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Examination Report on Objection to Ilijan LNG Import Facility Project in Batangas, the Philippines

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Based on Paragraph 1, V5. of the “Summary of Procedures to Submit Objections concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations” (hereinafter “the Summary”) under the Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations (hereinafter “the Guidelines”), the Examiners hereby report the results of investigation on whether the Japan Bank for International Cooperation (hereinafter “JBIC”) conducted its environmental and social considerations in accordance with the Guidelines, and along with the progress of a dialogue between parties concerned, regarding the Ilijan LNG Import Facility Project (hereinafter “the Project”) in the Republic of the Philippines, in which AGP International Holdings Pte. Ltd. (hereinafter “AGPIH”), a company to which JBIC has made equity investments, is involved through its group companies.

At the time a request to raise an objection (hereinafter “the Objection”) was submitted, the operation of the Project had already been commenced. Therefore, the Examiners focused their investigation on whether JBIC had monitored the Project in accordance with the Guidelines, among other points alleged by the requester who submitted the Objection (hereinafter “the Requester”) as JBIC’s non-compliance with the Guidelines. (See 3.2.2 for details.)

1. Outline of the Project with respect to which the Objection was submitted

The outline of the Project with respect to which the Objection was submitted on December 4, 2023, is as follows.

(1) Name of country: The Republic of the Philippines

(2) Location of project site: Barangay Ilijan, Batangas City, Province of Batangas

(3) Name of Project: Ilijan LNG Import Facility Project

(4) Entity which carries out the project: Linseed Field Corporation of the Republic of the Philippines (hereinafter “Linseed”) (*)

(*) The name of a company was Linseed Field Power Corporation at the time of its establishment and changed it to the above in FY2020.

(5) Outline of the Project

The project is for Linseed to build, own and operate LNG import facilities. The facilities to store LNG in the Project consist of onshore LNG storage tanks and offshore floating LNG storage units (FSU). In the Project, land grading started in April 2021 and construction

started in December 2021. The operations started in June 2023.

The project site faces Verde Island Passage and is located near Batangas Bay.

The project site, which consists of a land area located on both sides of a public road and a sea area adjacent to it, has seawater intake and drainage ports on the coast to be used for LNG vaporization. In the land area, there are LNG tanks, regasification facilities, office buildings, and others. In the sea area, which extends from the coast bordering the land of the project site to the offshore area of the thermal power plants located on both sides, there are LNG FSUs, docking dolphins, and pipe bridges, and LNG carriers are to be moored when they arrive at the project site.

The land area of the Project is leased to Linseed by the landowner, Ilijan Primeline Holdings Inc. (hereinafter "Primeline") of the Republic of the Philippines. AGPIH and its group companies (hereinafter collectively referred to as "AGP") have no capital relationship with Primeline and are not involved with its business.

JBIC does not directly provide financing or equity investments for the Project. On the other hand, some of the investors in Linseed are subsidiaries of AGPIH, in which JBIC provided equity investments. AGPIH, a Singapore corporation, has its headquarters in the Philippines and is engaged in construction engineering business and LNG midstream and downstream business within and outside of the Philippines. AGP invested in Linseed in April 2022 and still maintains the investment in it to participate in the Project.

2. Outline of the Requesters' allegations in the accepted Objection

2.1 Involvement of JBIC in the Project

JBIC, which provided equity investments for AGPIH, explains that the investments were intended to be used for AGPIH's LNG midstream and downstream business in South Asia and other regions. In the meantime, Linseed is a wholly owned subsidiary of AGPIH. Therefore, JBIC indirectly provides funding to the Project.

2.2 Alleged damages actually incurred by the Requesters or damages highly likely to be incurred by the Requesters in the future

The Requesters' allegations largely consist of four components as follows: (1) Impacts on the means of livelihood of local residents, specifically fishing, (2) Impacts on source of food from the sea as a result of declining fishery resources, (3) Loss of natural barrier to typhoons due to deforestation and premature conversion of land, and (4) probable impacts on means of livelihood, specifically fishing, and probable health damages due to water pollution from ships and increased maritime traffic brings with it the increased risk of oil spills.

2.3 Alleged non-compliance with the Guidelines by JBIC

There are three matters as follows.

2.3.1 JBIC's failure to categorize the Project appropriately in the screening defined in the Guidelines (hereinafter "Ground A for the objection")

(1) Articles related to non-compliance

- Part 1 1. JBIC's Basic Policies Regarding Confirmation of Environmental and Social Considerations Paragraph 1 and 4
- Part 1 3. Basic Principles Regarding Confirmation of Environmental and Social Considerations (2) Confirmation of Environmental and Social Considerations by JBIC Paragraph 4
- Part 1 4. Procedures for Confirmation of Environmental and Social Considerations (2) Categorization
- Part 2 3. Illustrative List of Sensitive Sectors, Characteristics, and Areas 1. Sensitive Sectors
- Part 2 3. Illustrative List of Sensitive Sectors, Characteristics, and Areas 3. Sensitive Areas

(2) Fact of non-compliance

In the screening under the Procedures for Confirmation of Environmental and Social Considerations, JBIC categorized its investment to AGPIH as Category C because it was done in the form of share acquisition. Category C projects do not require JBIC to undertake environmental reviews beyond screening as they are likely to have minimal or no adverse environmental impact.

However, it is wrong to classify the investment to AGPIH and the resulting projects as Category C. In the Guidelines, sectors of Oil and natural gas development, Oil, gas, and chemical terminals, and Thermal power should be classified as Category A as projects in Sensitive Sectors. The main business of AGPIH, to which JBIC invests, is gasification of imported LNG, and JBIC explains that the JBIC's equity investment aims to increase capital of AGPIH to expand its LNG midstream and downstream business. Furthermore, the project site should be regarded as a "Sensitive Area" classified as Category A in the Guidelines, since the project site located next to the coast with a lush habitat for plant life, birds and mammals was classified as Agro-forestry Zone under the Batangas City Zoning Ordinance as well as an agricultural land by the Philippine government.

2.3.2 JBIC's failure to monitor the violation of Philippine environmental laws regarding the Project

(1) Articles related to non-compliance

- Part 1 1. JBIC's Basic Policies Regarding Confirmation of Environmental and Social Considerations Paragraph 5
- Part 1 4. Procedures for Confirmation of Environmental and Social Considerations (4) Monitoring Paragraphs 4 and 5
- Part 2 1. Environmental and Social Considerations Required for Funded Projects (4) Compliance with Laws, Standards and Plans Paragraph 1
- Part 2 1. Environmental and Social Considerations Required for Funded Projects (6) Ecosystem and Biota Paragraph 3

(2) Fact of non-compliance

The Guidelines state that a project must comply with laws and standards regarding environmental and social considerations, and that JBIC will monitor and encourage related parties to ensure that environmental and social considerations are implemented. However, there are the following legal violations in the Project.

- ① Cutting trees without securing tree-cutting permits from Department of Environment and Natural Resources (DENR) (hereinafter, failure of monitoring related to this event is referred to as "Ground B for the objection")

According to the Environment Impact Statement, in the project site, there were coastal forest species including coconut (*Cocos nucifera*), talisai (*Terminalia catappa*) and bagasua (*Ipomoea pes-caprae*), in addition to shrubs. Although Linseed was legally obliged to obtain a tree cutting permit from DENR prior to cutting tree, it did so without securing one. Regarding this violation, the Center For Energy, Ecology, & Development Inc. (CEED), one of the agents for the Requesters in the Objection, filed a complaint to DENR.

