

 Early Warning System

AIIB-000744

Viet Nam: Supporting infrastructure development and climate financing
in Viet Nam with second facility with VPBank



Quick Facts

Countries	Vietnam
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	U
Borrower	Viet Nam Prosperity Joint Stock Commercial Bank (VPBank)
Sectors	Finance, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 150.00 million



Project Description

According to the Bank's website, the objective of this project is to contribute to the development of sustainable infrastructure and increase penetration of renewable energy and climate mitigation finance in Viet Nam.

The proposed Project is an up to USD 150 million loan to Viet Nam Prosperity Joint Stock Commercial Bank (VPBank) to on-lend the proceeds to support eligible multi-sector infrastructure and climate finance sub-projects. The financing proceeds will be used to on-lend to private entities for eligible sub-projects under the (1) transport sector, (2) energy sector, and (3) sustainable cities sector. A certain portion of the financing would be mandatorily directed towards climate mitigation finance. This is the second on-lending facility by AIIB to VPBank.



Early Warning System Project Analysis

The Project is assigned as Category FI under the ESP as it involves on-lending through a Financial Intermediary (FI).



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Term loan of up to USD 150 million.

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.

- [VPBank](#) (Financial Intermediary)



Private Actors Description

Viet Nam Prosperity Joint Stock Commercial Bank (VPBank) is an Hanoi-based company founded in 1993. It is engaged in commercial banking operations, including deposit taking from individuals and corporate clients; savings accounts offering; short, medium and long term loans offering for individuals and institutional clients; forex trading; international trade financing; commercial papers and bonds discounting; among others. The Bank is also involved in securities and bonds investments, as well as the provision of payment services and e-wallet services.



Contact Information

PROJECT TEAM LEADER

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BORROWER

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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 \(June 20, 2024\)](#) [\[Original Source\]](#)