

SOTRAMI – WATER PUMP PROJECT – Co-financed by the SBGA CSR Development Fund

This project's objective is to install a water pump (four stage pump) to provide water to the SOTRAMI SA plant and the Santa Filomena village. It involves also the installation of an electricity line (above and underground) to provide power to the pumping stations. The project is located in the Convento sector, Jaqui district, Caravelí Province, Arequipa department in Peru.

This project includes:

- Primary Lines 30-22.9 kV, to the pumping station.
- Four pumping stations (Altitudes: 1'331 – 1'621 – 1'930 and 2'252 meters respectively) with 5 respective water reservoirs (300 m³ – 80 m³ – 80 m³ – 80 m³ and 150 m³ at the highest point i.e. 2'492 m altitude)

The project's budget is:

Description		USD '000
Electricity Supply		
Materials		70
Assembly & Transportation		12
Other Expenses		8
Sub Total incl 18% VAT		106
Pumping Stations		
Preparation work (land work etc.)		71
Pumps Costs		16
Pipe Costs		114
Installation of Pipes		88
Other (tests, accessories, etc.)		50
Sub Total incl 18% VAT		418
TOTAL		525

The construction will start in the Spring of 2017 and completion will take approximately 8 months. The project will be co-financed by SOTRAMI SA and the SBGA CSR Fund (50%/50%). The preliminary project was managed by an infrastructure consultant that prepared the specifications and managed the quotation process. The project was also presented to SECO and Project Consult during the last three 2016 Peru field trip. Project's Consult Thomas Hentschel and the BGI local representative, Mr. Medina, have reviewed the project and have given a favorable opinion.

Environmental & Social Impact:

The water pumping will save at least 60 tons of diesel (current transport fuel consumption), equivalent to reducing CO2 emissions by 150 T. The social impact is self-explanatory.

Disbursement

Disbursement will be made on the basis of project 3rd party invoices received from SOTRAMI. The amount to disburse is capped at USD 250'000 (current amount available in the CSR Fund is of 285'934USD).

Please let me have your comments, if any, by latest December 31st 2016, so that we can proceed with the project funding.