- ② Cutting coconut trees without securing tree-cutting permits from Philippine Coconut Authority (PCA) (hereinafter, failure of monitoring related to this event is referred to as "Ground C for the objection")

Although Linseed was legally obliged to obtain a coconut tree cutting permit from PCA prior to cutting coconut trees, it did so without securing one. Regarding this violation, CEED filed a complaint to PCA, which advised CEED that there was circumstantial evidence of illegal coconut tree-cutting in the project site, and a case for such may be filed against Linseed and its responsible officers.

- ③ Premature conversion of land use of the project site without obtaining Land Conversion Order (LCO) from the Department of Agrarian Reform (DAR) and continuing construction work against Cease and Desist Order (CDO) issued by DAR (hereinafter, failure of monitoring related to these events are referred to as “Ground D for the objection”)

As the project site is classified as agricultural land (*), LCO from DAR is legally required in order to implement the Project. However, without securing an order, Linseed and Primeline converted the land use and started construction work of the project.

In response to the complaint by CEED about this fact, DAR confirmed that the land use had been converted without securing LCO and issued CDO to Primeline. Regardless of CDO, the construction work continued. Even after DAR’s issuance of Resolution rejecting the Motion for Reconsideration filed by Primeline and maintaining CDO, the construction never stopped.

(*) In the Objection, it is described as Agro-Forestry Zone instead of agricultural land. The Examiners regarded it as agricultural land in the classification by the Philippine government, as it is used in the context of LCO from DAR.

- ④ Violation of permitting requirements in Environmental Compliance Certificate (ECC) granted by DENR (hereinafter, failure of monitoring related to this event is referred to as “Ground E for the objection”)

Above violations constitute failure to comply with the permitting requirements stipulated in the ECC for the Project granted by DENR and are regarded as major offences in the Revised Procedural Manual released by DENR. Local residents and others who are affected by the Project filed a complaint against this violation before DENR.

After being pointed out these matters by CEED, JBIC only responded that it would forward the CEED’s message to AGP and communicate with AGP for their appropriate environmental and social considerations, and regarding CDO issued by DAR, since it was issued to Primeline, the landowner of the project site, not to AGP nor Linseed, JBIC would closely monitor the landowner’s response and, if necessary, encourage AGP and/or Linseed to take appropriate actions. As such, JBIC has failed to monitor the violations of the Philippine Environmental Laws by AGP and Linseed, and has not taken proper measures concerning those violations.

2.3.3 JBIC’s failure to adequately assess and mitigate the gravity of the impact of the project on the quality of water (hereinafter “Ground F for the objection”)

Fact of non-compliance: Before the construction of the Project started, the water quality studies of the surrounding coastal waters of the project site were conducted as the environmental impact assessments of the coal-fired power plant located next to the project

site in 2019 and of the Project in 2020. Results of both studies generally met the water quality standards set by the DENR Administrative Order (DAO).

The water quality study conducted by CEED in 2022, however, found that coastal waters of the project site exceeded the DAO water quality standards for phosphate, chromium, lead, and zinc. In addition, the water quality testing which CEED conducted in 2023 revealed that the water quality in the area did not meet the standards for oil and grease, ammonia, and sulfate. The water quality in the area has been worsening since the construction of the project facilities, and therefore, the efforts to mitigate the impacts on the water quality have failed.

In response to the allegation of worsening water quality, JBIC has merely kept reassuring that appropriate environmental and social considerations would be ensured by AGP and/or Linseed. However, JBIC has not specified yet how it confirmed such matter, or what considerations AGP and/or Linseed took.

3. Results of preliminary investigation

3.1 Outline of results of preliminary investigation

The results of preliminary investigation, which is defined in V.2 of the Summary, are shown in Attachment 1. Based on the results, the Examiners decided to commence the Procedures after excluding a group from the Requesters as it was not a resident and did not satisfy the requirement regarding requesters. In addition, Ground A was excluded from the scope of the investigation. This was because, while the Examiners were of the view that the objection was submitted after the completion of the disbursement, requesters can only point out the fact of JBIC's non-compliance with the monitoring provisions of the Guidelines if an objection is submitted after the completion of disbursement (see 3.2.2 below), and Ground A was irrelevant to the monitoring provisions. The Examiners decided to commence the investigation as they considered Grounds B to F point out JBIC's non-compliance with the monitoring provisions in the Guidelines (Part 1 4. Procedures for Confirmation of Environmental and Social Considerations (4) Monitoring).

3.2 Matters specifically considered in the preliminary investigation: special factors of the Project

In determining whether to commence the Procedures, the Examiners considered the special factors of the Project, i.e. the Project is not directly funded by JBIC, but by subsidiaries of AGPIH, the group for which JBIC provided equity investments. Out of the requirements for the commencement of the Procedures, the Examiners closely scrutinized the following two: (1) projects qualified for the Procedures: whether the Project falls under the category of projects in which JBIC provides funding (IV. 1 of the Summary) and (2) period:

whether the Objection has been submitted by the time of “completion of disbursement” (IV. 3 of the Summary).

3.2.1 Projects qualified for the Procedures: Whether the Project falls under the category of projects in which JBIC provided funding)

The Summary requires that the project to which an objection is submitted shall be a project in which JBIC provided funding, as a requirement to commence the Procedures. If a project is funded by JBIC directly, based on the assumption that the project has been identified, it clearly falls under the category of projects in which JBIC provided funding. On the other hand, regarding a project implemented by a company in which JBIC made investments without the project being identified at the time of its investments, if the project was identified afterwards and an objection was submitted against the project, then the situation is different. In this case, it is appropriate to judge if the project falls under the category of projects in which JBIC provided funding, depending on whether the contribution by JBIC is allocated to the project or not.

JBIC signed a shareholders' agreement to provide equity investment for AGPIH on July 20, 2019. AGP invested in Linseed after JBIC had completed the payment of capital contribution based on the agreement. Even by considering the amount and scheme of the contribution from JBIC to AGPIH as well as chronological order of events from the time when JBIC made investments to AGPIH to the time when AGP invested in Linseed, there was no evidence to convince that the contribution was allocated or not allocated to the Project at the stage of preliminary investigation. As such, the Examiners prioritized the promptness, one of the basic principles of objection procedures, and commenced the Procedures, assuming that the Project falls under the above-mentioned category. The Examiners decided to evaluate again whether the Project falls under the category of projects for which JBIC provided funding after the commencement of the Procedures.

From the time of the commencement of the Procedures until today, no materials that show JBIC's investments were not used for the Project have been provided by JBIC. Therefore, the Examiners regard the Project as project qualified for the procedures.

3.2.2 Period :Whether the Objection has been submitted by the time of “completion of disbursement”

According to the Summary, objections pointing out any of JBIC's non-compliance with the Guidelines may be submitted during the period between the time when a loan agreement is executed and the time when disbursement is completed. After the completion of disbursement, objections pointing out the fact of JBIC's non-compliance only with the monitoring provisions of the Guidelines may be submitted. This provision was introduced

with an assumption to finance an identified project. As for an investment made without a project being identified at the time of investment, it is necessary to determine when is the time of “completion of disbursement.”

Based on the Summary, as the time of “completion of disbursement” is close to that of completion of construction and start of operation of a project, it can be regarded as the deadline when a requester can point out any of JBIC’s non-compliance with the Guidelines. For a project in which the time of completion of construction and start of operation is obvious, the Examiners decided to regard them as the time of “completion of disbursement.”

While the Project started its operation in June 2023, the Objection was submitted on December 4, 2023. Therefore, the Examiners concluded that the Objection was filed after the time of “completion of disbursement.”

4. Results of investigations on relevant facts

4.1 Record of Interviews with JBIC’s Operational Department personnel for purpose of investigating JBIC’s compliance/non-compliance with the Guidelines

(1) Date of interview: February 20, 2024

(2) Contents of Interviews: Confirmation on status of JBIC’s investment for AGPIH, JBIC’s position on the Requesters’ allegation about JBIC’s non-compliance with the Guidelines and damages, monitoring conducted by JBIC regarding the Project.

