Project Summary Information

	Date of Document Preparation: 09/30/25
Project Name	Proyek Hijaunesia Staple Financing – Banyuwangi 100 MW Solar PV Project
Project Number	P000994
AIIB member	Indonesia
Sector/Subsector	Energy / Renewable energy generation (Solar)
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	The objective of the Project is to contribute to Indonesia's renewable energy capacity and decarbonization goals by supporting the installation and operationalization of a 100-megawatt greenfield utility-scale solar photovoltaic project.
Project Description	The Project involves the development, construction, operation, and maintenance on a Build-Own-Operate basis of a greenfield ground-mounted solar photovoltaic power plant with a capacity of 100-megawatts, located in Banyuwangi, East Java province, Indonesia.
Expected Results	The expected results of the Project will be measured through (i) annual generation of renewable energy (GWh per year) and (ii) greenhouse gas emission avoidance (thousand tons of CO2 equivalent per year).
Environmental and Social Category	B
Environmental and Social Information	**Applicable Policy and Categorization**. The Project will be co-financed with the Asian Development Bank (ADB) as the lead co-financier. To ensure a harmonized approach to addressing the environmental and social (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 alongside national legislation and good international practices. AIIB has reviewed ADB's SPS and is satisfied with the fact that: (a) it is consistent with AIIB's Articles of Agreement and materially consistent with the provisions of AIIB's ESP, including the Environmental and Social Exclusion List (ESEL) and the relevant Environmental and Social Standards (ESSs); and (b) the monitoring procedures that are in place are appropriate for the Project. ADB has categorized the ES risks of the Project in Banyuwangi as Category B for Environment, B for Involuntary Resettlement and C for Indigenous Peoples (IPs) since no presence of IPs have been found in the Project area. This categorization is equivalent to Category B if AIIB's ESP were to be applied.

	Environmental and Social Instruments. An Environmental and Social Impact Assessment (ESIA) including an Environmental and Social Management Plan (ESMP), and Land Acquisition and Livelihood Restoration Plan (LALRP) have been prepared. These instruments provide detailed ES risks and impacts, ES management measures, and monitoring commitments required for Project implementation. The lead Sponsor, PT PLN Indonesia Power Renewables (PLN IP), as a subsidiary of Perusahaan Listrik Negara (Persero) (PLN), has extensive experience in implementing other high-risk infrastructure projects financed by Multilateral Development Banks and Development Finance Institutions across Indonesia. An assessment of PLN IP's capacity in managing ES risks and impacts in solar PV projects will be further conducted during ESIA finalization and Final Review. The draft ES instruments have been consulted with relevant stakeholders and are disclosed here[1] and on AIIB's website to meet the early disclosure requirement of AIIB ESP. In addition, the Environmental and Social Action Plan (ESAP) is being finalized with the Borrower to be part of the Finance Documents which consists of important commitments in terms of actions, timing and resources to fulfill ESIA/ESMP recommendations. **Environmental Aspects**. During the construction stage, various activities such as mobilization of heavy equipment and parts, land preparation, and installation of solar panels can have adverse environmental impacts. These include air quality impacts due to dust and pollutant emissions from vehicles and equipment, noise pollution and vibration impacts, from construction activities, soil contamination from the use of heavy equipment, runoff, and soil erosion leading to water quality impacts, and potential loss of habitat and species due to land clearing and traffic congestion and deterioration of road due to heavy traffic movement. These impacts have been assessed, and mitigation measures are proposed in the ESIA/ESMP for the Project. During the operation stage, key environmental impacts include potential impact to surface water quality due to wastewater discharge from solar modules cleaning, impacts to environmental health due to waste generation during operations, impact to ecosystem services such as important provisioning services due to competition of various uses of natural resources, and impacts on biodiversity such as avian fauna mortality due to collision and/or electrocution on overhead power transmission lines, and disruption of wildlife movement and/or migrations due to barrier effect of solar PV arrays. Mitigation measures have been proposed in the ESIA/ESMP to address these impacts such as the use of appropriate materials and non-harmful products for the operation and maintenance of PVs modules, development and implementation of waste management plan, monitoring of identified key species during the commissioning and operation of power line transmission to review the current risk and impact, ensuring provision of buffer between Project footprint and nearby existing wildlife corridor, if any, the installation of the Bird Fly Diverter as agreed by the Borrower, and consideration of potential environmental impacts in selecting preferred technology and finalizing detailed design. **Social Aspects**. Key social risks and impacts are land acquisition and economic displacement of farmers/local communities in the Project footprints. It is estimated that the Project will affect 156 households, but no physical displacement or relocation is expected as the Project owner commits to avoid physical displacement impact. The Project will acquire approximately 1,552,116 m² of land and will create a transmission line right-of-way over an additional 82,194 m². Most of the land for the

