

March 30, 2018

Nippon Export and Investment Insurance

Results of Environmental Review

- (1) Reference Number
17-004
- (2) Project Name
Construction of wind power facilities
- (3) Project Site
Red Sea Governorate, Egypt
- (4) Project Outline
Construction of wind power facilities
- (5) Category
Category B
- (6) Reason of Categorization
This project is not expected to have significant negative environmental impacts as it is not located in or near a sensitive area, nor has it environmentally sensitive characteristics under the Environmental Guidelines.
- (7) Environmental Permission/Approval by the Environmental Authority
The Environmental Social Impact Assessment report was prepared in accordance with the Egyptian laws and regulations, and conditionally approved by the Egyptian Environment Affairs Agency on June 8, 2017.
- (8) Anti-Pollution Measures
The appropriate measures against pollutions, including water quality and noise are taken properly.
- (9) Natural Environmental Considerations
The appropriate measures for the protection of natural environment, including migrating birds are taken properly.

(10) Social Considerations

The project does not involve involuntary resettlement.

(11) Applicable International Standards

IFC Performance Standard

(12) Monitoring

Based on the result of environment review, monitoring will be conducted for acquisition status of environmental-related license and authorization, impact on bird migration and so on.

End

Questions

Q1. Please provide the address of the project site.

Address of the project site: approximately 20km southwest of the municipality of Ras Ghareb in the Red Sea Governorate

Q2. Please provide brief explanation of the project.

- The project includes design, finance, build, own, operate and maintain a 250MW wind power plant.
- The project company will sell the electricity energy generated from a 250MW wind power plant to EETC under 20 years power purchase agreement.

Q3. Will NEXI insurance 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.

- | | |
|---|--|
| <input checked="" type="checkbox"/> New Project | <input type="checkbox"/> Executing Project (with Claim etc.) |
| <input type="checkbox"/> Executing Project (without Claim etc.) | <input type="checkbox"/> 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.

- | | |
|---|--|
| <input type="checkbox"/> Required (Completed) | <input checked="" type="checkbox"/> Required (Under execution or under planning) |
| <input type="checkbox"/> Not Required | <input type="checkbox"/> 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.

- | | |
|--|---|
| <input type="checkbox"/> Approved (without condition) | <input type="checkbox"/> Approved (conditional) |
| <input checked="" type="checkbox"/> Under approval process | <input type="checkbox"/> Others (Please specify _____) |

Date of Approval: Middle of April, 2017 (Expected)

Name of Authorities: Egyptian Environmental Affairs Agency (EEAA) under the Ministry of Environment

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)?

- | | |
|--|---|
| <input type="checkbox"/> Obtained | <input type="checkbox"/> Required, but not obtained yet |
| <input checked="" type="checkbox"/> Not required | <input type="checkbox"/> Others (Please specify _____) |

Name(s) of required permit(s): _____

Q7. Will the insurance 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.

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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 peoples 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 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 the value insured by NEXI in the export, loan or investment project be equal or less than 5% of the total project cost, or 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 12 and after.

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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 13 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 14 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) Manufacturing and transport of toxic or poisonous substances regulated by international treaties, etc.
- ☐ (12) Thermal power
- ☐ (13) Nuclear power
- ☐ (14) Hydro power, 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 hotel, 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 EISA is required on account of the large scale of the project in the country where the project is implemented.

- The site selected for this Project of 250MW wind power plant is an area of approximately 37 km² located on the Gulf of Suez. The site is typically desert landscape, where the altitude above sea level varies 100m and 250m.
- The major components of the Project will include;
 - Wind turbine generators (WTG);
 - Foundations;
 - Electrical infrastructure including turbine transformers with all necessary switchgear and auxiliary equipment;
 - Medium voltage cabling, substation and electrical interconnection;
 - SCADA system;
 - Wind measurement system, including a permanent meteorological mast;
 - Ancillary equipment and support facilities such as control room and storage facilities with fencing.

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- administration and social building;
- Infrastructure such as access roads to the Project, internal roads, lighting system, site safety measures, aircraft warning system, bird monitoring system, etc.

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