

JAPAN BANK FOR INTERNATIONAL COOPERATION
GUIDELINES FOR CONFIRMATION OF INFORMATION DISCLOSURE
CONSIDERATIONS FOR NUCLEAR SECTOR PROJECTS

December 2017

JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)

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Preface

Japan Bank for International Cooperation (referred to as “JBIC”) hereby makes public its “Guidelines for Confirmation of Information Disclosure Considerations for the Nuclear Sector Projects” (referred to as the “Information Disclosure Guidelines”).

The Information Disclosure Guidelines complement “Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations” (referred to as the “Guidelines”).

The Information Disclosure Guidelines set basic policies and procedures regarding confirmation of information disclosure and public participation to contribute to the sound development of the international economic community through confirmation by JBIC that the proper consideration of information disclosure procedures and public participation aspects of Nuclear Sector Projects (to be defined in Part 1 3. (1)) that are subject to lending, equity participation or guarantee by JBIC (referred to as “Funding”) are undertaken by the project proponents (referred to as the “Information Disclosure Considerations”).

The Information Disclosure Guidelines are intended to allow JBIC to make the utmost effort to secure proper Information Disclosure Considerations, with the understanding that nuclear safety is the foremost priority with respect to the use of nuclear power, taking into consideration the lessons learned from the accident at Tokyo Electric Power Company’s Fukushima Daiichi Nuclear Power Station.

The Information Disclosure Guidelines have been formulated on the basis of the international framework for information disclosure and public participation regarding the nuclear sector projects and the Organisation for Economic Co-operation and Development (OECD)’s “Recommendation of the Council on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence” as updated from time to time (referred to as the “Common Approaches”).

The Information Disclosure Guidelines will be reviewed as necessary in the future, taking into account future progress made in these areas.

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NB1: Part 2 is inseparable from Part 1.

NB2: If there is any ambiguity in the English version and/or any inconsistency with the Japanese version, the Japanese version prevails.

[Part 1]

1. Basic Policies Regarding Confirmation of Information Disclosure Considerations

JBIC confirms, through various measures, that project proponents undertake appropriate Information Disclosure Considerations so as to minimize the impact on the environment and local communities and not bring about unacceptable effects which may be caused by Nuclear Sector Projects for which JBIC provides Funding.

JBIC places importance on dialogue with the host country (including local governments), as well as the borrowers and project proponents (collectively referred to as “Borrowers and Related Parties”) while respecting the sovereignty of the host government.

JBIC reiterates its basic policy on the importance of transparent and accountable processes, as well as the participation of stakeholders in those processes, including local residents and local non-governmental organizations potentially impacted by a Nuclear Sector Project (collectively referred to as “Stakeholders”).

JBIC issues these sector-specific Information Disclosure Guidelines in recognition of the foremost importance of appropriate Information Disclosure Considerations for Nuclear Sector Projects due to potential material impacts of Nuclear Sector Projects on Stakeholders including local residents.

JBIC adopts standards from the recommendations of the Common Approaches to confirm the appropriateness of the Information Disclosure Considerations.

JBIC makes clear in its Information Disclosure Guidelines the Information Disclosure Considerations required for Nuclear Sector Projects to receive Funding.

In making its decisions for Funding, JBIC conducts reviews of Information Disclosure Considerations to confirm that the requirements are duly satisfied.

JBIC makes the utmost effort to ensure that appropriate Information Disclosure Considerations are undertaken.

Following Funding decisions, if necessary, JBIC will monitor or take steps over a certain period of time to encourage the Borrowers and Related Parties to ensure that appropriate Information Disclosure Considerations are undertaken.

In cases where it is involved in the planning and preparatory stages of a Nuclear Sector Project, JBIC will take steps to encourage the Borrowers and Related Parties to undertake appropriate Information Disclosure Considerations from the earliest stage possible.

2. Objectives and Meaning of Information Disclosure Considerations

The objective of the Information Disclosure Guidelines is to encourage project proponents of Nuclear Sector Projects to implement appropriate Information Disclosure Considerations in relation to such projects based on the Information Disclosure Guidelines, by making clear JBIC's 1) procedures (both before and after Funding decisions are made), 2) determination standards, and 3) contents to be confirmed for Nuclear Sector Projects that are subject to Funding from the perspectives of Information Disclosure Considerations. In so doing, JBIC endeavors to ensure transparency, predictability and accountability in the confirmation of Information Disclosure Considerations.

