

 Early Warning System

AIIB-000701

Multicounty: Seraya SEA Energy Transition and DI Fund



Quick Facts

Countries	China, South Korea
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2023-03-22
Borrower	Seraya Southeast Asia
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 120.00 million
Loan Amount (USD)	\$ 120.00 million
Project Cost (USD)	\$ 120.00 million



Project Description

PROJECT OBJECTIVE: To support energy transition and enhance digital connectivity in Southeast Asia.

The Project is proposing USD120 million investment into Seraya Southeast Asia (SEA) Energy Transition and Digital Infrastructure Fund (the Fund) including a co-investment sleeve of up to USD60 million. The Fund targets control-oriented, middle-market investments in next generation infrastructure in Southeast Asia, China and Korea, focusing on the digital infrastructure and energy transition sectors. The Fund is a parallel fund of Seraya Fund I L.P. (the Main Fund).

The Bank's Environmental and Social Policy ("ESP"), including the Environmental and Social Exclusion List ("ESEL"), Environmental and Social Standards (ESSs), applies to this project. The project is categorized FI, as the financing structure involves a parallel fund with Seraya main fund, where AIIB delegates the fund manager for decision-making on the use of the Bank funds. This will include the selection, appraisal, approval, and monitoring of subprojects in accordance with AIIB's ESP requirements. The E&S instrument will be Seraya's ESMS, enhanced as required to be consistent with AIIB's ESP.

Seraya has an ESG policy which the fund manager will upgrade to align with AIIB ESP. Seraya is committed to apply the IFC Performance Standards 2012, ILO Core Labor Standards, UN Guiding Principles on Business and Human Rights, among other environmental and social laws in the jurisdictions of the Fund and its subsidiaries operations. Seraya's ESMS will include an enhanced ESG Policy designed to (i) screen sub-projects against exclusion list, (ii) assign an E&S risk categorization, (iii) conduct E&S due diligence with action plan, (iv) monitor E&S risks and impacts of the sub-projects and (v) report to its management accordingly. In addition, coal mining, coal transportation and coal-fired power plants, as well as infrastructure services exclusively dedicated to support any of these activities and gas-related sub-projects will be excluded. Category A subproject will be excluded in this Project.

The Fund targets investment in four sectors: offshore wind farm vessel, electric vehicle chargers, autonomous vehicle leasing, and green data center. They may generate solid waste, wastewater, noise, and disturbance to nearby residents and potentially pollute ocean, disturbing local ecology, and local physical cultural resources. They are mostly site-specific, few if any of them are irreversible, and in most cases mitigation measures can be designed and implemented in accordance with enhanced ESMS. Seraya will develop sectoral specific E&S guidance to identify potential risk and require mitigation plan to align with ESP requirement.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Seraya Partners](#) (Financial Intermediary)



Private Actors Description

Seraya is a UN PRI signatory, has committed to TCFD and therefore it committed to climate risk management processes being integrated into overall risk management and decision making of the Project. The Fund Manager's climate risk considerations are currently advancing and its committed to robust climate risk assessment and disclosure in line with TCFD recommendations.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Seraya Partners	Parent Company	-



Contact Information

AIIB

Jingyi Zhang

Investment Officer

jingyi.zhang@aiib.org

Danni Li

Investment Officer

danni.li@aiib.org

IMPLEMENTING ENTITY

James Chern

CIO & Managing Partner

JC@serayapartners.com

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides 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 Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



Bank Documents

- [Project Summary \(February 15, 2023\)](#) [Original Source]