JBIC’s interviews with its investees, NGO and others and on-site inspection are listed in Attachment 2.

4.2 Results of investigation on the facts concerning JBIC’s compliance/non-compliance with the Guidelines

4.2.1 Restrictiveness of the available information and materials

To investigate on the relevant facts, the Examiners repeatedly requested cooperation to Linseed, the Project Proponent, by using all possible means of communication, asking them to provide information and to permit our onsite inspection of the project site. However, the Examiners heard nothing from Linseed. In this sense, the information on which this report is based is limited.

Presumably, the reasons why Linseed did not respond to our request for providing information, etc. include that JBIC has no contractual relationship with Linseed as JBIC did not directly provide funds for the Project, and AGP, to which JBIC provided equity investment, is not in a position to exercise its influence on Linseed (see 4.2.2).

4.2.2 Degree of AGP's involvement in the Project and Linseed

The Project Proponent of the Project is Linseed. The Requesters assert that all shares of Linseed are held by AGP.

According to Linseed's General Information Sheet (GIS) that was submitted to the Securities and Exchange Commission in the Philippines, and the explanation by AGP and JBIC, the facts about AGP's involvement in the Project and Linseed until November 2023 were as follows.

AGP invested in Linseed in April 2022, after Linseed was established, with the aim of participating in the Project. The AGP's shareholding in Linseed was 0.09% before the capital increase in December 2022, and 0.03% after that. In addition, AGP has dispatched no officer to Linseed. AGP was an EPC contractor of the Project, which provided services related to engineering, procurement and construction, and after the start of operations, it provided some services and advice to Linseed related to the operation and maintenance of the Project by dispatching some staffs.

According to the explanation by AGP regarding its involvement in the Project and Linseed since November 2023, AGP holds only 0.006% of outstanding shares of Linseed due to the restructuring of group companies. However, as a minority shareholder, AGP holds shares of a company which holds 0.026% of Linseed's outstanding shares and a company whose subsidiary provides consultancy services to Linseed on the operation and maintenance of the Project.

Based on these facts, although AGP was involved in the Project in constructing facilities as an EPC contractor, the degree of its involvement in the other matters of the Project is minute, it is the Examiners' view that the AGP is not likely to have an influence on Linseed's decision making.

4.2.3 Damage actually incurred by the Requester or damage highly likely to be incurred by the Requester in the future

Regarding the damages actually incurred by the Requesters or damages highly likely to be incurred by the Requesters in the future, the allegation by the Requesters largely consists of the four components as described in 2.2. Of these, 2.2 (1) impacts on the means of livelihood of local residents, specifically fishing, is divided into three factors by nature: impacts on fishing as a result of declining fishery resources, impacts on fishing due to the setting of exclusion zone in the area around the project site, and other impacts on livelihood of residents, and the Examiners will consider these factors separately. In addition, the Examiners will review the "impact on fishing as a result of declining fishery resources" in conjunction with 2.2 (2) impacts on source of food from the sea, as they overlap.

4.2.3.1 Impact on fishing as a result of declining fishery resources

4.2.3.1.1 Allegations by the Requesters

Although the Requesters do not live in Barangay Ilijan nor its adjacent areas, they either live in Batangas City or Municipality of Mabini. According to the Requesters' explanation, all of them are engaged in fishery, mainly in the Batangas Bay, Verde Island Passage, and/or Maricaban Channel.

The Requesters allege that since the construction work of the Project started in 2021, the population and size of fish have decreased, and as a result, their fish catch have declined and the fishery industry have been influenced. They further state, since the timings of the decline in fish catch and the start of construction overlap, they consider that this decline is attributed to the Project.

4.2.3.1.2 Outline of the rules for coast fishing

The Requesters explain that the areas they operate fishery are coastal sea areas. The rules for coastal fishing in the Philippines are as follows.

According to the Philippine Fisheries Code of 1998 ("PFC", Republic Act No. 8550), the sea area 15 km off the coast is designated as the municipal waters (Subparagraph 58 of Section 4 of PFC), and each municipal government has jurisdiction over the municipal waters bordering its coast, enacts ordinances, and enforces laws, rules, regulations and ordinances (Section 16 of PFC). Philippine nationals can operate fishery by using a fish boat with a gross tonnage of 3 tons or less or without a boat (Subparagraph 57 of Section 4 of PFC) in the municipal waters of the municipality they reside (Paragraph 1 of Section 18 of PFC) if they take prescribed procedures for registration (Section 19 of PFC). When the Examiners inquired the fishery departments of Batangas City and Municipality of Mabini, they answered that Philippine nationals who are residents of that municipality may operate fishery in the whole municipal waters of each municipality they live, regardless of barangay (district or area) of their residence. Additionally, fishing by using a large boat with a gross tonnage of 3.1 tons or more is defined as commercial fishing (Subparagraph 10 of Section 4 of PFC). Commercial fishing in the municipal waters is illegal except for those operated in the area between 10.1 km and 15 km off the coast with a permit issued by the municipality (Section 18 of PFC).

4.2.3.1.3 Changes in fish catch

The Requesters alleged a decline in fish catch after construction of the Project started in 2021. In support of the allegation, they submitted receipts issued to a resident of Municipality of Mabini (who is not a Requester) when the person sold fish in December 2016, January

2017, August 2021, and November 2022 (one for each) (this person attended the meeting in which the Examiners interviewed the Requesters in the Philippines, and told the experience of declining fish catch, which is similar to the Requesters' allegation). Although the information in these receipts is quite limited, it is consistent with the Requesters' explanation about fish catch. As another material in line with the Requesters' allegation, an officer of fishery department of a municipality that faces Batangas Bay responded to our inquiry that there seems to be a decline in fish catch in recent years although there is no statistical evidence.

On the other hand, (1) according to statistical data provided by the National Fisheries Research and Development Institute of the Department of Agriculture about fish catch at a fish landing center in Municipality of Bauan, one of municipalities that surrounds Batangas Bay, the total fish catch has been increasing since 2020. Also, (2) in our on-site inspection in which the Examiners asked fisherfolks who sold fish on the street, some were of the opinion that there had been no decrease in fish catch since the construction of the Project began or that fish catch had been declining even before the start of the construction. These are contradictory to the Requesters' allegation that fish catch has been declining since the construction of the Project started. In addition, according to statistical data provided by Philippine Statistics Authority (PSA) about fish catch of total municipal waters in the Province of Batangas, the fish catch significantly dropped from 12,354 tons in 2012 to 4,908 tons in 2020, and then slightly declined to 4,681 tons in 2021, then slightly turned upward to 5,024 tons in 2022 and 5,151 tons in 2023. This suggests the fish catch had been on a substantial downward trend even before the construction for the Project began.

Based on these, the Examiners do not find that the fish catch declined after the construction of the Project.

4.2.3.1.4 Factors related to the Project that affect fish catch

The Requesters point out the factors related to the operation and construction of the Project that affect fish catch as follows: (1) heavy sediment on the coastline, (2) sediment runoff, (3) deterioration of water quality due to wastewater dumping, and (4) Noise, etc. However, for each item, they merely point out theoretical possibilities of reducing fish catch. Regarding (1) heavy sediment on the coastline, the Requesters explain that sedimentation includes the reclamation on the coastline of the project site and alleges that sedimentation and reclamation have damaged the coral reef. Admittedly, according to Annex B of the Objection (a report issued by CEED and Caritas Philippines in June 2022 regarding study results of marine ecosystem in the area surrounding the project site, hereinafter "Annex B"), as well as the Environmental Impact Statement of the Project, there was a coral reef on the ocean bed of offshore part of the project site, although coral coverage is low and poor.

