

## **Annual Report of the EXAMINERS FOR ENVIRONMENTAL GUIDELINES (FY2005)**

### **1. Introduction**

#### **(1) Outline of the OBJECTION PROCEDURES<sup>1</sup>**

The Objection Procedures (“Procedures”) stipulate their objectives as follows:

- (i) To investigate JBIC’s compliance/non-compliance with the GUIDELINES FOR CONFIRMATION OF ENVIRONMENTAL AND SOCIAL CONSIDERATIONS<sup>2</sup> (“the Guidelines”) and to report the findings to the Governor; and
- (ii) To promote a dialogue between the parties concerned and, based on their consent, to quickly solve specific conflicts over environmental or social issues related to JBIC-financed projects which have emerged due to non-compliance with the Guidelines.

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

The Procedures were established in October 2003 in advance of other export credit agencies or bilateral aid agencies and go beyond even the “common approach” environmental review recommendations adopted by the OECD.

#### **(2) Publication of the Annual Report**

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

---

<sup>1</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>

<sup>2</sup> JBIC Guidelines for Confirmation of Environmental and Social Considerations

<http://www.jbic.go.jp/english/environ/guide/eguide/index.php>

## **2. Report on Activities in FY 2005**

### **(1) Objections**

There were no objections submitted during the course of fiscal year 2005 (from April 2005 to March 2006).

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

Details of the Objection Procedures are explained in both English and Japanese on the JBIC website. The backgrounds of the two Examiners are also introduced on the website. The full printed text of the Objection Procedures in English and Japanese is available at the Head Office, Osaka Branch, and at overseas Representative Offices.

In order to enhance proper understanding of the Objection Procedures, in 2005 the Examiners conducted several workshops about the Objection Procedures for JBIC staff in the loan departments and for the middle-class management officers of the recipient countries.

### **(3) Communication with the World Bank's Inspection Panel and other institutions**

Multilateral Development Banks such as the World Bank have successively introduced accountability mechanisms over the last decade which are similar to JBIC's Objection Procedures. The World Bank's Inspection Panel, established in 1993, has received something like 40 objections, and thus has experience and know-how regarding the processes compared to other international and bilateral financial institutions.

The International Finance Corporation (IFC), a member of the World Bank Group, appointed a Compliance Adviser/Ombudsman (CAO) in 1999 who focuses on problem solving through the promotion of dialogue among stakeholders and who has worked on approximately 20 projects.

The JBIC Examiner exchanged views on the Accountability Mechanisms and arranged a workshop for JBIC management and other related organizations when the chair of the World Bank's Inspection Panel visited JBIC in April 2005.

The World Bank's Inspection Panel initiated the Meeting of Accountability Mechanisms in International Financial Institutions and Related Institutions and held the first meeting on May 2004 in Washington DC. In April 2005 the second meeting was held by the Asian Development Bank's (ADB's) Compliance Review Panel at ADB headquarters in Manila with the participation of several international financial institutions and bilateral institutions. The JBIC Examiners participated in the Meeting of Accountability Mechanisms for discussion and opinion exchanges.<sup>3</sup>

---

<sup>3</sup> Participants: World Bank Inspection Panel, IFC Compliance Adviser/Ombudsman, ADB Compliance Review Panel and Special Project Facilitator, North American Commission on Environmental Cooperation, Export Development Canada Compliance Officer, OPIC Office of Accountability, and JBIC Examiner for Environmental Guidelines Evaluation.

