

Annual Report of the EXAMINERS FOR ENVIRONMENTAL GUIDELINES

(FY2023)

1. Introduction

(1) Outline of the Objection Procedures¹

The Objection Procedures (the “Procedures”) stipulate the objectives as follows:

- (i) To investigate the facts as to whether or not the Japan Bank for International Cooperation (“JBIC”) has complied with the “JBIC Guidelines for Confirmation of Environmental and Social Considerations”² (the “Guidelines”) and the “Guidelines for Confirmation of Information Disclosure Considerations for Nuclear Sector Projects”³ (the “Information Disclosure Guidelines”) and to report the results to the Executive Committee to ensure that JBIC complies with the two aforementioned Guidelines; and
- (ii) To promote dialogue between the parties concerned based on their consent and to quickly solve the specific conflicts concerning environmental or social issues related to JBIC-financed projects that have emerged due to non-compliance with the two Guidelines.

The Procedures call for the Examiners for Environmental Guidelines (the “Examiners”) to conduct an independent and impartial investigation when objections are submitted by affected parties, such as local residents, in line with the “Summary of Procedures to Submit Objections concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations” (the “Summary”), and to report the results to the Executive Committee. The Examiners also contribute to the solution of problems by promoting dialogues between the parties concerned.

JBIC established this system of the Procedures in October 2003, prior to the adaptation of the recommendation on “common approaches” for environmental due diligence by the Organisation for Economic Co-operation and Development (OECD).

JBIC established the Summary in July 2012, which superseded the original Summary set forth in October 2003 and its revised version by JBIC as the international wing of the Japan

¹ Summary of Procedures to Submit Objections concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations

https://www.jbic.go.jp/en/business-areas/environment/disagree/image/procedure_04_en.pdf

² JBIC Guidelines for Confirmation of Environmental and Social Considerations

https://www.jbic.go.jp/en/business-areas/image/Environmental_Guidelines_2022.pdf

³ Guidelines for Confirmation of Information Disclosure Considerations for the Nuclear Sector Projects

<https://www.jbic.go.jp/en/business-areas/environment/image/consultation02.pdf>

Finance Corporation. Since then, JBIC has revised the Summary as needed to reflect the revision of the Guidelines in January 2015, JBIC's institutional change in June 2017, the establishment of the Information Disclosure Guidelines in December 2017, and the revision of the Guidelines in May 2022.

(2) Publication of the Annual Report

The Annual Report details the Examiners' activities during the previous fiscal year in line with the Summary.

2. Report on Activities in FY2023

(1) Objection Submissions and Preparation/Publication of Reports

JBIC received one objection submitted during the course of FY2023 (April 2023 to March 2024).

Date of receipt of objection submission:	December 11, 2023
Project name:	Ilijan LNG Import Facility Project
Country name:	Republic of the Philippines

After receiving the objection regarding the above project, the Examiners decided on January 30, 2024, to commence procedures, and they investigated JBIC's compliance with the Guidelines, and the results were reported to the Executive Committee on June 24, 2024. The report will be posted on JBIC's website after it is checked to see if it contains information about individuals and companies and other information that should be kept undisclosed under law.

(2) Public Relations Activities

Details of the Objection Procedures are explained in both English and Japanese as well as the backgrounds of two Examiners on JBIC's website. Furthermore, the full texts of the Summary in English and Japanese are available on the website to raise awareness of the existence of this mechanism.

(3) Communication with Objection Mechanisms of International Financial Institutions and Other Institutions

International Financial Institutions, such as the World Bank, have successively introduced objection procedures, as well as examining bodies that act in accordance with the procedures, over more than thirty years. Names for those procedures vary by agency, but they are recently becoming known as Independent Accountability Mechanisms (“IAMs”).

Such IAMs of international finance and bilateral institutions have formed the so-called Independent Accountability Mechanisms Network (the “IAMs Network”). The IAMs Network has held an Annual Meeting since 2004 as an opportunity for those various institutions to share information and views. The 20th meeting, hosted by the European Bank for Reconstruction and Development (EBRD), was held in London, the United Kingdom, between October 4 and 6, 2023, with our Examiners in attendance⁴.

