

## **Summary of MIGA Environmental and Social Due Diligence**

The objective of MIGA's due diligence is to determine the potential impacts of the [PT WedaBay Nickel \(WBN\) Project](#) before taking a decision on whether or not to provide support. At this point in time, only support to the feasibility and pre-construction phase of the project has been requested. The feasibility and pre-construction phase consists of developing and operating various tests, including on re-vegetation, and carrying out a number of studies and analyses to better understand the project's impacts and to design and assess mitigation measures to address those impacts.

The first step of MIGA's due diligence was a desk review of environmental and social information on the project, including (i) AMDAL documents prepared according to Indonesian Environmental law, consisting of a Terms of Reference for environmental analyses, the [Environmental Impact Assessment](#), and the Environmental Management and Monitoring Plans; (ii) an Environmental and Social Impact Assessment prepared for WBN for the feasibility and pre-construction phase.

The second step was to visit the project. This included meetings with relevant public agencies in Jakarta and a visit to the project site (between March 3rd and 6th 2010) and meetings with communities in the surrounding villages. Meetings with communities confirmed that they were provided with correct information about the project and its potential impacts, and that the communities support the project, in particular due to the project's potential local economic benefits, including direct and indirect jobs and training.

Based on the desk review and mission visit findings MIGA then prepared an environmental and social review summary (ESRS). The ESRS was disclosed in [English](#) and [Bahasa](#) on the [MIGA website](#) (and also linked from the World Bank Jakarta office website) on April 29, 2010. The purpose of this disclosure is to inform all interested parties about MIGA's potential involvement in the project, and to share its findings and receive questions and comments.

The fourth step was another visit to Indonesia to meet with multiple stakeholders, including NGOs and public agencies. Meetings were scheduled in Ternate (capital of North Maluku Province) on June 10 and 11, 2010 and in Jakarta on June 14 and 15, 2010.

Next steps: based on due diligence findings MIGA's senior management will make a decision on whether to proceed. If so, MIGA's Board will consider the project on July 13, 2010. If MIGA support to this project is approved, the impacts and the implementation of planned mitigation measures will be monitored by MIGA on a regular basis as in all MIGA-guaranteed projects.