

Annual Report of the EXAMINERS FOR ENVIRONMENTAL GUIDELINES (FY2011)

1. Introduction

(1) Outline of the Objection Procedures¹

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

- (i) To investigate facts as to whether or not the Japan Bank for International Cooperation (JBIC) has complied the Guidelines for Confirmation of Environmental and Social Considerations² (“Guidelines”), and to report the results to Executive Committee to ensure that JBIC complies with those Guidelines; and
- (ii) To promote dialogue between the parties concerned and, based on their consent, to quickly solve specific conflicts concerning 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 for Environmental Guidelines (“Examiners”) to conduct an independent and impartial investigation when objections are submitted by the parties affected, such as local residents, in line with the Procedures, and to report the results to Executive Committee. The Examiners also contribute to the speedy solution of problems by fostering dialogue between the parties concerned.

JBIC established the Procedures in October 2003 in advance of other export credit agencies or bilateral aid agencies and prior to the adaptation of the “common approach” environmental review recommendations adopted by the OECD.

(2) Publication of the Annual Report

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

¹ Summary of Procedures to Submit Objections Concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations

<http://www.jbic.go.jp/en/about/environment/guideline/disagree/pdf/en-disagree-2012.pdf>

² JBIC Guidelines for Confirmation of Environmental and Social Considerations
http://www.jbic.go.jp/en/about/environment/guideline/business/pdf/pdf_01.pdf

2. Report on Activities in FY2011

(1) Objections

There was one objection submitted during FY2011 (April 2011 to March 2012).

Date of Acceptance: August 4th, 2011
Name of Project: Panama Canal Expansion Project
Name of Country: Republic of Panama
Present Status: Suspension of making a decision to commence the Procedures

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* The Examiner may suspend to make a decision to commence the Procedures, if a dispute concerning the project is pending by proceedings of an international organization and if the Examiner deems that the issue involved in such dispute resolution proceedings and the issue involved in the Procedures are substantially identical. (V.3. of Summary)

(2) Public Relations Activities

Details of the 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 Procedures in English and Japanese is available at the Head Office, West Japan Office and at overseas Representative Offices.

(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 similar to JBIC's Procedures. The World Bank's Inspection Panel, established in 1993, has received more than 80 objections, and thus has a long history compared to other international and bilateral financial institutions.

The World Bank's Inspection Panel initiated the Meeting of Accountability Mechanisms in International Financial Institutions and Related Institutions and held annual meetings from 2004. In June 2011, the eighth meeting was held by Inter-American Development Bank (IDB) in Washington, D.C. with the participation of several international financial institutions and bilateral institutions.³

At this meeting, some organizations reported several issues related to accountability mechanisms, including solution seeking and compliance review, objection eligibility, measuring results of IAM, and advisory function. Other specific activities and cases were also presented by organizations, and there were active discussions and opinion exchanges among participants.⁴