However, comparing the pictures of the coastline of before and after the construction of the project site, a part of coast seems to have been slightly reclaimed, but the extent of the damage is assumed to be limited even if the coral reef was damaged. Regarding (2) sediment runoff, as there was no specific explanation, the Examiners have not been able to confirm the fact. For (3) deterioration of water quality due to wastewater dumping, the most of wastewater from the Project, which is just seawater taken in to gasify LNG and then discharged as is after heat exchange, essentially contains no pollutant that might deteriorate water quality. Regarding (4) noise, it is assumed that some noise is created by the construction work, arrival of LNG carriers after the start of operation (so far, LNG carriers arrive the project site once a month), and discharge of wastewater, but whether and how much they influence on fishery resources are unknown.

4.2.3.1.5 Factors other than the Project that affect fish catch

Generally speaking, there are variety of factors that can influence fish catch, such as water temperature, tidal current, water discharged from other places than the project site, and overexploitation of fish. As there are many factories along the Batangas Bay and around the project site, it cannot be denied that sewage water from these factories may have a cumulative influence on the fish catchment. Also, an officer from a municipality, who responded in the interview in 4.2.3.1.3 that the area has seen a drop in fish catch recently, pointed out illegal commercial fishing as a reason of decline of fish catch in the municipal waters where commercial fishing is prohibited.

4.2.3.1.6 Conclusion of this section

For above reasons, the fish catch has not been recognized as having decreased since the start of construction of the Project, factors related to the Project and its construction work that have been pointed out as having an impact on fish catch only have the theoretical possibility of reducing fish catch, the possibility cannot be ruled out that the fish catch is impacted by sources other than the Project. Considering these factors, the Examiners do not find that the Requesters actually incur damages in which the Project has decreased fishery resources and fish catch.

4.2.3.2 Impacts on fishing due to the setting of exclusion zone in the area around the project site

Some of the Requesters assert that they are prohibited to catch fish in the sea area of 150-meter around FSU because the sea area is set as exclusion zone, and that the impact of inability to operate is significant because this area is rich fishing grounds. They also state when they get close to the exclusion zone, armed security staff threaten them not to enter

the zone and make them leave.

According to the Environment Impact Statement of the Project, the sea area within 500-meter radius from FSU would be designated as the exclusion zone and the Miscellaneous Lease Agreement of the 3.7 hectares spanning the foreshore and the sea would be concluded with DENR for equipment, etc. and the exclusion zone. Therefore, it is presumed that an exclusion zone is established in the sea area around the project site, entry into the area within at least 150-meter around FSU is actually prohibited, and the Requesters are not allowed to operate there.

It is not clear whether compensation and/or community support were/was provided to groups or individual fishers in the coastal area as a result of setting an exclusion zone, and even if such compensation and/or support were/was provided, the details are not known. It is likely that such compensation and/or support were/was provided to at least local residents of Barangay Ilijan, however, it is assumed that not the entire coastal area of Batangas City was subject to compensation or support. In this sense, it seems that no compensation or support has been provided to the Requesters or the residents in the area where the Requesters live.

The area in which the Requesters are prohibited to catch fish is, according to the assertion of Requesters, within 150-meter around FSU, which is only a small area of the municipality waters of Batangas City. Although the Requesters assert that the damage is significant because the exclusion zone is established in a rich fishery area, the influence of inability to fish and the extent of influence are not clear. Furthermore, according to Annex B and the Environment Impact Statement of the Project, there were not enough fish in the offshore part of the project site and its surrounding area, even before the start of construction of the Project. From the above, there is a partial restriction to the sea area in which the Requesters may operate due to the setting of the exclusion zone around the project site, but the Examiners are of the view that it is not sufficient to find that the Requesters actually incur damages due to establishment of the exclusion zone.

In addition, one of the Requesters alleged that because of the high waves hitting FSU of the project site, the ship handling was difficult in the area and his fishing boat was damaged. It is assumed that this event happened in the exclusion zone.

4.2.3.3 Other impacts on the livelihood of local residents

The Requesters allege that the Project has deprived or threatens to deprive the means of livelihood, such as selling or transporting fish, collecting coconut and copra, collecting firewood, and tour guiding. However, these are related to or attributable to the impacts on fishing which are not recognized in 4.2.3.1 and 4.2.3.2 or pointed out as only theoretical possibilities. Therefore, the Examiners do not find that the Requesters actually incur

damages regarding the allegation.

4.2.3.4 Loss of natural barriers to typhoons due to deforestation and premature conversion of land

The Requesters allege the sedimentation and reclamation in the coastal area of the project site have damaged the coral reef which has acted as a barrier against waves and typhoons. However, as indicated in 4.2.3.1.4, the damage to the coral reef was little, if any, and the sedimentation and reclamation have not been recognized. Therefore, the Examiners do not find that the Requesters actually incur damages regarding this allegation.

4.2.3.5 Probable impacts on means of livelihood, specifically fishing, and probable health damages due to water pollution from ships and increased risk of oil spills by heavier maritime traffic

As damages highly likely to be incurred by the Requesters in the future, they assert that the fishery will be damaged because LNG carrier's arrival to the project site will cause water deterioration, increase risk of oil spill due to a marine accident, and make noise, and the health of local residents will be deteriorated because of the increased risk of oil spills by a marine accident and smoke emissions from ships. Additionally, there has been an accident where a tanker and a fishing boat collided, killing fisherfolks, and the Requesters assert such risks of ship collision will increase. As a material to support their assertion, the Requesters submit the future prediction that the marine traffic of LNG carriers will significantly increase in the Verde Island Passage.

The investigation of this case focuses on the Project, not the whole LNG carrier traffic in the Verde Island Passage. The frequency of LNG carrier's arrival to the project site is expected to increase in the future, i.e. LNG carriers currently arrive the project site once a month and are expected twice a month according to the Environment Impact Statement of the Project. The damages claimed by the Requester may occur in the future cannot be ruled out, however, there is no concrete evidence to conclude that damages are highly likely to occur in the future. Therefore, the Examiners do not find that the damages highly likely to be incurred by the Requesters in the future regarding this assertion.

Moreover, the Requesters exemplifies First Gen Clean Energy Complex in Batangas City, which consists of LNG terminals and thermal power plants. The Requesters claim that since start of construction and operation of the complex, there have been not only influences on the fishery industry due to the discharge of dirty warm water and the related vibration, but also health damages such as respiratory diseases. They assert that similar health hazard may be caused by the Project. But considering the nature of the allegation, the issues raised by the Requesters seem to be related to thermal power plants. Therefore, the Examiners do

not find that the damages highly likely to be incurred in the future regarding the allegation.

4.2.4 Facts concerning JBIC's compliance/non-compliance with the Guidelines

4.2.4.1 Framework to evaluate JBIC's compliance/non-compliance with monitoring provisions of the Guidelines

Regarding the Project, the Examiners examine whether JBIC was in compliance with the provisions in the Guidelines (Part1 4. Procedures for Confirmation of Environmental and Social Considerations (4) Monitoring). Since the investment for AGPIH is classified as Category C, JBIC is not required to confirm the results of monitoring undertaken by the project proponents on the items which have a significant environmental impact over a certain period of time (Part1 4. Procedures for Confirmation of Environmental and Social Considerations (4) Monitoring Paragraph 3). On the other hand, regardless of the category, when third parties point out in concrete terms that environmental and social considerations are not being fully undertaken, JBIC forwards such claims to the borrowers and, if necessary, encourages them to request the project proponents to take appropriate action (Paragraph 3). If JBIC judges that there is a need for improvement in the situation with respect to environmental and social considerations, it may ask the project proponent to take appropriate actions through the borrower and in accordance with the funding agreement (Paragraph 5).