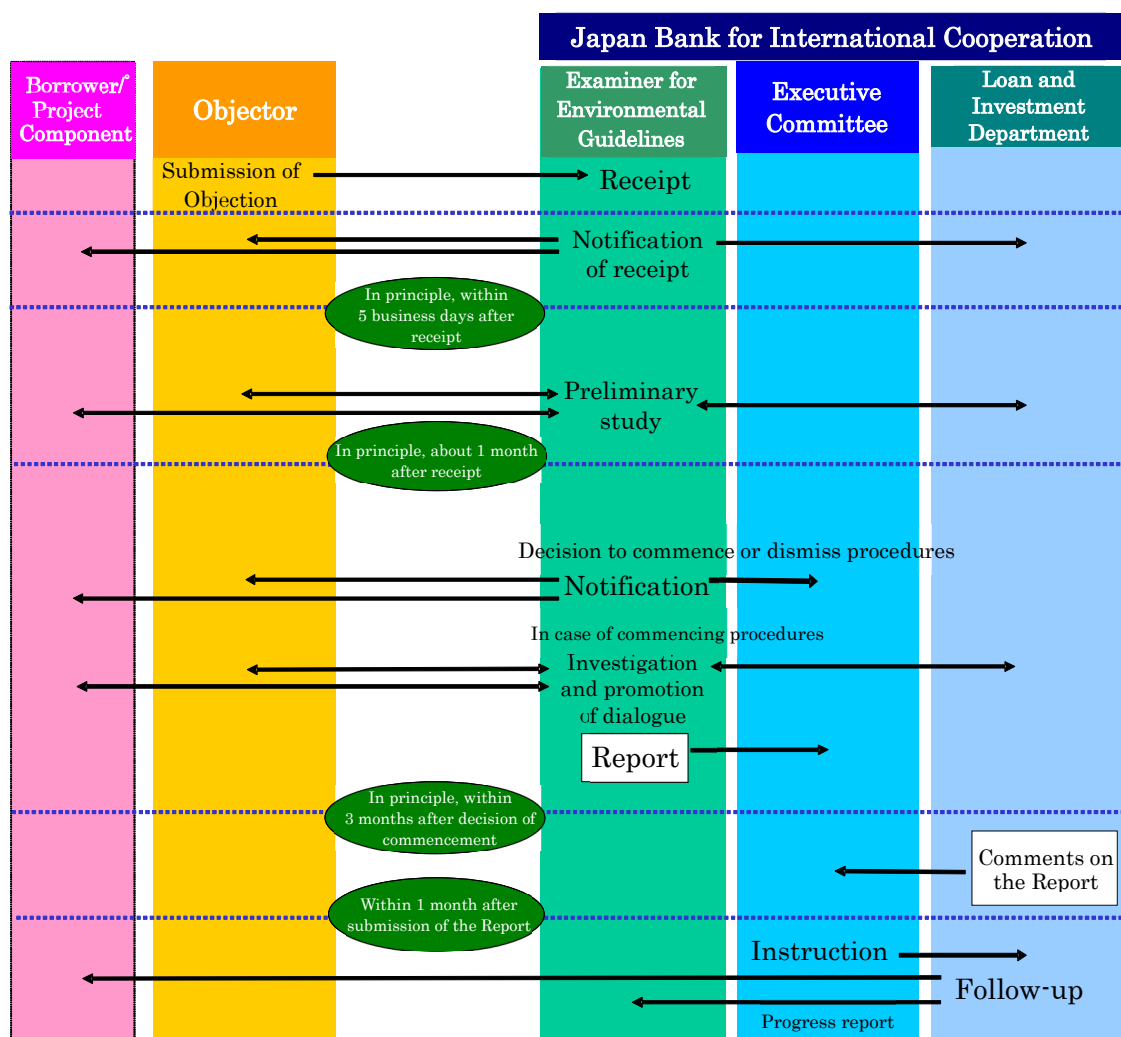
The 2023 meeting consisted of activity reports from attending IAMs and several sessions on various themes. Each IAM presented information, including the number of objections received, specifics of several cases, and their outreach activities. In theme-specific sessions, discussions were held on topics such as relationships with legal officers and departments, relationships with management, and threats or retaliation risks to residents and requesters.

Through these activities, the Examiners continue to proactively exchange information and views on how to ensure fair and appropriate implementation of the Procedures as well as on key considerations in practice.

⁴ Participants (excluding JBIC and observers): World Bank Accountability Mechanism, Inspection Panel, IFC/MIGA Compliance Advisor/Ombudsman, EBRD Independent Project Accountability Mechanism, ADB Accountability Mechanism, Office of the Special Project Facilitator, IDB Independent Consultation and Investigation Mechanism, AfDB Independent Recourse Mechanism, UNDP Social and Environmental Compliance Unit, GCF Independent Redress Mechanism, AIIB Project-affected People’s Mechanism, CDB Office of Integrity, Compliance and Accountability, EIB Complaints Mechanism, DEG/FMO/Proparco Independent Complaints Mechanism, AFD Environmental and Social Complaints Mechanism, BSTDB Internal Audit Department, IKI Independent Complaint Mechanism, KfW Central Complaints Office, FinDev Canada Independent Accountability Mechanism, FMO Independent Complaints Mechanism, NEXI Examiner for Objection Procedures on Environmental Guidelines, and JICA Examiners for the Guidelines for Environmental and Social Considerations

Projection Procedures

(1) Flow of Objection Procedures



(2) Submission of an Objection

An Objection should be sent to the Examiners:

Address 4-1, Otemachi 1-chome, Chiyoda-ku

Tokyo 100-8144, JAPAN

Examiner for Environmental Guidelines

Japan Bank for International Cooperation

Fax +81-3-5218-3946

Website: <https://www.jbic.go.jp/en/business-areas/environment/disagree/procedure.html>

Sample Request

Date:

To: The Examiner for Environmental Guidelines
Japan Bank for International Cooperation

(a) Names of the Requester

(b) Place of contact of the Requester

Address:

TEL:

FAX:

E-mail:

[if the Requester uses an agent]

(Name of the agent)

(Place of contact of the agent)

Address:

TEL:

FAX:

E-mail:

We wish to keep our names undisclosed
to the Project Proponent.

Yes • No (Circle either one)

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

- Name of country
- Project site
- Outline of the project

(d) 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

- (e) Causal nexus between the project and the damage
- (f) Resolution desired by the Requester
- (g) Facts concerning the Requester's consultation with the Project Proponent
- (h) Facts concerning the Requester's consultation with JBIC's Operational Department
- (i) If a Request is submitted by an agent, the Requester must set forth the necessity to submit the Request by an agent and evidence must be attached that the agent has been duly authorized by the Requester

It is desirable that the Request include the following information in addition to the above-mentioned.

- (j) Relevant provisions of the Guidelines considered by the Requester to have been violated by JBIC and the facts constituting such non-compliance alleged by the Requester
- (k) Causal nexus between JBIC's non-compliance with the Guidelines and the damage

The Requester hereby covenants that all the matters described herein are true and correct.

[End]