

Annual Report of the EXAMINERS FOR ENVIRONMENTAL GUIDELINES

(FY2024)

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.

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>

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JBIC established the Summary in July 2012, which superseded the original Summary set forth in October 2003 and its revised version by JBIC as the international wing of the Japan Finance Corporation.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 FY2024

(1) Objection Submissions and Preparation/Publication of Reports

Regarding the objection to the project listed below, which was received by JBIC during FY2023 (April 2023 to March 2024), the Examiners decided to commence procedures on January 30, 2024. They investigated JBIC’s compliance with the Guidelines, and reported the results to the Executive Committee on June 24, 2024. The report was posted on JBIC’s website on January 17, 2025, after it was checked to see whether it contained information about individuals, companies, and other content that should be kept undisclosed under the law.

Date of receipt of objection submission: December 11, 2023

Project name: Ilijan LNG Import Facility Project

Country name: Republic of the Philippines

(2) Public Relations Activities

The full texts of the Summary are available on JBIC’s website (in both English and Japanese) to explain the details of the Procedures and to raise awareness of this mechanism. The backgrounds of the two Examiners are also provided

(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”).

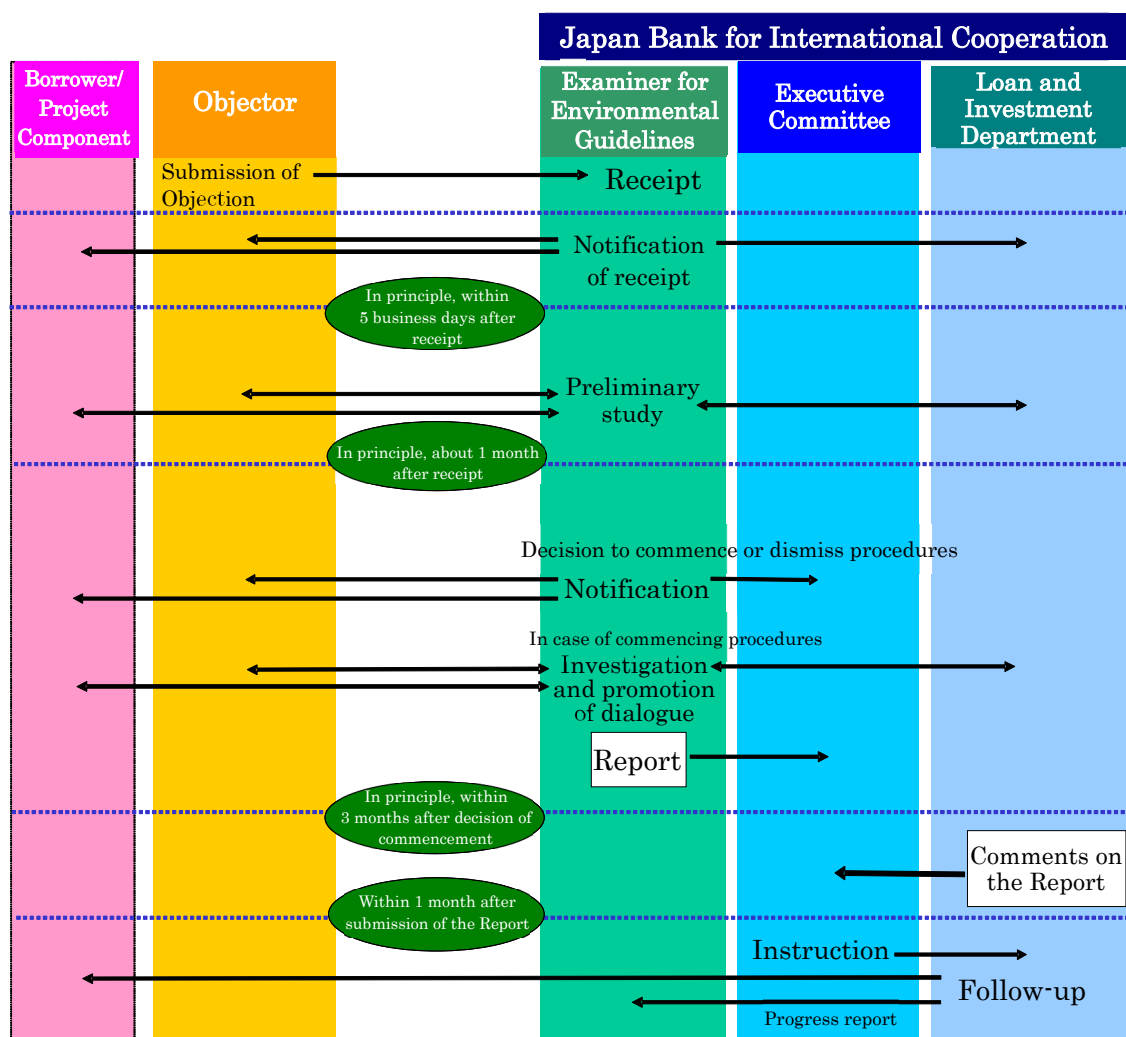
Such IAMs of international finance and bilateral institutions have formed the so-called Independent Accountability Mechanisms Network (the “IAMs Network”). The IAMs Network has held an Annual Meeting since 2004 as an opportunity for those various institutions to share information and views. The 21st meeting, hosted by the Asian Development Bank (ADB), was held in Manila, the Philippines, in October 2024, with one of our Examiners in attendance online.

The 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 the review of policies and systems of IAMs, procedural issues in dispute settlement, and compliance inspections.

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

Objection 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]