

Transparency of JBIC through the Environmental and Social Guidelines

Japanese NGO's perspectives and prospects

Naomi Kanzaki
Friends of the Earth Japan

1. Information Disclosure

- **Disclosure of the results of screening and Environment related documents of category A and B projects on the web page at least 45 days before the decision making.**

Strength

It is very important for project affected people and concerned NGOs to know which projects JBIC is considering for financing beforehand, as the first step to be involved in the decision making. Then concerns, comments and information from stakeholders can be sent to JBIC. This is a starting point to ensure transparency.

Weakness

Hope that JBIC discloses other environment and social related documents other than EIA reports and environmental permit certificates, such as resettlement action plans and environment action plans.
It is also hoped that the guidelines would be translated into other languages not only English to disseminate to the stakeholders especially affected people and concerned NGOs in borrower countries who really need to know them.

- **Disclosure of the Environment Review Report on the web page.**

Strength

This report should reflect the concerns, information and comments from stakeholders and explain how JBIC takes them into account in its review. So this report is also one of the tools for JBIC to ensure transparency on decision making.

Weakness

Recommend that the report would be referred to more details what kind of concerns and information from stakeholders were raised and how JBIC identified and treated them to solve or mitigate. It is now difficult to find out how JBIC takes the concerns into account in its review from the environmental review reports.

2. Opportunities for Stakeholder Participation

- **JBIC encourages stakeholders to provide information regarding environment and social impacts of the projects at an early stage. And JBIC makes available important information on environmental review in ways appropriate to the nature of the project while the**

environmental review process.

Strength

It is highly regarded that JBIC is willing to absorb the concerns and to provide opportunities for affected people and NGOs to raise concerns and information regarding environment and social impacts of the projects after the environmental related information is disclosed. At least, the stakeholders have 45 days to make comments through sending letters and meeting JBIC staff.

Weakness

During the environmental review process, we hope that JBIC would have more communications and dialogues with the concerned parties outside Japan as well. It tends to be one-sided approach and the response from JBIC is often simply informing to the parties raised concerns that JBIC receiving the letter and information. This is not really enough to ensure the transparency of the review process.

3. Monitoring

- **When necessary, JBIC conducts own investigations to confirm the state of implementation of environment and social consideration.**

Strength

It is great that JBIC clearly states to conduct its own investigation when necessary, not only relying on the monitoring reports and information from the project owner.

Weakness

We hope that JBIC discloses more information about its monitoring of the projects such as monitoring reports and mission reports. So that affected people could know how JBIC is working on to solve and mitigate the environmental and social issues which are raised to JBIC.

In addition, hope to give out the detailed information like the purpose, terms of reference and schedule and to ensure the participation of affected people, when JBIC conducts own investigation.

4. Compliance with the guidelines

- JBIC established independent compliance mechanism of the guidelines.

Strength

This mechanism gives affected people another opportunity to ensure JBIC's transparency and accountability by appealing to the independent committee when the projects are not complied with the guidelines. This mechanism is necessary for other ECAs to establish.

Weakness

The mechanism has not exercised yet so far. So that it is too early to make comments regarding the implementation of the mechanism. However JBIC needs more efforts to disseminate the mechanism especially to local people and NGOs. In addition, it's better to be translated into other languages same as the guidelines.