

Environmental Examination Report

(1) Project Name

Geothermal Power Plant Project

(2) Project Site

Republic of Indonesia, South Sumatra

(3) Project Outline

Construction, possession and operation of geothermal power plant.

(4) Category Classification

A

(5) Reason for Classification

The project includes sensitive characteristics and is located in or near sensitive areas under the Environmental Guideline.

(6) Environmental Permits and Approvals

The Environmental and Social Impact Assessment (ESIA) on this project was prepared in compliance with the Indonesian laws and regulations and approved in March 2017 with some conditions by Ministry of Environment and Forestry, Republic of Indonesia. The project proponent plans to act properly on the conditions.

(7) Pollution Mitigation Measures

It is confirmed that preserving air quality, water quality conservation, waste control, noise and vibration control are properly managed.

(8) Natural Environment

It is confirmed that the appropriate measures for the protection of natural environment are properly managed.

(9) Social Environment

It is confirmed that appropriate plans have been made and appropriate measures have been taken for local people who are affected by the project.

(1 0) International Standard

IFC Performance Standards

(1 1) Others, Monitoring

Taking the above environmental review into consideration, JBIC will monitor compliance status with the conditions attached to the ESIA report, the status of the ecosystem conservation activities and comments from the authority regarding preservation activities of biodiversity.

(Matters to be noted)

1. Please note that JBIC may provide the information concerning the confirmation of environmental and social considerations (including that in writing or orally; hereinafter referred to as the "Environmental Information") provided by the Borrower, etc. in considering the financing, investments or guarantee for a project as part of JBIC's international financial operations to the financial institutions in Japan, which also consider financing, investments or guarantee for the same project jointly or separately with JBIC (hereinafter referred to as the "Cofinancing Institutions"), whether or not any confidentiality agreement has been entered into by and between JBIC and the Borrower, etc. JBIC provides the Environmental Information to the Cofinancing Institutions for their conducting the confirmation of environmental and social consideration with respect to the project. In providing the Environmental Information, JBIC requires the Cofinancing Institutions (i) not to use the Environmental Information for any purpose other than the internal confirmation of environmental and social consideration with respect to the project, and (ii) not to disclose the Environmental Information to any third party.
2. Please note that this Screening Form or the contents thereof may be made public.
3. If all or part of descriptions of this Screening Form turn out to be false, JBIC may, in accordance with the loan agreement, suspend the disbursement or declare all the principal outstanding at the time, with interest and any other charges thereon, to be payable immediately as stated in the clause of 6. Taking Environmental Reviews into Account for Decision-making and Loan Agreements in Part 1 of Japan Bank For International Cooperation Guidelines For Confirmation Of Environmental And Social Considerations.
4. In cases where export loans or local buyer's credit are provided, this Screening Form or the contents thereof may be offered to Nippon Export and Investment Insurance(hereinafter referred to as the "NEXI"). When any description in this Screening Form has been found false or insufficient due to intent or negligence, NEXI may refuse to pay part or all of the insurance claims or make them refund part or all of the insurance claims, or cancel the relevant insurance contract, based on the insurance contract.

Questions

Q1. Please provide the address of the project site.

Address of the project site : Muara Enim Regency, Lahat Regency, Pagar Alam City, South Sumatra Province

Q2. Please provide brief explanation of the project.

Geothermal IPP project for building, owning and operating power plant..

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.

