



Project Summary Information

May 27, 2022

Project Name	Solar IPP Equity Investment
Project Number	P000518
AIIB member	India
Sector/Subsector	Energy/renewable energy generation
Status of Financing	Approved
Project Description	AIIB is considering investing in a renewable energy independent power producer and support this renewable energy independent power producer to scale up its operational capacity.
Objective	The project objective is to provide growth capital to scale up development of renewable energy projects
Expected Results	The results of the project will be measured through: (a) Renewable generation capacity installed (MW _{AC}) (b) Net electricity generation (GWh per year) (c) Greenhouse gas emission avoidance (Tons of CO ₂ equivalent per year)
Environmental and Social Category	Category B
Environmental and Social Information	<p>AIIB's Environmental and Social Policy (ESP), Environmental and Social Exclusion List (ESEL), and Environmental and Social Standards (ESSs) apply to this Project. The Project has been categorized as Category B and an Environmental and Social Management System (ESMS) will be used for the Project. The potential risks and impacts of the Project are typical of solar energy projects and can be managed using standard practices</p> <p>The main risks and impacts resulting from solar energy development and operation are the following: (i) change in land use; (ii) potential loss of habitat; and (iii) generation of hazardous waste due to the manufacture and eventual disposal of solar panels and the use of battery systems. Positive impacts include avoidance of greenhouse gas generation and socio-economic benefits to the surrounding communities from employment.</p> <p>The renewable independent power producer will identify and select land based on its requirements for solar projects. Willing buyer – willing seller arrangements, will be pursued in all transactions. The willing buyer-willing seller voluntary transaction shall take place with the seller's informed consent and the seller provided compensation based on prevailing market values.</p>

	<p>The renewable independent power producer shall conduct meaningful, pre-informed consultations with affected people in the issues of land acquisition, or loss of livelihood, if any. The nature of solar projects is such that the shape of the required land may be adapted to the available land for purchase. This offers flexibility in acquiring only land parcels which are on a willing buyer-willing seller basis. To the extent possible, land with encumbrances and land owned by Scheduled Tribes will be avoided. A land aggregator is engaged to assist the landowners in obtaining the required documents.</p> <p>The renewable independent power producer has established a functioning GRM which is transparent, gender responsive, culturally appropriate, and readily accessible to affected persons, including Indigenous Peoples communities at no cost and without retribution. Formal consultations with communities will begin during selection of the sites where the solar projects will be constructed. The renewable independent power producer will also provide that a Stakeholder Engagement Plan (SEP) for the operation and maintenance phases is prepared in a timely manner and updated on a regular basis.</p> <p>The renewable independent power producer will disclose any required ES documents in English and local languages at the State level and make them available in the public domain through its website link and in hard copies in project areas.</p>		
Cost and Financing Plan	The project involves AIIB's direct equity investment of up to USD50 million to enable the renewable energy independent power producer to meet its target capacity of 4.3GW by March 2025.		
Sponsor	This information is redacted under exception 2 under AIIB's Policy of Public Information until at the time of investment of the project		
Estimated date of last disbursement	4Q2022		
Contact Points:	AIIB		
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Date of Concept Decision	September, 2021		
Date of Appraisal Decision	May 11, 2022		

Date of Financing Approval	May 25, 2022
Independent Accountability Mechanism	AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by AIIB to provide 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 environmental and social policies applicable to the Project in situations when their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. Information on the PPM is available at https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html .