

Final Environmental Examination Report

Regarding the following project, because, given the nature of the project, documents necessary for environmental reviews were not available at the time that a decision on the funding must be made, JBIC made a decision on the funding on the condition that it will undertake the environmental reviews after decision making, in accordance with the Part 1 6. (1) of the *Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations*. However, the portions for which environmental reviews were not available at the time are not funded by the JBIC facility in the end, and additional environmental review will not be made. The confirmation of environmental and social considerations will then be completed. There are no changes in the confirmation of environmental and social considerations. Accordingly, monitoring will not be conducted for the portion that was not funded by the JBIC facility.

(1) Project Name

Interconnection development project

(2) Project Site

Kingdom of Saudi Arabia Madinah Province, Tabuk Province

(3) Project Outline

Construction of an electricity interconnector project.

(4) Category Classification

Category A

(5) Reason for Classification

The project includes submarine electricity transmission sector under the Environmental Guidelines.

(6) Environmental Permits and Approvals

The EIA report on this project has been prepared in compliance with the laws and regulations of Saudi Arabia. The environmental permit for this project was issued on August 2022 by National Center for Environmental Compliance (NCEC) except for the submarine cable and a part of transmission lines. For the submarine and a part of transmission lines, draft

EIA report has been prepared, and the environmental permits will be obtained in the future.

(7) Pollution Mitigation Measures

It is confirmed that air quality, water quality, waste, soil contamination and noise are properly managed.

(8) Natural Environment

Appropriate measures are taken to avoid impacts to the natural environment.

(9) Social Environment

The project will 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 interim environmental review, monitoring will be conducted with status of the environmental permits related to the EIA reports, compliance status with the Construction and Environmental Management Plan and if any, at an appropriate time.

Questions

Q1. Please provide the address of the project site.

Address of the project site : Saudi Arabia _____

Q2. Please provide brief explanation of the project.

The project includes HVDC transmission and converter stations to enable the transfer of electricity with a long distance.

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 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.

☐ Required (completed) ☒ Required (under execution or under planning)
☐ Not Required ☐ 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.

☐ Approved (without condition) ☐ Approved (conditional)
☒ Under approval process ☐ 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 ☐ 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(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: _____ m³/year)
- ☐ (3) Land reclamation, development and/or clearing (Scale: _____ 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
- ☒ (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.

This project includes overhead transmission lines reaching a total length of 900 km in Saudi territory and 11 km (Saudi portion) long marine cables connecting northwestern Saudi Arabia and Egypt.

This project will comprise of :

- Substations: Tabuk 1500MW Converter station & 3000MW Madinah East Converter station located within the boundaries of existing substations, and new transmission station near the gulf of Aqaba.
- HVDC OHTL: Tabuk to Madinah (228km), Madinah to Tabuk Portion 2 (c. 336km), and Madinah to Tabuk Portion 3 (c. 336km).
- Subsea cable Aqaba to Taba: Prysmian (11km (Saudi portion)).

ESIA is required for all the portion of OHTL and Submarine as this project is of large scale covering hundreds of KM of transmission line going through desert, sparse rocky areas, while for the convertor station EIA is not required because the stations are located within the boundaries of existing Substations and a new transmission station near the gulf of Aqaba is covered in the submarine ESIA.