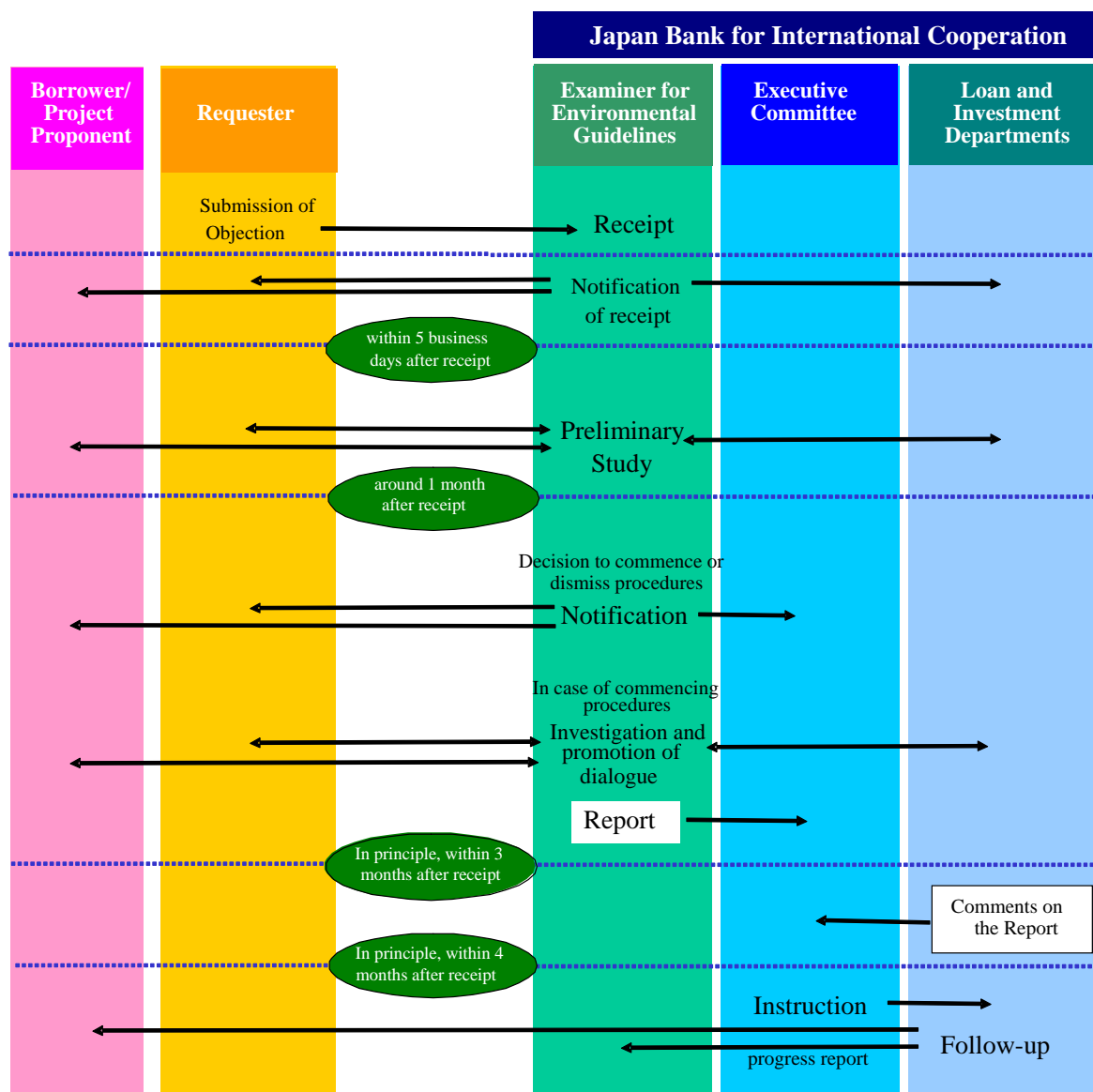
³ Participants: World Bank Inspection Panel, IFC Compliance Advisor/Ombudsman, EBRD Project Complaint Mechanism, ADB Accountability Mechanism, IDB Independent Consultation and Investigation Mechanism, AfDB Independent Review Mechanism, EIB Complaints Mechanism, EU Ombudsman, OPIC Office of Accountability, NEXI Examiner for Guidelines on Environmental and Social Considerations in Trade Insurance, and JBIC Examiner for Environmental Guidelines.

⁴ Concurrently, an event related to this IAM meeting was carried out. At the event, some members of the IAM meeting (including JBIC), attendants from civil society and academics interacted with each other.

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

4. Objection Procedures

(1) Flow of the Objection Procedures



(2) Submission of Requests

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

Address 4-1, Ohtemachi 1-chome, Chiyoda-ku,
Tokyo 100-8144, JAPAN

Examiner for Environmental Guidelines,
Japan Bank for International Cooperation

Fax +81-3-5218-3946

E-mail sinsayaku@jbic.go.jp

Website: <http://www.jbic.go.jp/en/about/environment/guideline/disagree/index.html>

(Sample)

Request

Date: _____

To: The Examiner for Environmental Guidelines
Japan Bank for International Cooperation (“JBIC”)

- (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 JBIC’s non-compliance with the Guidelines with regard to the Project which JBIC provides funding
- (E) Relevant provisions of the Guidelines considered by the Requester to have been violated by JBIC and the facts constituting JBIC’s non-compliance alleged by the Requester
- (F) Causal nexus between JBIC’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 JBIC’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]