- | | |
|---|--|
| <input checked="" type="checkbox"/> New Project | <input type="checkbox"/> Executing Project (with Claim etc.) |
| <input type="checkbox"/> Executing Project (without Claim etc.) | <input type="checkbox"/> Others (Please specify) |

Q4. In case of this project, is it necessary to execute Environmental and Social Impact Assessment (ESIA) based on the laws or regulations of the country where the project is to be implemented? If necessary, please inform the progress of ESIA. The ESIA is currently being drafted, with the expectation of draft report to be available by early January 2017

- | | |
|---|--|
| <input type="checkbox"/> Required (completed) | <input checked="" type="checkbox"/> Required (under execution or under planning) |
| <input type="checkbox"/> Not Required | <input type="checkbox"/> Others (Please specify) |

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

- | | |
|--|---|
| <input type="checkbox"/> Approved (without condition) | <input type="checkbox"/> Approved (conditional) |
| <input checked="" type="checkbox"/> Under approval process | <input type="checkbox"/> Others (Please specify) |

Date of Approval : _____

Name of Authorities : _____

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

- Obtained
 Not required

- Required, but not obtained yet
 Others (Please specify)

Name(s) of required permit(s) : Surface Water Abstraction (SIPA) Permit, Permit to Temporarily Store Hazardous Waste

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(s) shown below in and around project site(s)?

(Yes/No)

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

- (1) National parks, nationally-designated protected areas (coastal areas, wetlands, areas for ethnic minorities or indigenous people, and cultural heritage, etc. designated by national governments)
 (2) Forests with important ecological value (including primary forests and natural forests in tropical areas)
 (3) Habitats with important ecological value (including coral reefs, mangrove, wetland and tidal flats.)
 (4) Habitats of rare species requiring protection under domestic legislation, international treaties, etc.
 (5) Areas in danger of large-scale salt accumulation or soil erosion
 (6) Areas with a remarkable tendency towards desertification
 (7) Areas with unique archaeological, historical or cultural value
 (8) Areas inhabited by ethnic minorities, indigenous peoples or nomadic peoples with traditional ways of life(including areas which are used for cultural or spiritual purposes) and other 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 the questions 11 and after.

- (1) Involuntary resettlement and/or loss of means of livelihood
(Number of affected people: _____)
 (2) Pumping of groundwater (Scale: 652 ton /hr)
 (3) Land reclamation, development and/or clearing (Scale: land clearing of 9.51 non-protection forest and

104.8ha protection forest area)

(4) Deforestation

(Scale: included in the 104.8ha of protection forest area)

Q10. Under the environmental and social impact assessment system of the country where the project is to be implemented, do the applicable characteristics from (1) – (4) of the questions 9 above and their scale serve as basis for executing an ESIA for the project?

They do They do not
 Others (Please specify)

Q11 May the project involve significant social impacts?

(Yes/No)

If you answered “Yes”, please describe the outline of the impacts, and reply to the questions 12 and after.
If you answered “No”, please reply to the questions 12 and after.

The likelihood of severe project-related human rights impacts ()
 Others ()

Q12. 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 the questions 13 and after.

Q13. Does the project belong to either of the sectors that impact on the environment and society is deemed immaterial or is not anticipated under normal conditions (e.g. maintenance of the existing facilities, non-expansionary renovation project, and acquisition of rights and interests without additional capital investment)?

(Yes /No)

If you answered “Yes”, it is not necessary to reply to the following questions.
If you answered “No”, please reply to the questions 14 and after.

Q14. Does the project belong to the following sectors?

(Yes /No)

If you answered “Yes”, please specify the sector by marking, and reply to the questions 15 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) Cement plants (including a greenfield quarry)
- (11) Manufacture and transport of toxic or poisonous substances regulated by international treaties, etc.
- (12) Thermal power
- (13) Nuclear power
- (14) Hydropower, dams and reservoirs
- (15) Power transmission and distribution lines involving large-scale involuntary resettlement, large-scale logging or submarine electrical cables
- (16) Roads, railways and bridges
- (17) Airports
- (18) Ports and harbors
- (19) Sewage and wastewater treatment having sensitive characteristics or located in sensitive areas or their vicinity
- (20) Waste management and disposal
- (21) Agriculture involving large-scale land-clearing or irrigation
- (22) Forestry
- (23) Tourism (construction of hotels, etc.)

Q15. 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 ESIA is required on account of the large scale of the project in the country where the project is implemented.