However, when JBIC does not directly invest in or finance for a project, and the project is merely participated by an entity which JBIC invests in and is operated with the participation of multiple investors, the means for JBIC and its investees to comply with the Guidelines will be limited even if they are obliged to do so. In such a case, to evaluate JBIC's compliance/non-compliance with the Guidelines, whether or not JBIC has taken appropriate measures to achieve the purpose of the Guidelines will be considered, by taking into consideration of the items pointed out as non-compliance with the Guidelines and the extent to which the entity invested by JBIC can influence on the project proponent's decision.

In the Project, it is not expected that AGP has influence on the decision made by Linseed, because, as described in 4.2.2, AGP is involved in the Project in construction of the Project as an EPC contractor but its shareholding in Linseed was only 0.09% and the degree of its involvement is minute. Therefore, to evaluate whether JBIC complied with the monitoring provisions, the points that should be considered are whether or not JBIC forwarded to AGP third parties' claims related to the Project, checked if there were feasible and practical measures that AGP could take independently, and then if there were ones, "encouraged them to request the project proponents to take appropriate actions" to the extent possible, when necessary, and confirmed that the proponents had carried out "the investigation of the specific claim, the examination of countermeasures, and their incorporation into the project

plans.” Even if JBIC judges that there is a need for improvement in the situation with respect to environmental and social considerations, it is sufficient to take the same consideration process.

4.2.4.2 Ground B for the objection

(1) The Requesters assert that trees in the project site was cut down without obtaining permission of DENR, and that JBIC failed to properly monitor it and to take appropriate actions.

(2) It is not clear exactly when the trees were cut down, however, the Examiners received the response from the Community Environment and Natural Resources Office Lipa of DENR about the tree cutting and confirmed that the IV-A Regional Office of DENR had granted a Private Land Timber Permit with validity period of 60 days to Primeline, the landowner of the project site, on September 14, 2021.

As shown in the Annex I of the Objection, in a complaint submitted to the DENR that alleges the Project violated the permit requirements of the Environmental Compliance Certificate (ECC), CEED asserts the problem is that a permit was granted to Primeline, but not to Linseed. Whether this assertion has valid ground or not is a matter of Philippine law. The Requesters state DENR has not decided on the complaint. According to the reply of the Community Environment and Natural Resources Office Lipa to the Examiners, a Private Land Timber Permit shall be granted to the registered landowner. Also, Article 3 of DENR Administrative Order No. 2000-21 states that only landowners can apply for Private Land Timber Permit. Therefore, it is understood that the system requires landowners to obtain permits, and therefore, CEED’s allegation cannot be accepted.

(3) The Examiners confirmed that JBIC had taken the following measures to the allegation that trees were cut down without a permit. After receiving the allegation from NGOs including CEED about the illegal tree cutting, JBIC forwarded it to AGP. Then, JBIC was briefed by AGP that AGP had nothing to do with the tree clearing on the project site as the trees had been already cut down when AGP participated in the Project, and additionally, no findings were identified during or after on-site inspection by DENR inspectors in April 2022.

(4) Regarding the allegation of tree cutting without permission, it was confirmed that, based on the factors above, a permit was obtained although it is not clear when the trees were cut down. It is also recognized that JBIC forwarded the allegations to AGP and gathered information on them, and there was no fault about the tree cutting permit, and there were no feasible and practical measures that AGP could take independently because AGP was not

involved in the cutting.

Therefore, regarding the Ground B for the objection, the Examiners do not find that JBIC did not comply with the Guidelines.

4.2.4.3 Ground C for the objection

(1) The Requesters allege that coconut trees on the project site had been cut down without obtaining a permit from Philippine Coconut Authority (PCA) and JBIC had failed to properly monitor it and to take appropriate measures.

(2) In fact-finding investigation about the coconut tree cutting by the Examiners, the following facts were confirmed. Environment Impact Statement of the Project states that there are coconut trees on the project site. Also, coconut trees can be identified from a Google Street View images dated March 2019, which is seen from a public road on the land part of the project site, and trees shaped like coconut trees can be viewed in the Google Earth satellite image of March 2016 submitted by the Requesters. Based on these factors, it is recognized that coconut trees were present on the project site before the construction started. In addition, Annex D of the Objection is a letter from PCA to CEED dated October 4, 2022. Since the letter was written on the premise that PCA has not granted a permit to cut down the coconut trees on the project site, it is conceivable that no permit to cut down the coconut trees was granted by PCA. Therefore, it is recognized that the coconut trees of the project site were cut down without obtaining a permit from PCA. Although the exact date of the cutting is unknown, it is presumed that it had occurred before the construction started in December 2021, which means that the trees had been cut down before AGP invested in Linseed.

AGP explains that there had been no coconut trees on the project site from the beginning, on the grounds that coconut trees were not listed in the Certificate of Registration of Tree Plantation in Private Land that shows the result of inspection in which a DENR official checked the types and number of trees on the project site in January 2021. However, when the Examiners inquired the Community Environment and Natural Resources Office Lipa of DENR, they replied coconut trees are not included in the scope of the inspection of DENR with intent since coconut trees are under PCA's jurisdiction and they are not under the scope of the tree cutting permit issued by DENR. Therefore, the results of the DENR inspection do not support the assertion that coconut trees did not exist on the project site, and the Examiners do not accept AGP's claim.

(3) Regarding the allegation that coconut trees were cut down without a permit, the Examiners confirmed that JBIC had taken the following measures. On receipt of the point

raised by NGOs including CEED about the illegal coconut trees cutting, JBIC passed it to AGP. Then, JBIC was briefed by AGP that AGP had nothing to do with the tree cutting on the project site as the trees had already been cut down when AGP participated in the Project, and it learnt from related parties that there were no coconut trees, and additionally, no findings were identified during or after on-site inspection by DENR inspectors in April 2022.

(4) Based on the above, regarding the allegation of coconut tree cutting without a coconut tree cutting permit, it is confirmed that there was a violation of laws as coconut trees were cut down without the permit. However, JBIC forwarded the point raised by NGOs to AGP and collected information about it. The Examiners find that JBIC confirmed that there were no feasible and practical measures that AGP could take independently as it was not engaged in the tree cutting.

Therefore, regarding the Ground C for the objection, the Examiners do not find that JBIC did not comply with the Guidelines.

4.2.4.4 Ground D for the objection

(1) The Requesters assert that the land use of the project site, which had been classified as an agricultural land, was converted without obtaining a LCO from DAR, and that the construction work continued against the CDO by DAR. They also assert JBIC had failed to properly monitor it and to take appropriate measures.

(2) According to the responses from IV-A Regional Office of DAR (DARRO 4-A) to the Examiners, the Objection, explanations by JBIC and AGP, the following facts are confirmed.

On May 22, 2022, CEED, etc. submitted a complaint to DAR, alleging that Linseed and Primeline had converted the land use of the project site, without obtaining an LCO.

On May 26, 2022, Primeline applied to the Land Use Cases Committee of DAR for an LCO to convert the land use of the project site from agricultural land to industrial land.

On June 2, 2022, the Bureau of Agrarian Legal Assistance and Regional Office and the Municipal Office Cluster 4 of DAR conducted an ocular inspection regarding the application for land use conversion.

On June 15, 2022, the Provincial Task Force on Illegal or Premature Conversion of Batangas of DAR conducted an ocular inspection. Based on the inspection, the task force found that (1) Linseed stated that they thought that the reclassification of their properties from agricultural land to industrial by the Batangas City Planning Development Office and the issuance of Certification of Non-issuance of Notice of Coverage by the DAR were sufficient to start the development of the project site, (2) according to Linseed, they requested the Community Environment and Natural Resources Office for a permit to cut down

the trees, (3) the development of the project site was on-going, and (4) no farmers or residents were seen on the project site.