3. Basic Principles Regarding Confirmation of Information Disclosure Considerations

(1) Application

The Information Disclosure Guidelines supplement the Guidelines and apply only to the projects in the Guidelines that are subject to confirmation on due considerations of safety measures, etc., by the "Review Session concerning Confirmation on Due Considerations of Safety Measures, etc. Associated with the Official Credit Provision for Export, etc. of Major Materials or Equipment Used in Nuclear Facilities" (Determination of October 6, 2015 by Ministerial Conference on Nuclear Power) (referred to as the "Nuclear Sector Projects").

The Information Disclosure Guidelines apply in addition to the Guidelines.

(2) Parties Responsible for Information Disclosure Considerations

In principle, the project proponents are responsible for the Information Disclosure Considerations for Nuclear Sector Projects and JBIC confirms such Information Disclosure Considerations in light of the Information Disclosure Guidelines.

(3) Confirmation of Information Disclosure Considerations by JBIC

JBIC does the following to confirm Information Disclosure Considerations:

- (a) conducts a review of Information Disclosure Considerations when making a decision on Funding, to confirm that the requirements are duly satisfied (referred to as "Review"); and
- (b) conducts monitoring and follow-up after the decision has been made on Funding (referred to as "Monitoring").

In light of the Information Disclosure Guidelines and taking into account the characteristics of the relevant Nuclear Sector Project and the particular circumstances of the host country and its location, JBIC confirms in its Reviews whether:

- (a) appropriate and sufficient Information Disclosure Considerations are given before the implementation of the project; and

(b) appropriate Information Disclosure Considerations can be expected after JBIC makes decisions on Funding in light of factors such as the preparedness and experience of the project proponents and the host government.

JBIC also undertakes Monitoring through Borrowers and Related Parties over a certain period of time after the decision has been made on Funding.

(4) Information Required for Confirmation of Information Disclosure Considerations

JBIC conducts Reviews based principally on information provided by the Borrowers and Related Parties (including exporters in case of export finance). However, JBIC may request additional information from the Borrowers and Related Parties when necessary.

JBIC utilizes in its Reviews information received not only from the Borrowers and Related Parties but also from governments and organizations of host countries, co-financiers and Stakeholders.

With respect to Nuclear Sector Projects that are co-financed by other financial institution(s), JBIC endeavors to exchange information on Information Disclosure Considerations with such other institution(s).

(5) Standards for Confirmation of Appropriateness of Information Disclosure Considerations

JBIC in principle confirms in its Review that the requirements for Information Disclosure Considerations stated in the Information Disclosure Guidelines are fulfilled by ascertaining the below:

- (a) confirm that Nuclear Sector Projects comply with standards of the relevant host national and local governments regarding the Information Disclosure Considerations;
- (b) confirm that Nuclear Sector Projects meet relevant sections of World Bank Safeguard Policies or International Finance Corporation Performance Standards regarding the Information Disclosure Considerations; and
- (c) confirm that Nuclear Sector Projects meet relevant sections in the Convention on Nuclear Safety, the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, and International Atomic Energy Agency (IAEA) safety standards for nuclear power facilities regarding the Information Disclosure Considerations.

If JBIC believes the Information Disclosure Considerations of the project substantially deviate from these standards, it will consult with the Borrowers and Related Parties to confirm the background and rationale for this deviation, and the measures to rectify it if necessary.

(6) Decision-making

JBIC takes the outcomes of its Reviews into account in its decisions on Funding. If, as a result of its Review, JBIC judges that appropriate Information Disclosure Considerations are not ensured, it will encourage the project proponents, through the Borrower and Related Parties, to undertake appropriate Information Disclosure Considerations.

If appropriate Information Disclosure Considerations are not undertaken in accordance with the Information Disclosure Guidelines, there may be cases where Funding is not extended.

4. Procedures for Confirmation of Information Disclosure Considerations

(1) Review

For Nuclear Sector Projects to which the Information Disclosure Guidelines apply, in addition to the environmental review procedures set out in the Guidelines (see Section 4. (3) of the Guidelines), JBIC also applies the Information Disclosure Guidelines.

(2) Monitoring

For Nuclear Sector Projects to which the Information Disclosure Guidelines apply, JBIC in principle confirms the results of the material items of the implementation of the Information Disclosure Considerations through the Borrower and Related Parties over a certain period of time after the execution of Funding.

JBIC also applies the Guidelines (see Section 4. (4) of the Guidelines) in relation to Monitoring.

5. Disclosure of Information Regarding Confirmation of Information Disclosure Considerations by JBIC

JBIC applies the principles on disclosure of information as set out in the Guidelines (see Section 5 of the Guidelines).

