



### Project Summary Information

October 7, 2022

<b>Project Name</b>	FPL Open Access Solar Project
<b>Project Number</b>	P000653
<b>AIIB member</b>	India
<b>Sector/Subsector</b>	Energy/renewable energy generation
<b>Status of Financing</b>	Proposed
<b>Project Description</b>	The Project involves the construction and operation of a 50 MW, photovoltaic solar power plant located at Pulavanvayal village of Kalayarkoil taluk in Sivagangai district in the state of Tamil Nadu. The Project will be developed under group captive regulations of open access policy in the Electricity Act 2003 that allows it to directly sell electricity to a diversified set of C&I off-takers.
<b>Objective</b>	To support the development of solar generation in India under open access group captive model.
<b>Expected Results</b>	The results of the Project will be measured through: (a) Solar power capacity installed (MW <sub>AC</sub> ); (b) Annual generation of renewable energy (GWh); and (c) Greenhouse gas emission avoidance (Tons of CO <sub>2</sub> equivalent per year).
<b>Environmental and Social Category</b>	Category B
<b>Environmental and Social Information</b>	<p><b>Environmental and Social Policy, Standards, and Categorization.</b> The Project will be co-financed with the Asian Development Bank (ADB) as lead co-financier, and its environmental and social (ES) risks and impacts have been assessed in accordance with the ADB's Safeguard Policy Statement (SPS), 2009. To ensure a harmonized approach to addressing ES risks and impacts of the Project, and as permitted under AIIB's Environmental and Social Policy (ESP), ADB's SPS will apply to the Project in lieu of AIIB's ESP. Considering the scale and significance of the environmental and social impacts and risks, ADB has categorized the investment in compliance with ADB's Safeguard Policy Statement (2009) as follows: environment category B, involuntary resettlement category B, and indigenous peoples category C. ADB conducted relevant due diligence confirmed that no Indigenous Peoples, as defined by ADB's SPS, were found within the Project area. This is equivalent to Category B if AIIB's ESP were applicable.</p> <p><b>Instruments.</b> A draft Environmental and Social Impact Assessment (ESIA) [Initial Environment Examination Report]</p>

including an Environmental and Social Management Plan (ESMP) is prepared for the Project and disclosed on ADB's website (September 2022). In addition, a draft Social Compliance Audit Report for the plant site and a draft Land Access and Livelihood Restoration Plan for the transmission line are also prepared and disclosed by ADB (August 2022). These instruments can be accessed from [ADB's project website](#). Land Access and Livelihood Restoration Plan will be finalized once the transmission line alignment is defined and before any impacts are generated. Fourth Partner Energy Private Limited (FPL) has agreed to make available adequate resources to manage the risks and impacts and to implement the safeguard management plans. It will ensure that these are executed through the Project's EPC contractor. Environmental and social instruments in English and local language will be disclosed timely in an appropriate manner.

**Environmental Aspects.** An initial E&S examination identified that the Project location is not within or adjacent to any environmentally sensitive areas and is dominated by modified habitat not determined to be of high priority for conservation. Potentially adverse environmental impacts include risks to biodiversity; water, soil, and air quality; noise; traffic; and community and occupational health and safety, all of which are largely related to construction activities. The ecological chance-finds procedure, including stop-work orders and relocation, will be included in case of any chance finds identified during land clearance. An environmental and social management plan (ESMP) is being developed to mitigate these impacts and a corrective action plan will be developed to ensure that the Project complies with ES management requirements. A Critical Habitat Screening study for the Project concluded that the estimated area of influence of the Project is unlikely to contain, or be situated within, Critical Habitat as defined by IFC PS6.

**Climate Change Risks and Opportunities.** The Project is expected to contribute to the Government of India's renewable energy target of 2022. The Project is expected to generate an average of 98.4 GWh annually which is estimated to result in avoidance of GHG emissions of approximately 80,932 tons of CO<sub>2</sub> equivalent annually.