[1] Link

	Project is state-owned land managed by PT Perkebunan Nusantara I, which will be acquired through a formal agreement. The remaining land for 13 transmission towers, the extension bay, and the gantry are privately owned and will be acquired through negotiated agreements. Construction of transmission towers will lead affected farmers to lose some agricultural lands and some assets (i.e. crops, trees, structures) within the transmission tower footings. Likewise, construction of the transmission line/access roads will cause farmers along the right-of-way to lose some assets. Temporary disruptions such as noise and restricted access are expected during the construction phase. Draft LALRPs for the Project following the government's relevant legislation and ADB's SPS (2009) are available. **Gender Aspects.** Gender has been integrated into the Project through different measures. Firstly, gender assessments were conducted at all sub-project locations as part of the ESIAs that include identification of female vulnerable groups. Based on the assessments, various measures have been introduced for the Borrower to include in their corporate social responsibility programs. Secondly, gender is mainstreamed into all aspects of ES risks and impacts assessment and management with specific measures for women being introduced in the ESMPs and LALRPs. Potential risks related to sexual exploitation and abuse and sexual harassment (SEA/SH) were also assessed and measures are put in place to mitigate the risks including employment of local workers within communities, provision of training to construction workers and staff, ensuring safe worker accommodation and toilets for men and women. **Occupational Health and Safety, Labor and Working Conditions**. The Project may also have potential occupational health and safety (OHS) risks as the construction and operation of the Project may include potential electrical hazards during the installation and energizing (commissioning) of solar panels and related electrical infrastructure. Further, bodily harm may result in the improper manual handling of heavy solar panels for optimal positioning on mounting structures, exposure to chemical hazards such as adhesives and sealants, and fire hazards when working with battery storage system, along with safety aspects of using heavy equipment for land clearance for Project site and access roads as well as poor living conditions in the workers' camp if not properly located and constructed. These risks have been assessed as part of the ESIA of the Project and mitigation measures have been included in the ESMPs. In addition, AIIB and ADB will review the Borrower's supply chain management and procurement procedures for solar photovoltaic modules to determine the adequacy of the supply chain management system. **Stakeholder Engagement, Consultations, and Information Disclosure.** AIIB and ADB will review the adequacy of the stakeholder engagement process conducted as part of the ESIA process. The review will also ensure that the project-affected people have been effectively engaged through the disclosure of information related to Project's ES risks and impacts and the meaningful consultations. As the Project is classified as Category B if AIIB's ESP were to be applied, the Bank will coordinate with ADB in aligning the ES documents' disclosure timelines for Category B Projects prior to Project Approval. **Project Grievance Redress Mechanism (GRM) and Monitoring Arrangement**. A Project-level GRM has been established to ensure that any concerns from affected people are addressed promptly and transparently. During the Final Review process, the Project Team will work with ADB and the Borrower to assess the status of the Project-level GRM, including

	GRM for workers to align with ADB Policy requirements. In information of established GRM including the information of the Bank's Project-affected People's Mechanism (PPM) will be disclosed timely in an appropriate manner. In addition, more details on ES monitoring and reporting arrangements will be discussed and determined with ADB and the Borrower, which will be reflected in the updated PSI.			
Cost and Financing Plan	The total Project cost is USD101 million, of which the proposed AIIB loan is USD20 million. The remaining Project costs will be funded by the Sponsors and/or other financial institutions including ADB.			
Borrower	Special Purpose Vehicle to be established			
Sponsors	PT PLN Indonesia Power Renewables and GCL Intelligent Energy (Suzhou) Co., Ltd.			
Estimated date of last disbursement (NSBF)	Q2 2027			
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Date of Concept Decision	November 13, 2024			
Estimated Date of Appraisal Decision	Q4 2025			
Estimated Date of Financing Approval	Q4 2025			

Independent Accountability Mechanism	AIIB's policy on the Project-affected People's Mechanism (PPM) applies to the Project. The PPM has been established by the 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 its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. Information on AIIB's PPM is available https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.