In addition to the information disclosed in accordance with the Guidelines, of the documents disclosed in the host country regarding the Nuclear Sector Project, JBIC will disclose material documents regarding the Information Disclosure Considerations on its website, etc. as promptly as possible after it obtains the documents.

6. Decision-making

JBIC takes the results of Information Disclosure Considerations Reviews into account when making its decisions on Funding.

JBIC will use its utmost effort to ensure the following requirements in its loan agreements or their attached documents when it considers it necessary to ensure confirmation of Information Disclosure Considerations by Borrowers and Related Parties:

- the borrower shall report to JBIC on measures and monitoring related to Information Disclosure Considerations undertaken by the project proponents. If, due to unforeseen circumstances, there is a possibility that the Information Disclosure Considerations may not be fulfilled, the borrower shall report as much to JBIC;
- if any problems regarding Information Disclosure Considerations arise, the borrower shall make efforts for discussions to be held between the project proponents and Stakeholders;
- when project proponents and the host governments (including local governments) other than the borrower have important roles to play in terms of Information Disclosure Considerations, the borrower shall endeavor to include these parties by entering into agreements; and
- If it becomes evident that the borrower and the project proponents have not met JBIC's requirements under the Information Disclosure Guidelines, JBIC may, in accordance with the loan agreements or their attached documents, suspend the disbursement or declare all the outstanding principal at that time, with interest and any other charges thereon, to be payable immediately.

7. Ensuring Appropriate Implementation of and Compliance with Information Disclosure Guidelines

JBIC endeavors to ensure appropriate implementation of and compliance with the Information Disclosure Guidelines in accordance with the principles in Section 7 of the Guidelines. In order to ensure its compliance with the Information Disclosure Guidelines, JBIC accepts objections regarding non-compliance with the Information Disclosure Guidelines and takes necessary actions.

Supplemental Provision

These Information Disclosure Guidelines will come into force on April 1, 2018.

[Part 2]

Contents to be Confirmed Regarding the Information Disclosure Considerations for Nuclear Sector Projects

In principle, appropriate Information Disclosure Considerations are undertaken based on examination of the following items:

(1) Host Country Legal Regime

- **Relevant International Conventions:** With respect to the host country, in relation to (i) the Convention on Nuclear Safety and (ii) the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, 1) its status as a contracting party to the above Conventions, and 2) its implementation of Convention obligations relating to Information Disclosure Considerations into national law.
- **IAEA Safety Standards:** With respect to the host country, 1) its membership of the International Atomic Energy Agency (“IAEA”), and 2) its implementation of IAEA safety standards relating to Information Disclosure Considerations into national law.

(2) Information Disclosure

- **Information Disclosure Procedures:** Proper information disclosure of:
 - 1) Nuclear regulations and policies;
 - 2) Nuclear regulatory procedures; and
 - 3) Nuclear regulatory decision-making.
- **Provision of Information for a Nuclear Sector Project:** With respect to a Nuclear Sector Project, provision of the information below to related Stakeholders depending on the characteristics of the project. (In principle, the provision of such information is to be reviewed by JBIC prior to making decisions for Funding. However, the provision of information that is difficult to confirm at the time of the decision making such as “notification and evacuation procedures” and “plans for operational safety” is to be monitored. JBIC will respect the sensitivity and confidentiality of information relating to nuclear security and confidential business interests.
 - 1) Plans to site and build a facility.
 - Examples of the contents:
 - Basic plan of the facilities (including information regarding site boundaries);
 - Site-related factors (including information regarding the location of the project site and neighboring areas of high population density);

- The design basis for the safety of nuclear facilities and defence-in-depth for prevention of progression of severe accidents (including information on the assessment of public exposure by the largest expected release of radioactive material in a severe accident);
- Measures for accident management in circumstances of external events, etc.; and
- Construction plans.

2) Spent fuel and radioactive waste management plans.

3) Environmental and social impact assessment.

Examples of the contents:

- Control of radiation exposure (including information on the assessment of public exposure in normal operation. This information may be included in the plans to site and build a facility).

4) Emergency preparedness and emergency response plans.

Examples of the contents:

- Notification and evacuation procedures; and
- Plans for operational safety (including plans for safety of occupational engineers and workers).

(3) **Public Participation**

- **Public Participation Procedures:** Status of public participation in the licensing and authorization processes for Nuclear Sector Projects. Items (1) to (3) below should be conducted in the language and manner understandable to the residents.

- 1) Provision of information to residents;
- 2) Opportunity to participate, in particular at the local level;
- 3) Proper consultation; and
- 4) Consideration of the results of the consultation.