



Project Summary Information

Date of Document Preparation: 4 July 2023	
Project Name	ENGIE Solar Power Project
Project Number	000768
AIIB member	India
Sector/Subsector	Energy
Alignment with AIIB's thematic priorities	Green infrastructure
Status of Financing	Under Preparation
Objective	To promote electricity generation from solar energy resources through private capital mobilization in Gujarat.
Project Description	<p>The Project involves the development, construction and maintenance of a 400MWAC solar power project in Gujarat, India. (Project)</p> <p>Offtake of the Project is underpinned by a 25-year Power Purchase Agreement (PPA) for 100% of the capacity that is signed with Gujarat Urja Vikas Nigam Limited (GUVNL) at a tariff of INR2.49 per kWh.</p>
Expected Results	<p>The results of the Project will be measured through:</p> <p>(a) Annual electricity generation (GWh per year)</p> <p>(b) Greenhouse gas emission avoidance (Tons of CO₂ equivalent per year)</p>
Environmental and Social Category	Category B
Environmental and Social Information	Environmental and Social Policy, Standards, and Categorization. AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List ESS1

(Environmental and Social Assessment and Management) is applicable to the Project. The proposed Project is being considered alongside ADB and will likewise be prepared in accordance with ADB's Safeguard Policy Statement (SPS). Based on preliminary information and due to the limited number of potentially adverse environmental and social impacts, none of which are unprecedented or irreversible, the Project has been tentatively assigned Category "B" subject to further availability of transmission line alignment and ESIA in accordance with the AIIB ESP and consistent with ADB SPS. E&S Categorization will be finalized following the due diligence by the Bank and coordination with ADB counterparts, prior to the final review.

Environmental Aspect. A draft critical habitat screening report has been shared. A list of 31 species have been screened as a critical habitat candidate species out of which 2 species are believed to be likely critical habitat trigger. Detailed critical habitat assessment (CHA) is awaited. If CHA is triggered, a tailored biodiversity management plan will be developed and the E&S categorization for the Project will also need to be re-considered. An Environmental and Social Due Diligence (ESDD) is underway following an Environment and Social Impact Assessment (ESIA) study in accordance with AIIB's ESP. It is important to assess the adverse impacts during construction of this project which will include change of land use, soil erosion and contamination, solid wastes, water use for construction and workers, air pollution, noise, occupational health and safety (OHS) and community health and safety issues. The Environmental and Social Management Plan (ESMP) to be included should suggest mitigation measures to address the potential negative impacts, labor and OHS issues. It also elaborates the ES management system of Borrower, the role and responsibilities of concerned department in Borrower, reporting and documentation requirements, and training programs and capacity building for this Project.

Climate Change Risks and Opportunities. The Project is expected to contribute to Gol's renewable energy target to achieve net zero carbon emissions by 2070 and to meet 50% of its electricity needs from renewable sources by 2030. The Bank team will work with ADB counterparts to ensure the analysis of climate change mitigation and adaptation in relation to the Project will be carried out and the greenhouse gas emission reduction throughout the life cycle of the Project will be quantified. Climate change risks such as flooding and onshore category 1 storms likelihood should be discussed in the ESDD and ESIA report as well as the design planning to minimize the risk should be included.

Social Aspects. The Project footprint is 2000 acres ($\pm 10\%$ based in site constrains) along with the transmission line roughly [500] m in length. Detailed breakdown of land requirement for Project components is not available at this stage. Land acquisition process should follow the requirements of AIIB's ESS2 on Involuntary Resettlement. Land details, title holders and transmission line routes are not available as of now. Due diligence and ESIA should confirm present status of land procurement as well as corresponding social impacts arising from project activities.

	<p>Occupational Health and Safety, Labor and Employment Conditions. The E&S instruments used for the Project will include requirements to identify and mitigate potential health, safety, social and environmental hazards in all Project activities that pose a risk to employees and may also have the potential for disruption of site works. In addition, all suppliers and contractors will be advised of the importance of implementing appropriate management measures to identify and address issues related to the environmental and social provisions of the E&S Instruments for the Project, including labor and working conditions and health and safety matters. Compliance with the E&S Instrument for the Project is an essential part of the contract document with suppliers and contractors. This compliance as well as representations and warranties to be provided to the Borrower by suppliers and contractors will be reflected in relevant contracts.</p> <p>Stakeholder Engagement, Consultation, Monitoring and Information Disclosure. The due diligence will confirm the level of consultations undertaken with Project community, project-affected people (PAPs) and other stakeholders. E&S monitoring and reporting arrangement will be determined by the client during ESDD. The E&S documentation, including ESIA and ESMP, will be prepared and disclosed timely in English language and the Executive Summary or equivalent in local language(s) by Sponsor both online and made available in hard copy in the Project area. The links to these documents will also be posted on the Bank's website.</p> <p>Project-level Grievance Redress Mechanism (GRM). Due diligence and ESIA will confirm establishment of a multi-tier Grievance Redress Mechanisms (GRMs) by the client for PAPs and Project contracted workers. The information of established GRMs and the Bank's Project-affected People's Mechanism (PPM) will be timely disclosed in English and local language(s) in an appropriate manner.</p>		
Cost and Financing Plan	<p>The total project cost is approximately USD274 million.</p> <p>The total Project cost will be financed in a debt-to-equity ratio of 73:27. AIIB is considering a loan up to USD 95 million with balance debt being considered by ADB.</p>		
Borrower	Enren Energy Private Limited		
Sponsor	Solairedirect Energy India Private Limited (SEIPL)		
Estimated date of last disbursement	Q3 2024		
Contact Points:	AIIB	ADB	Sponsor

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Date of Concept Decision	June 14, 2023		
Date of Appraisal Decision	To be decided		
Estimated Date of Financing Approval	To be decided		

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the Bank 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 its ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or the processes of the Bank'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
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