**Social Aspects.** A social compliance audit was undertaken, focused on past and ongoing Project activities associated with land acquisition and the potential presence of indigenous peoples and/or scheduled tribes. The combined due diligence determined that the 220 acres of land required for the solar plant is being acquired through negotiated land acquisition and there are no informal landowners or users, and therefore ESS 2 will not be triggered for the land required for plant site. The audit found that ongoing land acquisition meets the criteria established in the ADB SPS for negotiated land acquisition. Land required for the planned 5.4-kilometer transmission line is still being defined. Additional mitigation measures are contemplated through suitable provisions regarding supply chain labor standards such as enhanced due diligence, FPL

	<p>and suppliers' adherence to labor and working conditions requirements consistent with the ADB SPS and ESF including Prohibited Investment Activities List/ Exclusion List. This is aligned with the requirement that ADB projects must be compliant with ADB's SPS (2009) and ADB's Social Protection Strategy (2001).</p> <p><b>Gender Aspects.</b> Through the Project, FPL will implement a gender action plan that promotes gender equality in the sector. As part of gender action plan, FPL has incorporated measures to promote gender equality and/or women's empowerment in its business activities. The Project is categorized effective gender mainstreaming as per ADB policy on gender and development.</p> <p><b>Stakeholder Engagement, Consultation, Information Disclosure and Monitoring.</b> FPL developed a stakeholder engagement framework to guide stakeholder engagement across the lifecycle of the Project, demonstrating the Company's commitment towards its stakeholders. The framework includes the stakeholder identification, mapping &amp; analysis, categorization, communication strategy, engagement principle, engagement methods, process on reporting and monitoring, etc. are detailed. FPL had conducted stakeholder consultations with landowners and TANGEDCO during Feb-Jun 2022 at the site. The consultation outcomes have been employed in the ESAP preparation as appropriate. FPL will continue to undertake meaningful consultations with project stakeholders to provide updates about the Project and to provide an avenue for stakeholders to raise queries or concerns regarding the Project. FPL will be required to prepare annual ES monitoring report and submit to AIIB for review. AIIB will join supervision missions conducted by ADB, once conditions allow.</p> <p><b>Project Grievance Redress Mechanism (GRM).</b> GRM framework covering both internal and external grievances is in place. FPL also developed the site-specific Community GRM to receive, evaluate and facilitate the resolution of affected people's and project contracted workers' concerns, complaints and grievances related to social performance of the Project, more specifically related to compensations, privileges and livelihood support activities as applicable. Information on the project-level GRM and the Project-affected People Mechanism (PPM) of AIIB will be disclosed in local language in a timely and appropriate manner.</p>
<p><b>Cost and Financing Plan</b></p>	<p>The Project involves AIIB providing senior, secured, redeemable non-convertible debentures (NCD) up to INR1,200 million. The Project is being co-financed with the ADB who will provide the remaining portion of the required debt.</p> <p>Each special purpose vehicle (SPV) will sign separate debenture deeds with the following amounts:</p> <ul style="list-style-type: none"> <li>• FPEL Mitra Private Limited: INR448 million</li> </ul>

	<ul style="list-style-type: none"> <li>• FP Suntastic Private Limited: INR253 million</li> <li>• FP Orion Private Limited: INR499 million</li> </ul>		
<b>Sponsor</b>	Fourth Partner Energy Private Limited is the Sponsor and will own up to 74% in each of the SPVs. The remaining shareholding will be held by C&I offtakers, as per the regulatory requirement for projects under group captive regulations of open access policy in the Electricity Act 2003.		
<b>Estimated Date of First Disbursement</b>	4Q2022		
<b>Contact Points:</b>	<b>AIIB</b>	<b>ADB</b>	<b>Sponsor</b>
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<b>Date of Concept Decision</b>	N/A		
<b>Date of Appraisal Decision</b>	To be confirmed		
<b>Date of Financing Approval</b>	To be confirmed		
<b>Independent Accountability Mechanism</b>	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 environmental and social policies applicable to the Project in situations when their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. Information on the PPM is available at <a href="https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html">https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</a> .		