

Environmental Examination Report

( 1 ) Project Name

JBIC Untied Loan to a financial institution for supporting the construction equipment industry in India

( 2 ) Project Site

India

( 3 ) Project Outline

Financing a financial institution to support the construction equipment industry in India

( 4 ) Category Classification

FI

( 5 ) Reason for Classification

JBIC's funding of the project is provided to a financial intermediary etc and the sub-projects cannot be specified prior to JBIC's approval of funding

( 6 ) Results of Environmental Review

Under the loan agreement, when the application of sub-projects is submitted to JBIC, JBIC will confirm that appropriate environmental and social considerations are made regarding the sub-projects in accordance with JBIC Environmental Guidelines.

## Questions

**Q1.** Please provide the address of the project site.

Address of the project site: N/A

**Q2.** Please provide a brief explanation of the project.

The objective of this project is to support construction machinery component manufacturers, construction machinery dealers and construction machinery sales financiers which promote sales of Japanese OEMs' construction machinery by providing the untied loans to the Borrower to enable the Borrower to make Sub-Loans to such manufacturers, dealers and financiers.

**Q3.** Is it a new project to be implemented or a project that has been implemented? If it has been implemented, has it received a serious complaint from local residents or a directive for improvement, a stop-work order, a project suspension order, etc., from a local environmental authority?

- New project to be implemented
- Project that has been implemented (with a complaint)
- Project that has been implemented (without a complaint)
- Other (Please specify: N/A (Two Step Loan) )

**Q4.** Do the laws or regulations of the country where the project will be implemented require the project to conduct environmental and/or social impact assessments (such as an Environmental and Social Impact Assessment (ESIA) and Environmental Impact Assessment (EIA))? If so, have they been conducted or planned?

- Required (Assessments done)
- Required (Assessments in progress or being planned)
- Not Required
- Other (Please specify: N/A (Two Step Loan) )

**Q5.** If environmental and/or social impact assessments have been conducted, have they been approved in accordance with the environmental and social impact assessment system of the country where the project will be implemented? If so, please also specify the date of the approvals and the name of the authorities.

- Approved (without condition(s))
- Approved (with condition(s))
- Under approval process
- Other (Please specify: N/A (Two Step Loan) )

Date of Approvals : \_\_\_\_\_

Name of Authorities : \_\_\_\_\_

**Q6.** Are there any environmental permits required other than environmental and/or social impact assessments? If so, have they been obtained? Also, if required, please specify the name of the permits.

- Obtained
- Required, but not obtained yet
- Not required
- Other (Please specify: N/A (Two Step Loan) )

Name(s) of required permit(s) : \_\_\_\_\_

**Q7.** Will the project be specified after JBIC made a funding commitment (as in the case of a two-step loan, where sub-projects cannot be specified at the time of a funding commitment)?

( Yes / No)

If "Yes", please disregard the following questions.  
If "No", please go to Q8.

**Q8.** Will JBIC's funding be used to serve as support for international balance of payments or to be used for the provision of goods or services that does not involve installation or implementation in particular sites or regions, as in the case of export/import or lease of machinery or equipment that is not connected with a particular project?

(Yes / No)

If "Yes", please disregard the following questions.  
If "No", please go to Q9.

**Q9.** Are there any environmentally sensitive area(s) shown below in or near the project site(s)?

(Yes / No)

If "Yes", please mark the applicable items and go to Q10.  
If "No", please go to Q10.

- (1) National parks, nationally-designated protected areas (coastal areas, wetlands, areas for ethnic minorities or indigenous peoples, 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 wetlands, 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 and spiritual purposes) and other areas with special social value

**Q10.** Does the project involve the following characteristics?

(Yes / No)

If "Yes", please specify their scale and go to Q11.  
If "No", please go to Q12.

- (1) Involuntary resettlement or loss of means of livelihood  
(Number of affected people: \_\_\_\_\_)
- (2) Groundwater pumping (Scale: \_\_\_\_\_ m<sup>3</sup>/year)
- (3) Land reclamation, land development, and land clearing (Scale: \_\_\_\_\_ ha)
- (4) Logging (Scale: \_\_\_\_\_ ha)

**Q11.** Under the environmental and social impact assessment system of the country where the project will be implemented, do the applicable characteristics (1) – (4) of Q10 above and their scale serve as the basis for executing an ESIA for the project?

- Yes, they do  No, they do not  
 Other ( )

**Q12.** Is the project likely to have a significant social impact, including human rights?

(Yes / No)

If "Yes", please describe the impacts and go to Q13.

If "No", please go to Q13.

- Likelihood of a significant impact on human rights ( )  
 Other ( )

**Q13.** Will JBIC's funding or NEXI's insurable value be equal to or less than 5% of the total project cost, or will JBIC's funding or NEXI's insurable value be equal to or less than SDR 10 million? (If the funding or insurable value is additional to a project that has been supported by JBIC or NEXI, please add up the previous funding or insurable value and the funding or insurable value being considered to apply for this time.)

(Yes / No)

If "Yes", please disregard the following questions.

If "No", please go to Q14.

**Q14.** Is the project for capital investment or working capital in a project that has been implemented and does it involve no material change in output or function (as in the case of maintenance of the existing facilities, non-expansory renovation project, and acquisition of rights and interests without additional capital investment)?

(Yes / No)

If "Yes", please disregard the following questions.

If "No", please go to Q15.

**Q15.** Is the project in any of the following sectors?

(Yes / No)

If "Yes", mark the applicable sectors and go to Q16.

If "No", please disregard the following question.

- (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.)

**Q16.** Please provide information on the scale of the project (project area, area of plants and buildings, production capacity, amounts of power generation, etc.). In addition, please explain whether an environmental and/or social impact assessment is required on account of the large scale of the project in the country where the project will be implemented.