The task force recommended for the issuance of only CDO until the issuance of an LCO, as they considered that there was a certification by the Provincial Governor acknowledging the Project as a prioritized energy project, even though they admitted that the land use was converted without an LCO. It means that regarding the illegal/premature conversion of land, DAR will not impose sanctions such as automatic disapproval of applications for land use conversion which is being or will be submitted, although, based on Section 11 of Agriculture and Fisheries Modernization Act (Republic Act No. 8435), it may do so by administrative procedures. On the next day, the Provincial Agrarian Reform Program Officer II gave a consent to the recommendation.

Based on the recommendation and consent, on August 8, 2022, the Regional Director of DARRO 4-A issued to Primeline a CDO to immediately suspend the on-going development activities on the project site until the issuance of an approved application for conversion order, as an illegal land use conversion was being undertaken on the project site and there was an urgent need to stop the development on the project site. Even after the CDO was issued, the construction work of the Project continued.

On October 24, Primeline filed to the Regional Director of DARRO 4-A a Motion for Reconsideration of the CDO issued on August 8, 2022.

On December 22, 2022, the Regional Director of DARRO 4-A issued the Resolution denying the Motion for Reconsideration and maintaining the CDO. Even after the Resolution was issued, the construction of the Project continued.

On February 23, 2023, the Land Use Cases Committee (LUCC) of DAR issued an Order granting the Applications for Land Conversion of Primeline. On June 16, 2023, the Certificates of Finality were issued by the Office of the Director, Bureau of Agrarian Legal Assistance of DAR declaring the Order dated February 23, 2023, by the LUCC as Final and Executory.

On July 31, 2023, based on the Urgent Motion to Lift/Revoke the CDO filed by Primeline on June 27, 2023, the DARRO 4-A Regional Director lifted the CDO, as the land on the project site ceased to be classified as an agricultural land due to the finalized LCO and the CDO became moot and academic.

(3) The Examiners confirmed that JBIC had taken the following measures regarding the points raised by NGOs about the land use conversion without a permit, and the CDO.

Upon the receipt of the point raised by CEED that no CDO was granted for the project site, JBIC forwarded it to AGP. JBIC was briefed from AGP that necessary permits and approvals had been obtained for the project site and no findings were identified during or after DARRO's

inspection in June 2022, and therefore, the point raised by CEED lacked grounds.

Later, JBIC received the point raised from NGOs including CEED that a CDO was issued by DAR regarding the construction of the Project. JBIC forwarded it to AGP. AGP explained to JBIC that AGP and Linseed were not notified by the authority about the CDO, but if there were an inquiry, they would respond to it appropriately. JBIC pointed out that AGP should explain to the DAR that it had taken appropriate procedures and should consider the suspension of the construction of the Project. However, AGP replied, in light of a contract concerning the project, it was difficult to take such actions as the CDO was not issued to AGP.

Subsequently, JBIC was informed by AGP that Primeline had applied for a LCO and filed a Motion for Reconsideration of the CDO. In addition to requesting AGP continue providing information, JBIC asked them for cooperation so that it can directly contact with Primeline and the principal shareholder of Linseed, but the requests has not been fulfilled.

(4) Regarding the allegation of land use conversion without obtaining a LCO, it is recognized that land use conversion was carried out without obtaining a necessary LCO for the Project, and that there was a violation of law in this respect. However, as a result of the issuance of an LCO in June 2023, it is considered that the legal defect was dissolved. Also, it is recognized that JBIC forwarded the point made by NGOs to AGP, collected information, confirmed whether there were feasible and practical measures that AGP could take independently, and requested AGP to take possible measures. Therefore, for the allegations, the Examiners do not find that JBIC did not comply with the Guidelines.

(5) As for the CDO, it is rational to considerable extent that Linseed and AGP are not legally obliged to stop the construction of the Project under Philippine law since the CDO was issued to Primeline. On the other hand, based on the purpose of the Guidelines to ensure appropriate environmental and social considerations for a project, and since CDO is an order regarding the Project, it is considered that implementation of the CDO needs to be ensured by not only the addressee of the order, but all parties involved in the Project. The construction of the Project continued even after the CDO was issued. Even though the order was lifted later, it does not mean that the order becomes invalid retrospectively. Therefore, it is the view of the Examiners that the related parties did not take actions in line with the purpose of the Guidelines.

However, JBIC forwarded the point raised by NGOs to AGP and collected information. Although the CDO was not issued to AGP, it is recognized that JBIC had confirmed if there were feasible and practical measures that AGP could take independently by for example encouraging AGP to consider the suspension of construction. Therefore, regarding the

allegation, the Examiners do not find that JBIC did not comply with the Guidelines.

(6) Therefore, regarding the Ground D for objection, the Examiners do not find that JBIC did not comply with the Guidelines.

4.2.4.5 Ground E for the objection

The Requesters assert that, as a result of legal violations, the Project also violated permitting requirements in ECC granted by DENR, and JBIC failed proper monitoring and had not taken any appropriate actions.

The Requesters state DENR has not made a final decision about their complaint filed to DENR about the violation of permit requirements in ECC.

Ground E for the objection mostly overlaps with whether the Project has legal violations and whether JBIC has failed to monitor such violations. As for Grounds B to D regarding legal violations in the Project, the Examiner do not find that JBIC did not comply with the Guidelines as discussed in 4.2.4.2 to 4.2.4.4.

Therefore, regarding Ground E for objection, the Examiners also do not find that JBIC did not comply with the Guidelines.

4.2.4.6 Ground F for the objection

(1) According to the allegation by the Requesters, although the water quality has been deteriorating in the area surrounding the project site since the start of the construction of the Project, any appropriate actions have not been taken by JBIC to evaluate or mitigate the impact of the Project on the water quality.

(2) The Examiners confirmed that JBIC took the following actions about the water quality issue in the area surrounding the project site. After receiving the points raised by NGOs that the Project had worsened or were feared to have worsened the water quality in the area, JBIC forwarded the points to AGP. Then, JBIC was informed by AGP of its concrete measures to prevent water quality deterioration at the stage of construction in the Project and the scheme to monitor water quality. JBIC also was kept informed of the results of water quality test in the area during the construction period. It was also briefed that the results were almost within the environmental standards and even if there were substances that exceeded the standards, they were confirmed not to have been emitted from the project site. JBIC confirmed that there was nothing wrong with these explanations. Also in December 2023, JBIC received the report on the water quality test in the surrounding area of the Project and found no problem with their results.

(3) Based on the above facts, the allegation that the Project has deteriorated the water quality in the area of the project site lacks sufficient evidence to prove that the deterioration is attributable to the Project, and also the water quality is not recognized to have been worsening. In addition, during the period when AGP was engaged in the construction of the Project as an EPC contractor, it is confirmed that JBIC forwarded points raised by NGOs to AGP, collected information on them, took appropriate actions, and confirmed that the water quality was not deteriorating. Considering AGP's involvement in the Project after the operation started, it is recognized that there are no feasible and practical measures that AGP can take independently for the alleged water quality deterioration.

Therefore, regarding Ground F for objection, the Examiners do not find that JBIC did not comply with the Guidelines.

4.2.5 Causal nexus between the fact of compliance/non-compliance with the Guidelines and the damages actually incurred by the Requesters or damages highly likely to be incurred by the Requesters in the future

As described above, the Examiners find no alleged damages actually incurred by the Requesters or damages highly likely to be incurred by the Requesters in the future. Also, the Examiners do not find that JBIC's non-compliance with the Guidelines. Therefore, no causal nexus was recognized between the fact of JBIC's compliance/non-compliance with the Guidelines and the actual damages.

