September 29, 2015 Japan Bank for International Cooperation

Environmental Examination Report

- (1) Project Name Methanol & Dimethyl Ether Production Project
- (2) Project Site La Brea, The Republic of Trinidad and Tobago
- (3) Project Outline Methanol & Dimethyl Ether Production
- (4) Category Classification Category A
- (5) Reason for Classification
 The project belongs to a sensitive sector (Petrochemical sector) under the guidelines.
- (6) Environmental Permits and Approvals
 Environmental approval for Environmental Impact Assessment has been issued by the competent authority as of December 2014 with some conditions attached.
- (7) Pollution Mitigation Measures
 It is confirmed that air quality, water quality, waste, soil contamination, sinking of land, odor, noise and vibration are properly managed.
- (8) Natural Environment Appropriate measures are taken to avoid impacts to the natural environment.
- (9) Social Environment

Appropriate measures are taken to avoid impacts to the social environment including the resettlement

- (1 0) International Standard IFC Performance Standard
- (11) Others, Monitoring

Monitoring will be conducted for compliance status with the conditions attached to the EIA report and resettlement process.

Questions

Q1. Please provide the address of the project site.

Address of the project site: Union Industrial Estate, La Brea, Trinidad and Tobago

Q2. Please provide brief explanation of the project.

Production of 1,000,000 metric tons per year of methanol and 100,000 metric tons per year of di-methyl-ether (DME) by utilizing approximately 100 million standard cubic feet per day of natural gas.

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.

Mew Project

Executing Project (without Claim etc.)

Executing Project (with Claim etc.)Others (Please specify

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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)
Kequileu ((completed)

Not Required

Required (under execution or under planning)Others (Please specify

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.

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□ Approved (without condition)
 □ Under approval process
 □ Under approval process

☑ Others (Please specify : under preparation

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

Not required

Required, but not obtained yetOthers (Please specify

Name(s) of required permit(s) : <u>Certificate of Environmental Clearance</u>

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.

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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.
- \Box (5) Areas that have risks of large scale increase in soil salinity or soil erosion
- \Box (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, develop	ment 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.

- \Box (1) Mining
- (2) Oil and natural gas development
- \Box (3) Pipelines
- \Box (4) Iron and steel (projects that include large furnaces)
- \Box (5) Non-ferrous metals smelting and refining
- (6) Petrochemicals (manufacture of raw materials; including complexes)
- \Box (7) Petroleum refining
- (8) Oil, gas and chemical terminals
- \Box (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.

Production Capacity	: 1,000,000 metric ton per year of Methanol and 100,000 metric ton per year of DME.
Feedstock	: 100MMSCFD of natural gas
Project Area	: 50ha in Union Industrial Estate, La Brea owned by National Energy Corporation
Electricity	: There will be two sources. One is the commercial power source and, the other is the
	emergency generator.
Water	: Desalinated water will be supplied from outside or made by own and sea water will be
	used for cooling system
EIA	: Required on account of the large scale of the project in Trinidad and Tobago.

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