

 Early Warning System

IFC-41890

VP Bank Green Loan



Quick Facts

Countries	Vietnam
Specific Location	Nation-wide
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2019-12-02
Borrower	VIETNAM PROSPERITY JOINT STOCK COMMERCIAL BANK
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 150.00 million



Project Description

According to the bank document, the proposed project is delivered through

- (i) improved access to finance for climate businesses and local SMEs,
- (ii) capacity building through parallel advisory support,
- (iii) expected reduction in GHG emissions, and
- (iv) promotion of climate financing standards and best practices.

The investment is for a 5-year senior loan of up to US\$150 million, consisting of (i) up to US\$50 million IFC A Loan from its own account,

- (ii) up to US\$37.5 million from IFC acting in its capacity as implementing entity for the Managed Co-Lending Portfolio Program, and
- (iii) up to US\$62.5 million B1 and Parallel Loans including a green-shoe option to Vietnam Prosperity Joint Stock Commercial Bank (“VP Bank” or “the Bank”).

The investment aims to support the Bank to grow its eligible climate-related projects and SME portfolio.

VP Bank is headquartered in Hanoi, Vietnam. As of June 30, 2019, the Bank had 226 branches, 84 SME hubs, 137 household centers, and 4 Corporate branches across Vietnam. The investment can be made throughout the country.



Investment Description

- International Finance Corporation (IFC)

According to IFC, The total project cost is up to US\$150 million, consisting of (i) an up to US\$50 million IFC A Loan from its own account, and (ii) up to US\$37.5 million Trust Loans from IFC acting in its capacity as implementing entity for the Managed Co-Lending Portfolio Program, and (iii) up to US\$62.5 million B1 and Parallel Loan including a green-shoe option. IFC's loan to VPBank described in this SII is targeted for on-lending to eligible climate-related projects and SMEs.



Private Actors Description

VP Bank was established in 1993 with its headquarter in Hanoi, Vietnam. The Bank provides a wide range of commercial banking products and services to both retail and commercial clients through a nation-wide network of 226 branches, 84 SME hubs, 137 Household centers, 4 Corporate, and 649 branded ATMs and CDMs. The current main common shareholders as of June 30, 2019 are: Chairman Ngo Chi Dung and his related persons (14.96%), Vice Chairman Lo Bang Giang and his related persons (7.5%), and Vice Chairman Bui Hai Quan and his related persons (6.68%). According to its annual report 2018, VP Bank has 176 institutional and 18,571 individual investors.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Vietnam Prosperity Joint-Stock Commercial Bank (VP Bank)	Client	-



Contact Information

1/ The Project Contact

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2/ IFC Contact

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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/>