4.2.6 Final results

As a result of investigation stated above, the Examiners do not find that there were damages actually incurred by the Requesters or damages highly likely to be incurred by the Requesters in the future. In addition, the Examiners do not find that JBIC did not comply with the Guidelines.

5. Encouragement of dialogue

5.1 Agreement between the parties on the encouragement of dialogue and record of dialogue held between the parties

The Requesters hoped to engage a dialogue between its Agent and Linseed, the Project Proponent, however, Linseed did not provide any response regarding the investigation in this objection procedure, nor show any willingness to have a dialogue between the related parties. As a result, a dialogue between the Requesters and Linseed was not achieved.

As for AGP, although it is an EPC contractor in the Project, it is not in a position to have an influence on Linseed's decision making as the degree of its involvement in the operations is minute. As such, in the current stage in which the Project has already begun operations,

there is little effectiveness of having a dialogue with AGP about the Project. Therefore, the Examiners did not encourage to realize a dialogue between the Requesters and AGP.

5.2 Results of dialogues between the parties

As there was no dialogue, no agreement was reached.

5.3 Necessity of further mediation

Linseed, the Project Proponent, is not likely to agree to have a dialogue between the parties, as it has not shown any willingness to have one, nor provided any responses regarding the investigation in this objection procedures. Regarding AGP, the Project has begun the operations, there is little effectiveness of having a dialogue with AGP about the Project. Therefore, there is no need to further encourage to realize dialogues on the Project.

6. List of materials that served as Basis for Judgment of Examiners

6.1 Letters from the Requesters (including CEED, the Agent), materials provided, etc. to JBIC and the Examiners

Date	Sender	Title of Letter, content and Detail
October 5, 2021	CEED	Protect Verde Island Passage, Withdraw from Atlantic Gulf & Pacific Company's Ilijan LNG Import Facility
November 23, 2021	CEED	Follow up - Protect Verde Island Passage, Withdraw from Atlantic Gulf & Pacific Company's Ilijan LNG Import Facility
March 9, 2022	CEED	Request for Meeting Appointment Regarding Our Last Request - Protect Verde Island Passage, Withdraw from Atlantic Gulf & Pacific Company's Ilijan LNG Import Facility
September 22, 2022	CEED	e-mail with title "Protect Verde Island Passage, Withdraw Atlantic Gulf & Pacific Company's Ilijan LNG Import Facility"
October 18, 2022	CEED	e-mail with title "Protect Verde Island Passage, Withdraw Atlantic Gulf & Pacific Company's Ilijan LNG Import Facility"
November 15, 2022	CEED	DAR cease and desist order over AG&P Linseed Field Corporation LNG import terminal in Batangas City
February 29, 2024	CEED	P.2-55-P.2-59 Analysis of Key Environmental Impacts of

		Ilijan LNG Terminal Facility Project
February 29, 2024	CEED	P.2-116-P.2-121 Analysis of Key Environmental Impacts of Ilijan LNG Terminal Facility Project
February 29, 2024	CEED	P.2-168-P.2-170 Analysis of Key Environmental Impacts of Ilijan LNG Terminal Facility Project
February 29, 2024	CEED	P.2-222-P.2-223 Analysis of Key Environmental Impacts of Ilijan LNG Terminal Facility Project
February 29, 2024	CEED	Photo of Project Site before Construction
February 29, 2024	CEED	Photo of Sedimentation of Project Site
March 20, 2024	CEED	Response to JBIC's inquiries dated February 20, 2024 including Annexes
June 7, 2024	CEED	FISHERFOLK'S RECEIPTS AND OTHER RELEVANT DOCUMENTS

6.2 Others

- AG&P Responses to JBIC Examiner Q&A dated February 20, 2024
- AG&P Responses to JBIC Examiner Q&A Part2 dated March 6, 2024
- AG&P Response to Additional Question from JBIC Examiners dated March 22, 2024
- Memorandum of Region IV-A Community Environment and Natural Resources Office of Department of Environmental and Natural Resources (Subject: Inspection Report Re: Registration of Private Plantation of Ilijan Primeline Industrial Estate Corp. Located in Brgy. Ilijan, Batangas City, Batangas) dated January ,2020
- Letter issued by Region IV-A Community Environment and Natural Resources Office of Department of Environmental and Natural Resources dated January 15, 2021
- KAPASYAHAN BLG.2 SERYE 2023, RESOLUSYON NA SUMASANG-AYON SA PAGTATAYO NG LIQUIFIED NATURAL GAS(LNG) LINSEED FIELD CORPORATION SA BARANGAY ILIJAN, LUNGSOD NG BATANGAS, CITY FISHERIES AND AQUATIC RESOURCES MANAGEMENT COUNCIL (CFARMC) NA GINANAP NAGAYONG IKA-30NG MARSO 2023
- GENERAL INFROMATION SHEET(GIS) of LINSEED FIELD POWER CORPORATION FOR THE YEAR 2019 STOCK COPORATION
- GENERAL INFROMATION SHEET(GIS) of LINSEED FIELD POWER CORPORATION FOR THE YEAR 2020 STOCK COPORATION
- AMENDED GENERAL INFROMATION SHEET(GIS) of LINSEED FIELD CORPORATION FOR THE YEAR 2020 STOCK COPORATION
- GENERAL INFORMATION SHEEET(GIS) of LINSEED FIELD CORPORATION FOR THE

YEAR 2021 STOCK COPRORATION

- AMENDED GENERAL INFROMATINO SHEET(GIS) of LINSEED FIELD CORPORATION FOR THE YEAR 2021 STOCK COPRORATION
- GENERAL INFROMATION SHEET(GIS) of LINSEED FIELD CORPORATION FOR THE YEAR 2022 STOCK COPRORATION
- AMENDED GENERAL INFROMATINO SHEET(GIS) of LINSEED FIELD CORPORATION FOR THE YEAR 2022 STOCK COPRORATION
- GENERAL INFORMATION SHEEET(GIS) of LINSEED FIELD CORPORATION FOR THE YEAR 2023 STOCK COPRORATION
- AMENDED GENERAL INFROMATINO SHEET(GIS) of LINSEED FIELD CORPORATION FOR THE YEAR 2023 STOCK COPRORATION
- GENERAL INFORMATION SHEEET(GIS) of ILIJAN PRIMELINE INDUSTRIAL ESTATE CORP. FOR THE YEAR 2022 STOCK COPRORATION
- GENERAL INFORMATION SHEEET(GIS) of ILIJAN PRIMELINE INDUSTRIAL ESTATE CORP. FOR THE YEAR 2023 STOCK COPRORATION
- AMENDED GENERAL INFORMATION SHEEET(GIS) of ILIJAN PRIMELINE INDUSTRIAL ESTATE CORP. FOR THE YEAR 2023 STOCK COPRORATION
- Environmental, Social & Governance (ESG) Overview dated November 4, 2021
- Philippines LNG Terminal Project Overview December 2021
- December Progress Meeting Report dated 14 December 2021
- Monthly Progress Meeting Report dated January 12 2022
- Monthly Progress Meeting Report dated March 2022
- Monthly Progress Meeting Report dated April 2022
- Monthly Progress Meeting Report dated May 2022
- Progress Meeting Report dated July 6, 2022
- Progress Meeting Report dated August, 2022
- Progress Meeting Report dated January 18, 2023
- Progress Meeting Report dated March 15, 2023
- Progress Meeting Report dated April 19, 2023
- Progress Meeting Report dated May 17, 2023
- CERTIFICATE OF ANALYSIS dated November 22, 2023
- CASE BRIEFER dated February 26, 2024 on Compliant for illegal conversion of lands with request for the issuance of a cease and desist order over landholdings located at Brgys, Ilijan and Delapaz, Batantags City prepared by Department of Agrarian Reform
- Order dated August 8, 2022 issued by Department of Agrarian Reform
- Resolution dated December 22, 2022 issued by Department of Agrarian Reform
- Order dated February 23, 2023 issued by Department of Agrarian Reform

