

Environmental Examination Report

- (1) Project Name
Electricity interconnector project
- (2) Project Site
Between Eastern England and Northern Germany
- (3) Project Outline
Construction, own, operation and maintenance of an electricity interconnector project.
- (4) Category Classification
Category A
- (5) Reason for Classification
The project falls into subsea electricity transmission sector under the Environmental Guidelines and has sensitive characteristics. The project site is also located in or near sensitive areas.
- (6) Environmental Permits and Approvals
The ESIA on this project was prepared in compliance with regulation in UK and approved by Medway Council in February 2021. The ESIA on this project was prepared in compliance with regulation in Netherlands. The ESIA was approved and the Water Permit was granted by Minister of Infrastructure and Water Management in October 2021. The ESIA on this project was not required under relevant law in Germany.
- (7) Pollution Mitigation Measures
It is confirmed that this project does not produce air pollutants and that water quality, waste, noise and vibration are properly managed.
- (8) Natural Environment
Appropriate measures are taken to avoid impacts to the natural environment.

(9) Social Environment

The project does not involve involuntary resettlement. Appropriate measures are taken for the protection of the social environment.

(1 0) International Standard

IFC Performance Standard

(1 1) Others, Monitoring

Taking the above environmental review into consideration, JBIC will monitor status of obtaining other relevant permit, compliance of the conditions attached to the EIA report and items such as s Construction and Environmental Management Plan, Operational Environmental and Social Management Plan, if any.

Questions

Q1. Please provide the address of the project site.

Address of the project site: Between Eastern England and Northern Germany

Q2. Please provide brief explanation of the project.

NeuConnect is a project to construct, operate and maintain a cross border High Voltage Direct Current electrical interconnector.

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.

- | | |
|--|--|
| <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 _____) |

Please see detail of Q 15

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)?

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> Obtained | <input checked="" type="checkbox"/> Required, but not obtained yet |
| <input type="checkbox"/> Not required | <input type="checkbox"/> Others (Please specify _____) |

Name(s) of required permit(s) : BBerG(DE), FNP (DE), BimSchG (Part 1) (DE), BimSchG (Part 2) (DE), EnWG (DE), Marine License (UK), Nature Act Permit (NL)

Note: In Germany the change of land use (FNP) and the BimSchG (Part 1) permits have been obtained. In the UK the Town & Country Planning(UK) permit has been obtained.

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.

- X (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)
- X (3) Habitats with important ecological value (including coral reefs, mangrove, wetland and tidal flats.)
- X (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
- X (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:)
- X (2) Pumping of groundwater (Scale: m³/year specific volume under investigation, but will happen only once to allow safe construction around the site)
- X (3) Land reclamation, development and/or clearing (Scale: development, circa 20 ha)
- (4) Deforestation (Scale: ha)

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
- X (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.

The Project is approx. 700km 1.4GW submarine electrical cable connecting the UK and Germany. The submarine cable will also pass through the waters of the Netherlands.

The project will comprise of 2 converter stations, 1 in the UK and 1 in Germany, near the coast of each country.

The Converter site area, in each country, will be approx 10 hectares in size in total including boundary fencing.

The buildings housing equipment will be smaller and approx 30m in height.

In each of the countries the following status applies in respect of ESIA

Germany Converter site: Neither an ESIA nor an EIA is required.

UK Converter site and onshore cable: Required due to sensitive habitat in proximity

UK Territorial waters sub marine Cable: Not required, voluntarily undertaken within scheme (Non Statutory - NSEIA) following consultation processes

NL waters submarine Cable: Required due to internationally designated habitat

Germany EEZ submarine Cable: Not required - voluntarily undertaken within scheme (Non Statutory - NSEIA)

Germany territorial waters cable: Not required - voluntarily undertaken within scheme (Non Statutory - NSEIA)

Germany onshore cable: Not required - voluntarily undertaken within scheme (Non Statutory - NSEIA)