

## Annual Report of the EXAMINERS FOR ENVIRONMENTAL GUIDELINES (FY 2003)

### 1. Introduction

#### **(1) Introduction of the OBJECTION PROCEDURES**

In October 2003, JBIC implemented its new GUIDELINES FOR CONFIRMATION OF ENVIRONMENTAL AND SOCIAL CONSIDERATIONS<sup>1</sup> (“the Guidelines”) that place a premium on (1) the promotion of dialogue with, and participation by local residents, (2) due consideration of environmental and social impacts, and (3) proactive disclosure of information. To ensure compliance with the Guidelines, JBIC also introduced the SUMMARY OF PROCEDURES TO SUBMIT OBJECTION CONCERNING JBIC GUIDELINES FOR CONFIRMATION OF ENVIRONMENTAL AND SOCIAL CONSIDERATIONS (“Objection Procedures”). Two new EXAMINERS FOR ENVIRONMENTAL GUIDELINES<sup>2</sup> (“Examiners”) were appointed to implement the Objection Procedures.



#### **JUNJI ANNEN**

Attorney; Professor of Seikei Law School; Visiting Professor, Center for Collaborative Research, University of Tokyo

Graduated from Faculty of Law, University of Tokyo in 1979. Positions from 1979 to 1993 include Associate Professor, Faculty of Law, Hokkaido University; Associate Professor, Faculty of Law, Seikei University; Visiting Scholar, Harvard Law School. Has served from 1993 as Professor, Faculty of Law, Seikei University, and from 1996 as Visiting Professor, Research Center for Advanced Science and Technology, University of Tokyo

#### **KAZUO MATSUSHITA**

Professor, Graduate School of Global Environmental Studies, Kyoto University, and Visiting Professor, United Nations University

Graduated from Faculty of Economics, University of Tokyo in 1972; and then joined the Environment Agency (now the Ministry of the Environment). Served from 1990 to 1992 as Senior Planning Officer, UNCED; and then as Director, Global Environmental Issues Division, Environment Agency; Cabinet Councilor; Acting Vice President, Institute for Global Environmental Strategies (IGES), etc., before assuming present position



<sup>1</sup> JBIC Guidelines for Confirmation of Environmental and Social Considerations  
<http://www.jbic.go.jp/english/environ/guide/finance/index.php>

<sup>2</sup> Summary of Procedures to Submit Objections Concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations  
<http://www.jbic.go.jp/english/environ/pdf/objection.pdf>

## **(2) Outlines of OBJECTION PROCEDURES**

The Objection Procedures stipulates its objectives as follows:

- (i) Investigate JBIC's compliance/non-compliance with the Guidelines and report the findings to the Governor; and
- (ii) Promote a dialogue between the parties concerned, based on their consent, to quickly solve specific conflicts over environmental or social issues related to JBIC-financed projects, which emerged due to non-compliance with the Guidelines.

The Objection Procedures call for a suitably qualified outside Examiners to conduct an independent and impartial investigation when objections are submitted by the people affected such as local residents in line with the Objection Procedures, and to report the results to the governor of JBIC. The Examiners also contribute to the early solution of problems by fostering dialogue between concerned parties.

The establishment of such procedures by a bilateral export credit or aid agency is groundbreaking even by international standards, and goes beyond even the "common approach" environmental review recommendations adopted by the OECD.

## **(3) Publishing Annual Report**

The Annual Report publishes the Examiners' activities of the previous fiscal year in line with the Objection Procedures.

## **2. Report on the Activities in FY 2003**

### **(1) Objections**

There was no objection submitted in the fiscal year of 2003 (from Oct. 2003 to Mar. 2004).

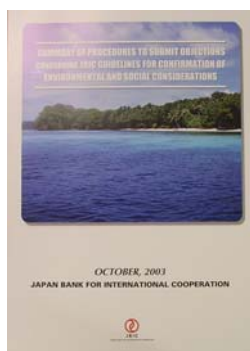
### **(2) Public Relations Activities**

On the JBIC website it is explained on the Objection Procedures both in English and Japanese. The background of the two Examiners and their selection processes are also introduced on the website. The full text of the Objection Procedures in English and Japanese are available on the website as well as the Head Office, Osaka Branch, and overseas Representative Offices.

The Examiners inserted articles of the brief outlines of the Objection Procedures and profiles of the Examiners in “JBIC TODAY,” the JBIC’s newsletter, in order to introduce the Examiners themselves and their activities.



The web page on the Examiners



[Full text of the Objection Procedures](#)



