

Environmental Examination Report

(1) Project Name

Producing and marketing of refined products and petrochemical products

(2) Project Site

Rabigh, Kingdom of Saudi Arabia

(3) Project Outline

Upgrade of an existing refinery, construction of new petrochemical plants, and producing and marketing of refined products and petrochemical products

(4) Category Classification

Category A

(5) Reason for Classification

The Project is classified as a sensitive sector (Petrochemical, Petroleum refining, and Thermal power generation sector) , includes sensitive characteristics and is located in or near sensitive areas under the Guidelines.

(6) Environmental Permits and Approvals

EIA report for the project was approved by Ministry of Petroleum and Mineral Resources (MinPet) on 9 August, 2011 with the condition (the mitigation plan of air emission) attached. Such condition was approved by MinPet on 27 March, 2013.

(7) Pollution Mitigation Measures

Such items as air quality, water quality, waste, noise and vibration are properly managed in accordance with local standards and IFC Performance standards, and the waste will be treated properly.

(8) Natural Environment

The project site and the nearby side do not encompass the protected area and the habitats of nationally protected species.

(9) Social Environment

The project does not involve new land acquisition or resettlement.

(1 0) International Standard

IFC Performance standards

(1 1) Others, Monitoring

Monitoring will be conducted with regard to air emission.

If you answered "No", please reply to the following questions.

Q8. Are there any environmentally sensitive area shown below in and around project site?

(Yes / ~~No~~)

If you answered "Yes", please select applicable items by marking, and reply to following questions.
If you answered "No", please reply to questions 9 and after.

- (1) National parks, protected areas designated by government (coastal areas, wetlands, habitats of minorities or indigenous populations, heritage sites, etc.)
- (2) Primeval forests, tropical natural forests
- (3) Ecologically important habitats (coral reefs, mangrove, tidal flats, etc.)
- (4) Habitats of endangered species of which protection is required under local laws and international agreements.
- (5) Areas that have risks of large scale increase in soil salinity or soil erosion
- (6) Desertification areas
- (7) Areas with special values from archaeological, historical and/or cultural viewpoints
- (8) Habitats of minorities, indigenous populations, nomadic people with traditional life style, or areas with special social value

Q9. Does the project involve following characteristics?

(Yes / ~~No~~)

If you answered "Yes", please describe the scale of applicable characteristics, and reply to the questions 10 and after.

If you answered "No", please reply to questions 11 and after.

- (1) Involuntary resettlement (Number of resettlers:)
- (2) Pumping of groundwater (Scale: m³/year)
- (3) Land reclamation, development and/or clearing (Scale: 7.3million m² (730 ha))
- (4) Deforestation (Scale: ha)

Q10. Under the environmental impact assessment system of the country where the project is to be implemented, do the applicable characteristics from (1) - (4) above and their scale serve as basis for executing an EIA for the project?

- They do
- They do not
- Others (Please specify)

Q11. Will JBIC share in the project be equal or less than 5% of the total project cost, or the total amount of JBIC loan equal or less than SDR 10 million? (In the case of additional support for a past project, this shall be the accumulated total amount)

(~~Yes~~ / No)

If you answered "Yes", it is not necessary to reply to the following questions.
If you answered "No", please reply to questions 12 and after.

Q12. Does the project belong to either of the sectors that impact on the environment is deemed immaterial or is not anticipated under normal conditions (e.g. maintenance of the existing facilities, non-expansory)

renovation project, acquisition of rights and interests without additional capital investment)?

(~~Yes~~ / No)

If you answered "Yes", it is not necessary to reply to following questions.
If you answered "No", please reply to the questions 13 and after.

Q13. Does the project belong to the following sectors?

(Yes / ~~No~~)

If you answered "Yes", please specify the sector by marking, and reply to questions 14 and after:
If you answered "No", it is not necessary to reply to the following questions.

- (1) Mining
- (2) Oil and natural gas development
- (3) Pipelines
- (4) Iron and steel (projects that include large furnaces)
- (5) Non-ferrous metals smelting and refining
- (6) Petrochemicals (manufacture of raw materials; including complexes)
- (7) Petroleum refining
- (8) Oil, gas and chemical terminals
- (9) Paper and pulp
- (10) Manufacture and transport of toxic or poisonous substances regulated by international treaties, etc.
- (11) Thermal power
- (12) Nuclear power
- (13) Hydropower, dams and reservoirs
- (14) Power transmission and distribution lines involving large-scale involuntary resettlement, large-scale logging or submarine electrical cables
- (15) Roads, railways and bridges
- (16) Airports
- (17) Ports and harbors
- (18) Sewage and wastewater treatment having sensitive characteristics or located in sensitive areas or their vicinity
- (19) Waste management and disposal
- (20) Agriculture involving large-scale land-clearing or irrigation
- (21) Forestry
- (22) Tourism (construction of hotels, etc.)

Q14. Please provide information on the scale of the project (project area, area of plants and buildings, production capacity, amounts of power generation, etc.) Further, please explain whether an execution of EIA is required on account of the large scale of the project in the country where the project is implemented.

R2 land area: about 3.6 million m² (including 3rd party projects area)
In addition, contractors' camp site: about 3.7 million m²

Volume of petrochemical end products : About 3 million ton per annual
Power generation capacity: 240MW