Early Warning System

IFC-41290

DCM CHIB Green

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Quick Facts

Countries	Philippines
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2018-08-29
Borrower	CHINA BANKING CORPORATION
Sectors	Finance
Ring Fence	Climate
Investment Type(s)	Loan
Investment Amount (USD)	$ 150.00 million
Loan Amount (USD)	$ 150.00 million

Project Description

According to IFC website, IFC will support China Bank in raising long term funding for its lending program to qualifying green projects in the Philippines. Further, IFC anticipates the project will provide up to US$150 million in long-term financing for climate-smart and environmentally friendly projects such as renewable energy, green buildings, energy efficiency, and water conservation and waste water treatment projects.

People Affected By This Project

Project Impact Assessment: - Stakeholders impact - IFC anticipates the project will provide up to US$150 million in long-term financing for climate-smart and environmentally friendly projects such as renewable energy, green buildings, energy efficiency, and water conservation and waste water treatment projects. Expected impact includes: i) increase in accessibility of financing for green projects to China Bank's customers; ii) improvement of China Bank's employees' skills related to climate change financing; and iii) provision of longer tenor funding and new instrument for China Bank to access capital markets. - Environmental and/or social impact - IFC anticipates the project will reduce CO2 emissions in the Philippines. The expected reduction on sub-borrowers' emissions and technical data on reductions in CO2 emissions will be collected and quantified through IFC's CAFI tool. Market Impact Assessment: IFC anticipates that the project will have the following market impacts: 1) it opens the market for climate finance and ultimately attracts more financial institutions into this space (competitiveness); and 2) it supports China Bank's contribution to the country's objective of tackling climate change challenges (sustainability) by adopting environmental sustainability principles and developing a new asset class that promotes greater market sustainability.

Investment Description

- International Finance Corporation (IFC)

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.

- China Banking Corporation (Financial Intermediary)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Aboitiz Equity Ventures Inc	Parent Company	Water and Sanitation	owns	Apo Agua Infrastructura Inc	Client	Water and Sanitation
Aboitiz Power Corp	Parent Company	Energy	owns	Bataan Coal-Fired Power Plant 2 (668MW)	Client	Energy
Ayala Corporation	Parent Company	Energy	owns	AC Energy Green Bond Facility 2019	Client	Energy
Ayala Corporation	Parent Company	Energy	owns	Bataan Coal-Fired Power Plant 2 (668MW)	Client	Energy
China Banking Corporation	Investor	Finance	invests in	Aboitiz Equity Ventures Inc	Parent Company	Water and Sanitation
China Banking Corporation	Investor	Finance	invests in	Aboitiz Power Corp	Parent Company	Energy
China Banking Corporation	Investor	Finance	invests in	AC Energy Green Bond Facility 2019	Client	Energy
China Banking Corporation	Investor	Finance	invests in	Apo Agua Infrastructura Inc	Client	Water and Sanitation
China Banking Corporation	Investor	Finance	invests in	Ayala Corp	Parent Company	Industry and Trade
China Banking Corporation	Investor	Finance	invests in	Ayala Corporation	Parent Company	Energy
China Banking Corporation	Investor	Finance	invests in	Ayala Land Inc	Parent Company	Industry and Trade
China Banking Corporation	Investor	Finance	invests in	Bataan Coal-Fired Power Plant 2 (668MW)	Client	Energy
China Banking Corporation	Investor	Finance	invests in	Bloomberry Resorts Corp	Client	Industry and Trade
China Banking Corporation	Investor	Finance	invests in	Cebu Landmasters Inc	Parent Company	Industry and Trade
China Banking Corporation	Investor	Finance	invests in	Del Monte Pacific Ltd	Parent Company	Agriculture and Forestry
China Banking Corporation	Investor	Finance	invests in	Megaworld Corp	Parent Company	Industry and Trade
China Banking Corporation	Investor	Finance	invests in	Metro Pacific Investments (MPIC)	Parent Company	Transport
China Banking Corporation	Investor	Finance	invests in	NLEX-SLEX Connector Road (8KM) PPP Refinancing 2020	Client	Transport
China Banking Corporation	Investor	Finance	invests in	Petron Corp	Parent Company	Mining
China Banking Corporation	Investor	Finance	invests in	Power Partners	Parent Company	Energy

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
China Banking Corporation	Investor	Finance	invests in	Prime Metroline Holdings Inc	Parent Company	Industry and Trade
China Banking Corporation	Investor	Finance	invests in	Robinsons Land Corp	Parent Company	Construction
China Banking Corporation	Investor	Finance	invests in	San Miguel Corp	Parent Company	Agriculture and Forestry
China Banking Corporation	Investor	Finance	invests in	SMC Global Power Holdings Corp	Parent Company	Energy
China Banking Corporation	Investor	Finance	invests in	Vista Land & Lifescapes Inc	Parent Company	Industry and Trade
Metro Pacific Investments (MPIC)	Parent Company	Transport	owns	NLEX-SLEX Connector Road (8KM) PPP Refinancing 2020	Client	Transport
Power Partners	Parent Company	Energy	owns	Bataan Coal-Fired Power Plant 2 (668MW)	Client	Energy
Prime Metroline Holdings Inc	Parent Company	Industry and Trade	owns	Bloomberry Resorts Corp	Client	Industry and Trade

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/