duration of access restrictions and their socio-economic implications
Project emissions	Total emissions	Fuel use by ships, helicopters, and equipment	Produces emissions including greenhouse gas	Total emissions and alignment with Namibia's climate goals
Accidental Events	Major oil spill (blowout)	Loss of well control	While unlikely, could cause serious marine pollution and harm to coastal ecosystems	Risk likelihood, emergency response readiness, and potential environmental consequences
	Dropped objects	Dropped object into the water during transfer of equipment (offloading or backloading) from/to the supply vessel.	May pose safety risk for workers	Prevention measures including lifting and rigging standards
	Helicopter incidents	Crew transport to and from offshore rigs	Risk to personnel safety and potential environmental impact	Safety procedures and emergency response plans

NEXT STEPS IN THE ESIA PROCESS

The current final scoping report has been submitted to the Namibian authorities for review and approval. Copies of the full FSR and Non-technical Summary are available on the project website: cnel-esia (https://www.erm.com/public-information-sites/cnel-esia/).

After this period, the following steps will be undertaken:

- Experts will carry out detailed studies on the environment, marine biodiversity, fisheries and community impacts.
- A Draft ESIA report and ESMP will be prepared.
- These Draft documents will be made available for public comment and review.
- After final revisions, the authorities will decide whether to approve the project and issue an ECC.
- All stakeholders and interested parties will be informed of the final decision.