



Project Summary Information

Date of Document Preparation: May 20, 2025	
Project Name	Sampur Solar PV Power Project Financing
Project Number	P000799
AIIB member	Sri Lanka
Sector/Subsector	Energy / Renewable energy generation – solar
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	To reduce Sri Lanka's dependency on hydrocarbon imports by assisting Ceylon Electricity Board (CEB) to develop a 120 MW solar photovoltaic (PV) plant in Sampur
Project Description	<p>The Project involves the design, engineering, construction, commissioning, operation, and maintenance of a 120MW ground-mounted solar photovoltaic (PV) project in Sampur, Sri Lanka (the "Project").</p> <p>CEB has entered into a Joint Venture & Shareholders' Agreement (JVSHA) with NTPC Limited (NTPC) (collectively, the Sponsors) for equal equity participation in Trincomalee Power Company Limited (TPCL). TPCL is the Project Implementing Entity (PIE) responsible for the design, engineering, financing, construction, commissioning, operation, and maintenance of the Project on a Build-Own-Operate (BOO) basis. The Project will be developed in two phases - Phase I capacity of 50 MW followed by Phase II capacity of 70 MW.</p> <p>The Project cost has been estimated at USD 144 million (for Phase I and Phase II capacity together), expected to be funded on a debt-to-equity ratio of 75:25. The equity portion will be equally shared by NTPC and CEB. AIIB will provide Sovereign Backed Financing loan to Ministry of Finance, Government of Sri Lanka (GOSL) to fund up to USD 20 million of Project related expenditures such as solar PV modules, other key equipment, balance of plant costs, financing costs, etc. This financing to GOSL is considering CEB's 50 percent equity stake in TPCL.</p>

	The Project senior debt financing will be led by AIIB on non-sovereign basis with co-financing from the Asian Development Bank (ADB) and other potential lenders.
Expected Results	The results from the Project shall include: <ul style="list-style-type: none"> (i) Annual generation of renewable energy (GWh) at competitive tariffs; and (ii) Greenhouse gas (GHG) emissions reduced (tons of CO2 equivalent per year).
Environmental and Social Category	B
Environmental and Social Information	<p>Environment and Social Policy and Categorization. AIIB's Environmental and Social Policy (ESP) including the Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL) will apply to this Project. ESS1: Environmental and Social Assessment and Management applies. Applicability of ESS 2 (Land Acquisition and Involuntary Resettlement) and ESS 3 (Indigenous Peoples), though not anticipated, will be assessed during project preparation. Based on available information, the Project has been preliminarily categorized as B due to the general environmental and social impacts and risks of the Project which are minor and localized; (ii) impacts that are expected to be reversible and temporary; and (iii) impacts which can be effectively managed using practical and mature mitigation measures. The Project may be co-financed with ADB.</p> <p>Environmental and Social Instruments. The Client has prepared an Initial Environmental Examination (IEE) report, along with an Environmental and Social Management Plan (ESMP), in compliance with national laws and regulations. As part of AIIB's due diligence, the IEE report will be reviewed to assess its comprehensiveness and compliance with AIIB's Environmental and Social Performance (ESP 2022) requirements. Additional ES instruments and processes will be developed and implemented based on the outcome of the due diligence process. The Client's Environmental and Social Management System (ESMS) will also be assessed. Following the due diligence, an Environmental and Social Action Plan (ESAP) will be prepared and agreed with the Client, with corrective measures intended to address the gaps identified in the IEE report and the Client's ESMS per agreed timelines.</p> <p>Environmental aspects. The project's potential environmental risks and impacts, include but are not limited to: (i) Client's Environmental and Social Management System (ESMS) to assess and manage ES risks and impacts associated with project construction and operation in line with good international industry practices (GIIP); (ii) Construction phase: contractor ES management, impact on priority biodiversity values, loss and degradation of habitats, alteration and fragmentation of habitats, wildlife collisions with construction equipment, disruption to species movement, changes to the landscape,</p>

reduction in visual aesthetics, noise and vibration, air emissions, water usage, wastewater discharge, construction waste disposal, and emergency preparedness and response; (iii) Operation phase: generally minimal but may include wildlife collisions with solar panels (birds and bats), water usage for cleaning solar panels, wastewater discharge, stormwater, as well as the generation electronic waste (broken solar panels); and (iv) impacts from associated facilities (transmission line to connect to substation).

