

 Early Warning System

MIGA-15098

Cambodian Transmission II Co., Ltd.



Quick Facts

Countries	Cambodia
Specific Location	Kampong Cham, Kratie
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	B
Borrower	Mizuho Bank, Ltd.; Leader Energy Group Berhad
Sectors	Energy, Hydropower, Infrastructure
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 214.00 million



Project Description

As stated by the MIGA, Leader Energy Group Berhad (formerly known as Leader Energy Holding Berhad) is an independent power producer engaged in the development, ownership, operation and maintenance of renewable energy power generation and transmission assets across seven countries in Asia. Through a subsidiary incorporated in Cambodia, Cambodian Transmission II Co., Ltd (CTL II), it has acquired the project of a 125km long high voltage double-circuit 230kV transmission line between Kampong Cham and Kratie substations in Cambodia. There are 310 transmission towers spanning the 230/115kV Kampong Cham substation and the 230/22kV Kratie substation.

The transmission line is energized by hydropower supplied from the north of Cambodia and from cross-border power imports from Laos. The project was developed on a build-own-transfer basis and a 25-year power transmission concession with the state-owned power utility, Electricité du Cambodge (EDC) as the offtaker. CTL II will be financing this acquisition with a long-term project finance loan.

This summary describes the application made to MIGA to provide political risk insurance coverage to Mizuho Bank, Ltd., and/or any of its subsidiaries (Mizuho), and other commercial lenders to be identified, to cover the loan and hedging instruments of up to US\$ 214 million against the risks of Expropriation, Breach of Contract, Transfer Restriction, and War and Civil Disturbance for up to 15 years.



Investment Description

- Multilateral Investment Guarantee Agency (MIGA)



Private Actors Description

As stated on the project disclosure page, MIGA has been asked to provide a guarantee for a period of up to 15 years to cover loans provided by Mizuho Bank, Ltd. (Mizuho, the Guarantee Holder, or the GH) of Japan, and potentially other commercial lender(s), participating in a brownfield project financing to Cambodian Transmission II Co., Ltd. (CTL II, the Project Enterprise, or the PE), following its acquisition of an existing high voltage transmission line in Cambodia from Diamond Power Limited (DPL).

CTL II, whose ultimate parent company is HNG Capital Sdn. Bhd., is an operator and owner of an existing transmission line that comprises a 125km long 230kV double circuit transmission line with 310 towers connecting a 230/115kV substation in Kampong Cham (GSKC) and a 230/22kV substation in Kratie (GSKTE) in the Kingdom of Cambodia.

The Project is a build, own, transfer project which is designed for 25 years of operation and sells power to the state-owned company Electricité du Cambodge (EDC) under a power transmission agreement. Since it commenced operations in 2018, the Project has been providing reliable electricity to the national grid.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Electricite Du Cambodge	Buyer	Energy
-	-	-	-	Mizuho Bank Ltd	Investor	Finance
HNG Capital Sdn. Bhd.	Parent Company	Industry and Trade	owns	Leader Energy Group Berhad	Client	Energy



Contact Information

Project documentation is available at:

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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>



Bank Documents

- [Environmental and Social Review Summary \(ESRS\)](#)