



Project Summary Information

Date of Document Preparation: September 2, 2021	
Project Name	Dakdrinh 125MW Hydropower Plant
Document Code	PD000443-PSI-VNM
Country	The Socialist Republic of Vietnam
Sector/Subsector	Energy / Large Hydropower Generation
Status of Financing	Under Preparation
Project Description	<p>The Project involves the refinancing of the existing debt of the 125MW Dakdrinh Hydropower Plant in Central Vietnam, majority-owned by PV Power. The hydropower plant has been built and is in operation since 2014. The total Project cost in 2011 was VND5,921 billion (USD280 million), and the Project was partially funded by a USD178 million loan with cover from an export credit agency, and a guarantee by the Government of Vietnam (GoV). The refinancing of the Project involves removal of the sovereign guarantee from the GoV and insurance cover in support of the existing debt financing.</p> <p>The proposed financing involves an AIIB A/B loan of up to USD95 million, with an A Loan facility for AIIB's own account in the amount of USD47.5million million and B-loan participation of USD47.5 million from commercial bank(s).</p>
Objective	The objective is to mobilize private capital for the restructuring of the existing debt of the 125MW Dakdrinh Hydropower Plant in Central Vietnam.
Expected Results	Project indicators include capital mobilized, and amount of sovereign guarantee released.
Environmental and Social Category	Category A
Environmental and Social (ES) Information	<p>Applicable Policy. AIIB's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), applies to this Project. ESS 1 (Environmental and Social Assessment and Management) applies since the Project involves a large dam, and the civil works done in the earlier construction of the dam and its ancillary facilities will require continuing management and monitoring of environmental and social aspects. ESS 2 (Involuntary Resettlement) applies, as the dam construction required temporary and permanent land acquisition and resettlement of affected persons. ESS 3 (Indigenous Peoples) applies as ethnic minorities are present in the Project area.</p>

	<p>Environmental Aspects. ES due diligence (ESDD) was conducted on the EIA (Environmental Impact Assessment) prepared prior to construction of the dam. Legacy issues and residual impacts were assessed during the ESDD. The continuing environmental aspects to manage are in relation to dam safety aspects, labor management, occupational health and safety (OHS), biodiversity, erosion and sediment management, etc.</p> <p>Social Aspects. The draft Land Acquisition Completion Report (LACR), undertaken as part of the ESDD, indicates that six communes in two provinces were affected by land acquisition and resettlement, and eight resettlement sites and five resettlement agricultural areas (RAs) had been developed to accommodate the physically and economically displaced people. A draft Indigenous Peoples Plan (IPP) has been prepared to address the special needs of ethnic minorities in the Project area who were subject to earlier resettlement and associated physical and economic displacement. There are social legacy issues identified in the LACR and IPP, which will be addressed under the Project.</p> <p>ESCAP. Based on the ESDD, an Environmental and Social Corrective Action Plan (ESCAP) has been prepared to guide implementation of a series of measures to address outstanding ES issues and provide for monitoring and supervision of their implementation. The LACR and IPP together with the Stakeholder Engagement Plan (SEP), have been integrated into the ESCAP. In addition, the preparation of an Emergency Preparedness and Response Plan (EPRP) and Community Health and Safety Plan (CHSMP) are components of the ESCAP. A project-level Grievance Redress Mechanism (GRM) will be established as an element of the SEP and included in the ESCAP.</p> <p>The Client has disclosed the ESCAP, in English and in Vietnamese, at the following link: https://dakdrinh.com.vn/environmetal-social-corrective-action-plan--ke-hoach-hanh-dong-khac-phuc-moi-truong-xa-hoi-84-25.html. The ESCAP is also available on AIIB's website. The EIA in English and Vietnamese and the LACR, IPP and SEP in English, with summaries in Vietnamese, have also been posted on these two websites.</p>
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AIIB Investment	Non-sovereign senior secured loan up to USD47.5 million	
Borrower	Dakdrinh Hydropower Joint Stock Company	
Estimated date of first disbursement	Q4 2021	
Contact Points:	AIIB	Dakdrinh Hydropower Joint Stock Company
Name	James Lok	Dam Duc Thong

Title	Principal Investment Operations Specialist	Director
Email Address	james.lok@aiib.org	damdhc@gmail.com
Date of Concept Review Decision	March 2021	
Date of Final Review Decision	To be determined	
Estimated Date of Financing Approval	To be determined	

Independent Accountability Mechanism	<p>AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. Information on AIIB's PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policyon-the-project-affected-mechanism.html.</p>
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