Environmental Examination Report

Project Name
MMA/PMMA Project

Project Site
Al Jubail, Kingdom of Saudi Arabia

Project Outline
MMA/PMMA Project

Category Classification
Category B

Reason for Classification
The Project belongs to sensitive sector (Petroleum, Gas and chemical substances), but it is not large-scale and does not include sensitive characteristics. And it is likely to have no significant adverse impact on the environment though it is located in or around sensitive areas under the Guidelines.

Environmental Permits and Approvals
The designated authority of host country confirmed that the impact on the environment and society is limited. Part of the permits is planned to be acquired later.

Pollution Mitigation Measures
Mitigation plans about air emission, water quality, waste and noise and vibration etc. are properly prepared and conducted in accordance with local standards.

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

Social Environment
The project does not involve new land acquisition or resettlement.

International Standard
World Bank Safeguard Policy

Others, Monitoring
Monitoring will be conducted with regard to air emission.

Questions

Q1. Please provide the address of the project site.

Address of the project site: <u>Al-Jubail, the Kingdom of Saudi Arabia</u>

Q2. Please provide brief explanation of the project.

MMA/PMMA plant project

Q3. Will JBIC loan be applied to a new project or an executing project? In case of an executing project, please inform of strong claims by stakeholders such as local residents, as well as improvement guidance or cessation orders for construction work / operations, from environmental authorities.

☑ New Project   ☐ Executing Project (with Claim etc.)
☐ Executing Project (without Claim etc.)   ☐ Others (Please specify   )

Q4. In case of this project, is it necessary to execute Environmental Impact Assessment (EIA) based on the laws or regulations of the country where the project is to be implemented? If necessary, please inform the . progress of EIA.

☐ Required (completed)   ☑ Required (under execution or under planning)
☐ Not Required   ☐ Others (Please specify   )

EIA report will be prepared and submitted to Royal Commission during detail engineering (EPC Phase)

Q5. In case that EIA is already completed, please inform whether EIA report is already approved based on the environmental assessment system of the country where the project is to be implemented or not. If EIA report is already approved, please provide the date and name of authorities of the approval.

☐ Approved (without condition)   ☐ Approved (conditional)
☐ Under approval process   ☑ Others (Please specify   )
                                               Will be prepared during EPC phase

Date of Approval : <u>During Detail Engineering (EPC Phase)</u>
Name of Authorities : <u>Royal Commission</u>

Q6. If environmental permit(s) other than EIA is required, please provide the name of required permit(s). Have you obtained required permit(s)?

☐ Obtained   ☐ Required, but not obtained yet
☑ Not required   ☐ Others (Please specify   )

Name(s) of required permit(s) : _____

Q7. Will the loan be used for the undertaking that cannot specify the project at this stage (e.g. export or lease of machinery that has no relation with specific project, or Two Step Loan that cannot specify the project at the time of loan agreement)?

(Yes (No))

If you answered "Yes", it is not necessary to reply to the following questions.
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: 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-expansionary 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, pleased 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.

Area of plants
MMA/PMMA plants: Approximately 130,000 m^2

Annual production capacity
MMA 250,000 metric tons
PMMA 40,000 metric tons

EIA report to be prepared by RC approved Third Party and report to be submitted for the approval of Royal Commission for such scale of project.