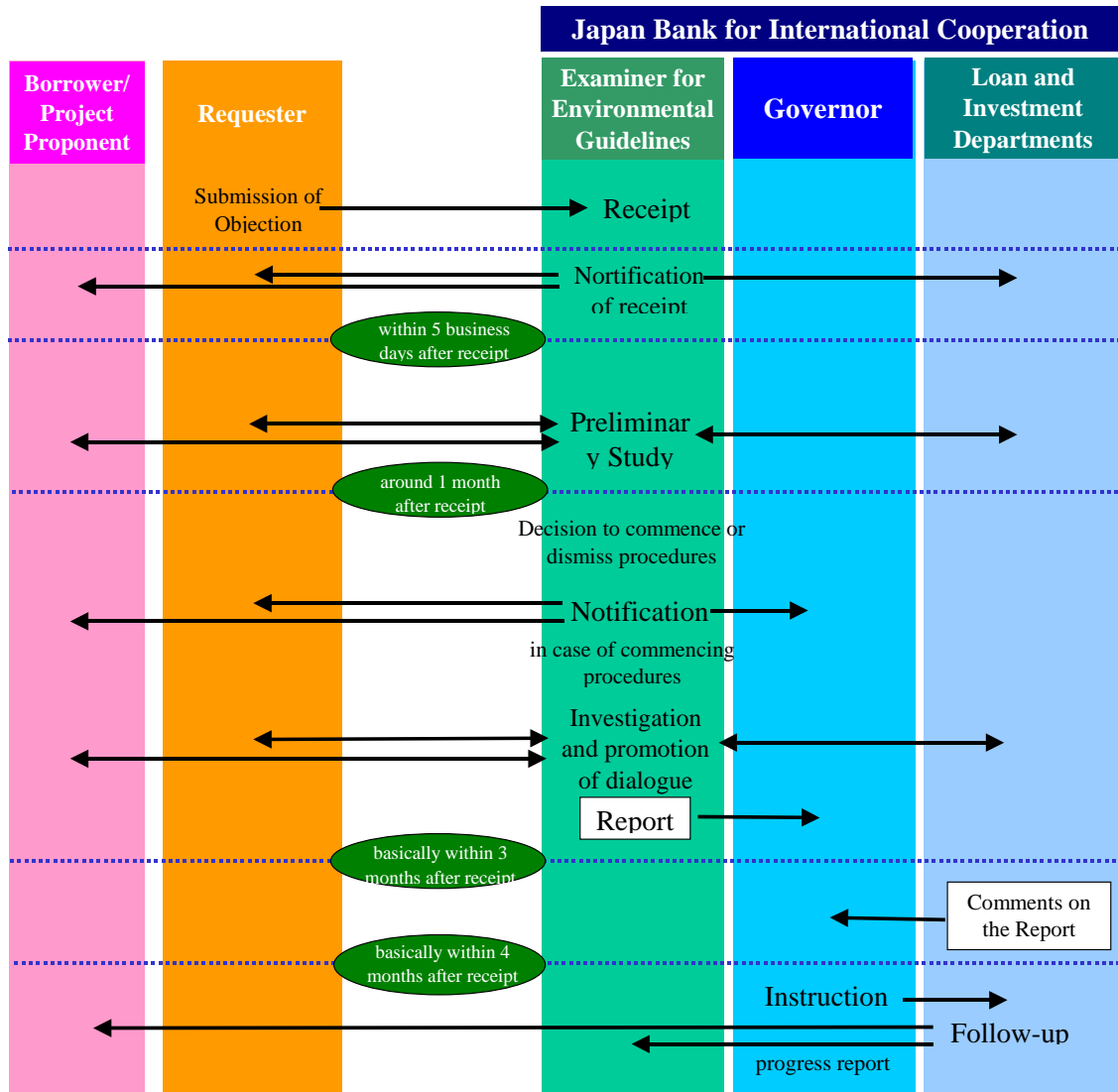
[JBIC TODAY \(March, 2004\)](#)

### **(3) Communication with World Bank’s Inspection Panel**

Multilateral Development Banks such as the World Bank have introduced accountability mechanisms, which are similar to the JBIC’s Objection Procedures, one after the other for the last decade. The World Bank’s Inspection Panel established in 1993 has received more than 30 objections, and thus has experiences and know-how of the processes among the Banks. International Finance Corporation (IFC), a member of the World Bank Group, appointed Compliance Adviser/Ombudsman (CAO) in 1999, which focuses on problem solving through promoting dialogues among stakeholders and has worked for more than 10 projects. The JBIC Examiners frequently communicate with such panels and mechanisms, and exchange views on how to ensure fair and appropriate implementation of the processes including desirable procedural steps in practice.

### 3. Objection Procedures

#### (1) Flow of the Objection Procedures



#### (2) Submission of Request

A request to raise an objection needs to be sent to the Examiners.

(postal address) 4-1, Ohtemachi 1-chome, Chiyoda-ku,  
Tokyo 100-8144 JAPAN

Examiner for Environmental Guidelines,  
Japan Bank for International Cooperation

(fax number) +81-3-5218-3946

(e-mail) [sinsayaku@jbic.go.jp](mailto:sinsayaku@jbic.go.jp)

(website) <http://www.jbic.go.jp/english/environ/examiner/index.php>

[THE END]

(Sample)

Request

Date: \_\_\_\_\_

To: The Examiner for Environmental Guidelines  
Japan Bank for International Cooperation

(A) Names of Requester:

(B) Place of contact of the Requester:

【if the Requester uses an agent】

(Name of the agent)

(Place of contact of the agent)

We wish to keep our names not disclosed to the Project Proponent

Yes / No (circle either one)

(C) Project with respect to which the objections are submitted:

- Name of country
- Project site
- Outline of the project

(D) Substantial damage actually incurred by the Requester or substantial damage likely to be incurred by the Requester in the future as a result of the Bank's non-compliance with the Guidelines with regard to the Project which the Bank provides funding

(E) Relevant provisions of the Guidelines considered by the Requester to have been violated by the Bank and the facts constituting the Bank's non-compliance alleged by the Requester

(F) Causal nexus between the Bank's non-compliance with the Guidelines and the substantial damage

(G) Resolution desired by the Requester

(H) Facts concerning the Requester's consultation with the Project Proponent

(I) Facts concerning the Requester's consultation with the Bank's Operational Department

(J) If a Request is submitted by an agent, the Requester must set forth the necessity to submit the Request by an agent and evidence must be attached that the agent has been duly authorized by the Requester.

The Requester hereby covenants that all the matters described herein are true and correct.

[THE END]