- Certificate of Finality dated June 13, 2023 issued by Department of Agrarian Reform
- Order dated July 31, 2024 issued by Department of Agrarian Reform
- NSAP Landed Catch Data of Bauan Batangas (CY 2020-2023) from National Fisheries Research and Development Institute
- Fisheries: Volume of Production (M.T.) by Region, Province, Subsector and Quarter, 2002-2023 from Philippines Statistics Authority
- Fisheries Situation Report for Major Species, January to December 2023 issued by Philippines Statistics Authority
- Response letter dated April 11, 2024 from City Veterinary Office of Batangas City
- Response letter dated April 12, 2024 from Region IV-A Community Environment and Natural Resources Office of Department of Environmental and Natural Resources
- Certification dated April 15, 2024 issued by PCA Batangas & Cavite Provinces of Philippine Coconut Authority
- Interviews with Municipal Agriculture Office, Mabini, Batangas on April 11, 2024
- EIS SUMMARY FOR THE PUBLIC, ILIJAN LNG IMPORT FACILITY PROJECT
- ENVIROMENTAL IMPACT STATEMENT ILIJAN LNG FACILITY PROJECCR January 2021

Attachment 1: Results of Preliminary Investigation

Results of Examination

1. Formality requirements of the request

All items are written in Japanese, English or the official language of the country in which the Requester resides.	✓
There are items the descriptions of which are insufficient.	

(Items the descriptions of which are insufficient: _____)

2. Requirements to commence the procedures

(1) Requirements regarding the Requester

The request has been submitted by two or more residents in the country in which the project is implemented.	✓
The request does not satisfy the above requirement.	
The fact that the request has been submitted by the Requester cannot be confirmed.	

Of the Requesters, the Examiners exclude a group because it is an organization and not a resident. But if a resident who is a member of the group wishes to be a requester of the Procedures, the Examiners will not exclude him/her from the Procedures.

(2) Project with respect to which the objections are submitted

As a result of identifying the project based on the request, it has been confirmed that it is a project for which JBIC provides funding.	✓
As a result of identifying the project based on the request, it has been confirmed that it is not a project for which JBIC provides funding.	
The project cannot be identified based on the request.	

The project based on the request is being implemented by a company partially funded by a subsidiary(ies) of AGPIH, in which JBIC has invested. The Examiners have yet to confirm based on evidence that the capital contribution JBIC made to AGPIH was not actually used for the project based on the request. Therefore, at this time, the Examiners will consider the project as a project for which JBIC provides funding, and will confirm it again after the procedures are commenced.

(3) Period

The request was submitted during the period between the time when a loan agreement was executed and the time when drawdown was completed.	
The request was submitted on or before the time when a loan agreement was executed and, therefore, it is appropriate to transfer the request to the Operational Department for examination.	
The request was submitted after the completion of disbursement and JBIC's non-compliance with the Guidelines concerning JBIC's monitoring was pointed out.	✓
The request was submitted after the completion of disbursement but JBIC's non-compliance with the Guidelines concerning JBIC's monitoring was not pointed out.	

The project based on the request is being implemented by a company in which a subsidiary(ies) of AGPIH has invested, and it is not directly financed by JBIC. Therefore, the concept of "completion of disbursement" does not apply in this case. Given that, in the case of loans, end of drawdown is close to the completion of construction and the start of operation, the Examiners have decided to read "completion of disbursement" as the completion of construction and the start of operation in this case. Since the project based on the request had already been in operation at the time of the request, the Objection was deemed to have been submitted after the completion of disbursement.

(4) Damage actually incurred by the Requester or damage likely to be incurred by the Requester in the future as a result of JBIC's non-compliance with the Guidelines with regard to the project to which JBIC provides funding

Damage actually incurred or damage likely to be incurred in the future is described.	✓
Damage actually incurred or damage likely to be incurred in the future is not described.	

(5) Causal nexus between the project and the damage

Description of causal nexus is fairly reasonable.	✓
Description of causal nexus is not considered to be fairly reasonable.	

(6) Facts concerning the Requester's consultation with the Project Proponent

The Requester has endeavored to have dialogues with the Project Proponent.	
There is an unavoidable reason for the Requester that prevents the Requester from endeavoring to have dialogues with the Project Proponent.	✓
As the Requester has not fully endeavored to have dialogues with the Project Proponent, the Requester should first propose to have dialogues.	

(7) Facts concerning the Requester’s consultation with JBIC

The Requester has had communication with JBIC’s Operational Department.	✓
As the Requester has not fully endeavored to have communication with JBIC’s Operational Department, the Requester should first propose to have dialogues.	

The Agent of the Requesters, Center for Energy, Ecology, & Development Inc. (CEED), had communication with JBIC prior to submitting the Objection, but it is unclear whether or not CEED was an Agent of the Requesters at that time. However, CEED had communication with JBIC’s Operational Department on December 14, 2023, after submitting the Objection, and the Examiners find that this requirement is substantially satisfied.

(8) Prevention of abuse

There is no concern that the request was submitted for abusive purposes.	✓
There is a concern that the request was submitted for abusive purposes and, therefore, it is inappropriate to commence the procedures.	
There is a serious false description in the request.	

(Describe the reasons why the request is considered to have been submitted for abusive purposes or the matters that are considered to be false:)

3. Additional information (Optional)

(1) Relevant provisions of the Guidelines considered by the Requester to have been violated by JBIC and the facts constituting JBIC’s non-compliance alleged by the Requester

Provisions not complied with and the facts of non-compliance are fairly and reasonably described.	✓
Provisions not complied with and the facts of non-compliance are not	

fairly and reasonably described.	
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Among the items claimed by the Requesters, the issue concerning the categorization of the project based on the request (J. a. in the Objection) is not a monitoring matter and is therefore outside the scope of this Procedures.

(2) Causal nexus between JBIC's non-compliance with the Guidelines and the damage

Description of causal nexus is fairly reasonable.	✓
Description of causal nexus is not considered to be fairly reasonable.	

[END]

Attachment2: JBIC interviews with the investees, NGO and others, on-site inspections, etc.

① JBIC's Meeting with investees, etc.

Date	Outline
November 4, 2021	Meeting with investee company
November 26, 2021	Meeting with other shareholder
December 14, 2021	Meeting with investee company and other
January 12, 2022	Meeting with investee company and other
March 16, 2022	Meeting with investee company and other
April 13, 2022	Meeting with investee company and other
April 27, 2022	Meeting with investee company and other
May 11, 2022	Meeting with investee company and other
July 6, 2022	Meeting with investee company and other
August 31, 2022	Meeting with investee company and other
September 30, 2022	Meeting with investee company and other
October 19, 2022	Meeting with investee company and other
November 16, 2022	Meeting with investee company and other
December 13, 2022	Meeting with other shareholder
December 14, 2022	Meeting with investee company
December 20, 2022	Meeting with investee company and other
January 18, 2023	Meeting with investee company and other
March 15, 2023	Meeting with investee company and other
April 19, 2023	Meeting with investee company and other
May 17, 2023	Meeting with investee company and other
June 17, 2023	Meeting with other shareholder

② JBIC's Meeting between NGO(including the Agent)

Date	Outline
April 12, 2022	Meeting with CEED and other NGOs
February 3, 2023	Meeting with CEED and other NGOs
December 14, 2023	Meeting with CEED and other NGOs

[END]