Climate Change. The Project involves financing a 50MW (extendable to 120 MW) solar photovoltaic (PV) plant in Sri Lanka, aligning with the climate mitigation goals of the Paris Agreement as solar energy generation is on the joint MDB universally aligned list. An initial physical climate risk screening of the Project using the “AWARE” tool revealed a medium-level climate risk rating. The high-risk events identified included flood, storms and solar radiation change while medium-risk hazards comprise temperature increase, wind speed increase, and water availability. The materiality of these risks will be evaluated in the next stage. Based on the joint MDB Common Principles for Climate Mitigation Finance Tracking, 100 percent of the Project cost is eligible as mitigation finance under the renewable energy generation category.

Social. The Project is expected to generate direct and indirect employment opportunities for the local population and to improve the basic infrastructure in and around the project area. The project activities are not expected to result in involuntary resettlement as land needed for the project is already leased by the Client. Due diligence, however, will be undertaken to understand any legacy issues prior to the land lease agreement.

Gender. A gender screening will be carried out to facilitate and promote gender inclusion in the Project and in the Borrower’s operations. This may include the incorporation of measures to promote women’s empowerment in its business activities, including the Project’s operating and maintenance activities. Labor influx during project construction may exacerbate risks related to gender-based violence (GBV), sexual exploitation and abuse (SEA) and sexual harassment (SH).

Occupational Health and Safety, Labor and Employment Conditions, and Community Health and Safety. As part of the due diligence process, the IEE report for the Project will be assessed if health and safety risks to workers and communities were considered and mitigation measures were identified to prevent accidents, injuries, and disease (including as appropriate, measures in line with internationally recognized standards to avoid or minimize exposure to communicable and noncommunicable diseases). For potential labor Influx, measures to manage the potential risks and impacts on communities will also be reviewed if are in line with ESS 1 including addressing the risk of sexual exploitation abuse, and sexual harassment. There are also potential risks and impacts to the safety of workers and the communities from potential exposure to operational accidents and climate change impacts specifically due to increases in temperature, heatwaves, and

	<p>precipitation-related events. There are also traffic and road safety risks to workers and communities, especially during the construction phase.</p> <p>Further, there are potential impacts and risks associated with the supply chain regarding labor and working conditions. The Client's ESMS will be assessed during the due diligence process if it includes requirements to identify and mitigate potential health, safety, social, and environmental hazards in all project activities that pose a risk to employees, workers, and the community and may also have the potential for disruption of site works. In addition, the assessment would include if the Client advised all suppliers and contractors on the importance of implementing appropriate management measures to identify and address issues related to the ES provisions of the ESMS, including labor and working conditions and health and safety matters. Essentially, compliance with the ESMS will be reviewed if included in contract documents with suppliers and contractors. This compliance as well as representations and warranties provided to the Client by suppliers and contractors will be reviewed if reflected in relevant agreements and contracts.</p> <p>Consultation and Information Disclosure. Meaningful and inclusive stakeholder engagements will be held during the preparation of ESIA. This will be further strengthened in phases during the finalization of the ESIA and related E&S instruments. The draft English versions of the ESIA and related E&S instruments and English, Sinhala, and Tamil versions of the Executive Summaries will be posted on TPCL's and Bank's websites and made available in hard copies in the project area.</p> <p>Project-level and Worker Grievance Redress Mechanisms (GRMs). A multi-tier GRM will be developed in accordance with the requirements of the Bank's ESP. Locally appropriate public consultation and disclosure process will be used to disseminate information about the GRM.</p>
Cost and Financing Plan	<p>Up to USD 144 million Total Project cost (for Phase I and Phase II of the Project)</p> <p>AIIB's SBF financing is to fund up to USD 20 million of Project related expenditures such as solar PV modules, other key equipment, balance of plant costs, financing costs, etc. This financing to GOSL is considering CEB's 50 percent equity stake in TPCL.</p>
Borrower	Ministry of Finance, Sri Lanka
Guarantor	Government of Sri Lanka
Implementing Entity	Trincomalee Power Company Limited

Estimated date of loan closing (SBF)	Q2 2027 (for Phase I of the Project)			
Contact Points:	AIIB		Borrower Democratic Socialist Republic of Sri Lanka	Project Implementing Entity Trincomalee Power Company Limited
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Date of Concept Decision	April 4, 2025			
Estimated Date of Appraisal Decision	Q3 2025			
Estimated Date of Financing Approval	Q1 2026			

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (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 Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.</p>
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