Early Warning System

# AIIB-000935

## Indonesia: Proyek Hijaunesia Staple Financing - Pasuruan 100 MW Solar PV Project

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## Quick Facts

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|---|---|
| **Countries** | Indonesia |
| **Specific Location** | Pasuruan, East Java province |
| **Financial Institutions** | Asian Infrastructure Investment Bank (AIIB) |
| **Status** | Proposed |
| **Bank Risk Rating** | B |
| **Voting Date** | 2025-11-13 |
| **Borrower** | PT PLN Indonesia Power Renewables and Vena Energy Indonesia Pte Ltd. |
| **Sectors** | Energy |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 21.00 million |
| **Loan Amount (USD)** | $ 21.00 million |
| **Project Cost (USD)** | $ 103.00 million |

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## Project Description

According to the AIIB, 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.

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 Pasuruan, East Java province, Indonesia.

## Early Warning System Project Analysis

ADB has categorized the ES risks of the Project in Pasuruan as Category B for Environment, B for Involuntary Resettlement and C for Indigenous Peoples (IPs) since no presence of IPs has been found in the Project area. This categorization is equivalent to Category B if AIIB's ESP were to be applied.

According to the AIIB:

**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, noise pollution and vibration impacts, 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. During the operation period, key environmental impacts include surface water quality due to wastewater discharge from solar modules cleaning, 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, including 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, 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, sharecroppers, harvest laborers and local communities in the Project footprint. It is estimated that the Project will affect 167 households, but no physical displacement or relocation is expected. The Project will require approximately 161.13 hectares of land for permanent acquisition and will create a transmission line Right of Way (RoW) over an additional 7.86 hectares. Most of the land for the Project is state-owned land, which will be acquired by a formal agreement. This may result in some loss of livelihoods and incomes for existing land users, including plantation workers and honeybee farmers. The remaining land for the transmission towers and gantry will be acquired through Negotiated Settlement from private landowners. Construction of transmission towers is expected to result in loss of productive agricultural land and some assets (i.e., crops, trees, structures) within the footprint of the transmission towers. Likewise, construction of the transmission line/access roads will cause farmers along the RoW to lose some income, due to some restrictions on their agricultural land use. 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 (OHS), Labor and Working Conditions**

### Investment Description

- Asian Infrastructure Investment Bank (AIIB)

As stated by the AIIB, the total Project cost is USD103 million, of which the proposed AIIB loan is USD21 million. The remaining Project costs will be funded by the Sponsors and/or other financial institutions including ADB.

**Private Actors Description**

As stated on the company's LinkedIn profile, PT PLN Indonesia Power, known as PLN-IP, is a sub-holding company of PT PLN (Persero) holding which is conducting electric power generation and other supporting businesses. PLN-IP is the largest provider of power generation supplying above 20 GW capacity in Indonesia.

PT PLN Indonesia Power Renewables is a subsidiary of PT PLN Indonesia Power.

As stated on the company's website, Vena Group is a leading green solutions provider driving the energy and digital infrastructure transition across the Asia-Pacific region.

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| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| PT PLN Indonesia Power | Parent Company | Energy | owns | PT PLN Indonesia Power Renewables | Client | Energy |
| PT PLN Persero | Parent Company | Energy | owns | PT PLN Indonesia Power | Parent Company | Energy |
| Vena Energy Holdings | Client | Energy | contracts with | PT PLN Indonesia Power Renewables | Client | Energy |

## Contact Information

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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 Òan 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 AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó 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

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**Bank Documents**

- ESIA Report
- Land Acquisition and Livelihood Restoration Plan
- Project Summary (September 29, 2025) [Original Source]

## Other Related Projects

- AIIB-000994 Indonesia: Proyek Hijaunesia Staple Financing - Banyuwangi 100 MW Solar PV Project
- AIIB-000995 Indonesia: Proyek Hijaunesia Staple Financing - Gajahmungkur 100 MW Floating Solar PV Project
- ADB-59099-001 Hijaunesia Program Vena Solar Subproject