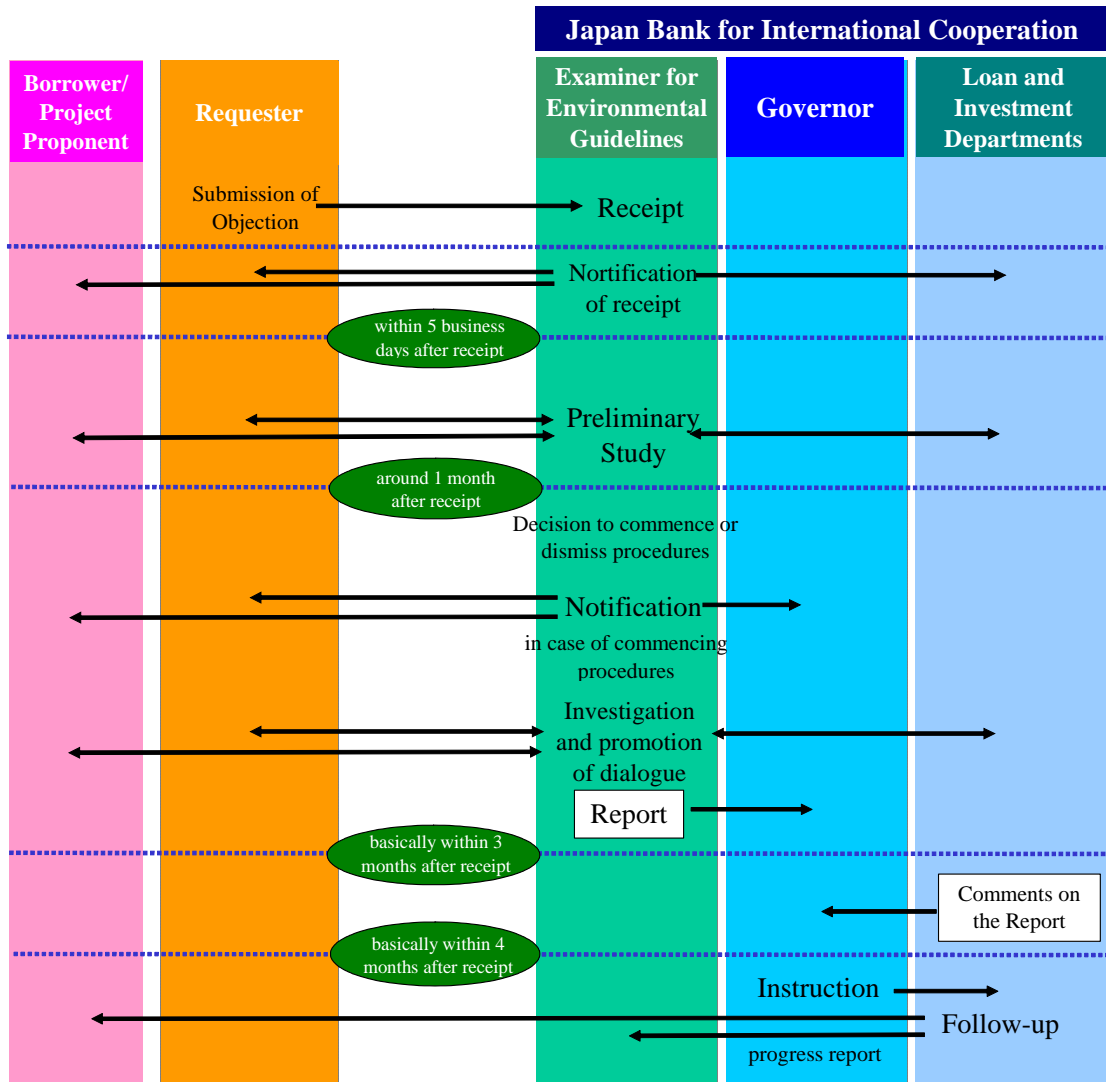
Through the above activities, the JBIC Examiners have proactively conducted exchanges of views on how to ensure fair and appropriate implementation of the processes of the Objection Procedures, including desirable procedural steps in practice.

### **3. Reappointment of the Examiners**

Both of the Examiners, Prof. Kazuo Matsushita and Prof. Junji Annen, were reappointed to the same position for a period of October 2005 – September 2007 in accordance with the “Major Rules for Establishment of Examiner for Environmental Guidelines.”

### 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]