

Project Summary for Public Disclosure

Project Overview	
Project Name	Sustainable Infrastructure In Relation To “ZapSibNefteKhim” Project
Country	Russian Federation
Sector	Sustainable Infrastructure
Approval Date (by the Board)	18 September 2018
Total Project Cost	USD 9,424 million
Loan Amount	USD 300 million
Borrower	SIBUR
Implementation Agency	ZapSibNefteKhim LLC

I. Introduction

The Project will enhance environmental safety at ZapSibNefteKhim polyolefin complex under SIBUR management. Once fully operational the complex would cover Russia’s demand for most polyolefins and increase export capacity of Russia’s petrochemicals sector. The New Development Bank (NDB) financing is designed to support construction of the infrastructure facilities that contribute to protecting environment, saving water and energy resources through modern and clean technologies for reduced environmental impact. The Project is in alignment with the NDB’s objective to promote infrastructure and sustainable development.

II. Project Description

The proposed NDB loan through the modality of Non-Sovereign Project Loan will be used by SIBUR for construction of general infrastructure, and to a large extent for the financing of environmental protection measures.

III. Environmental and Social Aspects

The positive impacts of the Project include (1) contributing to the effective utilization of Russia’s midstream feedstock by implementing international best practices; (2) creating

new jobs; (3) improving the environmental footprints through financing of environmental protection measures such as wastewater treatment facilities.

The Project has been classified as category A in accordance with NDB's Environment and Social Framework (ESF). It has also been categorized as highest E&S category by the Russian environmental regulations, and classified as Category A by the Equator Principles and IFC E&S performance Standards. The Project is currently fulfilling all applicable country system requirements for Category A projects in accordance with the Russian regulations and international standards in regards to impact assessment, management, monitoring, and reporting. The Project complies with the requirements of NDB ESF and will continue to do so upon successful implementation of E&S mitigation measures as per country system requirements.

IV. Financials

The total cost of the Project is estimated to be USD 9,424 million. The NDB will finance USD 300 million, accounting for 3.2% of the total cost. The remaining balance will be financed through SIBUR equity and other financial sources.

Financier	Amount (\$ million)
New Development Bank	300
International and domestic banks	4,960
Equity	4,164

V. Implementation

The Project is being implemented by ZapSibNefteKhim LLC, a subsidiary of SIBUR. Contractors for the Project will be selected through a competitive and transparent bidding process.