

## **Project Summary Information**

	Date of Document Preparation: March 7, 2025		
Project Name	SchneiTec 150 MW Solar PV Power and BESS Project (the Project)		
Project Number	P000926		
AllB member	Kingdom of Cambodia (Cambodia)		
Sector/Subsector	Energy/ Renewable Energy Power (Solar)		
Alignment with AllB's thematic	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization		
priorities			
Status of Financing	Under Preparation		
Objective	The objective of the Project is to increase the solar photovoltaic (PV) power generation in Cambodia.		
Project Description	The Project involves the development, construction, operation, and maintenance of a 150 megawatt (MW) solar PV power plant and 30 MW battery energy storage systems (BESS) located in Pursat Province, Cambodia.		
Expected Results	The results of the Project will be measured through: (a) annual generation of renewable energy (GWh per year); and (b) greenhouse gas emission avoidance (thousand tons of CO <sub>2</sub> equivalent per year).		
Environmental and Social Category	Category B+, as per Deutsche Investitions- und Entwicklungsgesellschaft's (DEG's) Environmental and Social Policy which adopt the International Financial Corporation (IFC) Performance Standards, equivalent to Category A if the Asian Infrastructure Investment Bank (AIIB or the Bank) Environmental and Social Policy (ESP) were applicable.		
Environmental and Social Information	<b>Applicable Policy and Categorization.</b> The Project's environmental and social (ES) risks and impacts will be assessed in accordance with DEG's Environmental and Social Policy (ESP), using the common approach based on its material consistency with AIIB's ESP. DEG's ES Standards refer to the ES Standards of the European Development Finance Institutions (EDFI), IFC Performance Standards (2012) and the World Bank's Environmental, Health and Safety Guidelines, International Labor Organization (ILO) Core Labor Standards, Policy statement of KfW and its subsidiaries on human rights (including the German Supply Chain Due Diligence Act). DEG's ES Standards are found to be consistent with the Bank's Articles of Agreement and with the provisions of AIIB's ES Exclusion List (ESEL) and relevant ES Standards. The Project is classified as a Category A based on the results of a draft Environmental and Social Impact Assessment (ESIA).		
	<b>Environmental and Social Instruments.</b> The Borrower prepared the draft ESIA following the IFC Performance Standards as the Reference Framework. The ESIA also includes a non-technical summary of ESIA (NTS), an ES Management and Monitoring Plan (ESMMP), and a Stakeholder Engagement Plan (SEP). An initial brief red flag analysis was conducted by		

an independent consultant to assess critical ES risks of the Project. The Lender's ES Advisor (LESA) was engaged to conduct an Environmental and Social Due Diligence (ESDD) of the Project, to review the draft ESIA, and assess the adequacy of the Borrower's Environmental and Social Management System (ESMS). The gap analysis conducted as part of the ESDD process has resulted in an Environmental and Social Action Plan (ESAP), consisting of ES time-bound mitigation actions to be carried out by the Borrower to address the Project's ES risks and impacts in compliance with DEG's ES Standards.

**Environmental Aspects.** The Project will support the production of renewable energy through solar power and BESS in Cambodia, thereby mitigating the issues associated with power scarcity and intermittent energy supply to the national grid and reducing the greenhouse gas emissions. However, the Project could potentially have adverse environmental impacts, if not managed carefully. Potential adverse environmental impacts from construction and operation activities include (i) biodiversity impact on the proximal community fish refuge, (ii) potential flooding in surrounding areas due to the diversion of streamflow from a cut-off creek that traversed the Project site, (iii) disturbance to local traffic and community health and safety, (iv) contamination of surface water, soil and groundwater due to stormwater and sedimentation runoff and increased water demand for solar PV panels cleaning, (v) erosion of open areas around the project site that may lead to unstable slopes, (vi) waste from construction-related noise and dust impacts, and (viii) relevant potential environmental impacts from associated facilities (if determined during the final ESDD) such as access roads, substations, transformers, and transmission lines. The project's ESAP will include measures to address the key ES impacts including Borrower's commitment to develop and implement relevant ES management plans and policies.

**Social Aspects.** The Project has provided significant benefits to nearby communities through employment generation for both men and women. As the Borrower has completed construction during the ESDD review process, attention was paid to assessing if the Project involved any social risks related land acquisition and resettlement. Following discussions with community members and local authorities, both the ESIA and ESDD reports confirm that land acquisition was carried out on a voluntary basis, using a willing buyer/willing seller approach. The reports also indicate that there are no legacy issues or ongoing complaints relating to land acquisition. As construction was due to complete, the ESDD proposed priority measures to enhance labor and working conditions, safety of workers and community nearby. The risks of sexual exploitation and abuse/sexual harassment was equally assessed as low, as the Project mostly employed local labor within the local communities. Moving forward, the ESDD report proposes measures for the Borrower to enhance the Borrower's ESMS at the company and operations and maintenance levels that shall also apply to its contractors.

**Gender Aspects.** The review of the Borrower's ESMS has resulted in actions proposed for the Borrower to integrate gender into the Project. This includes the requirement for the Borrower to provide local communities, particularly women groups, with employment and skill training opportunities. The draft ESAP also proposes measures to strengthen the Borrower's Human Resources Policy and Manual, by ensuring that policy shall take into account key requirements in line with the IFC Standards, such as equal treatment of workers, anti-harassment and gender-based violence, as well as worker's grievance mechanism.

**Occupational Health and Safety, Labor and Employment Conditions.** The ESDD reviewed the health and safety plans and procedures of the Borrower and proposes measures to address risks related to labor and working conditions and occupational health and safety. These measures include the need for the Borrower to development and enhance a Human Resource Policy, Code of Conduct, occupational health and safety plan, and emergency response plan. The risks related to labor and working conditions in the supply chain were part of the DEG's due diligence process. Additional actions would be carried out by AIIB, as part of the Bank's due diligence of the labor and working conditions in the supply chain. Appropriate representations and warranties related to labor and working conditions will be included in the finance documents and incorporated in Project contract.

**Stakeholder Engagement, Information Disclosure, and Project Grievance Redress Mechanism.** Consultations were carried out with relevant stakeholders as part of the ESIA and ESDD process. Feedback from local communities and local authorities confirms that they are happy with the project that has driven local employment and thus economy. The consultation results also confirm that no injuries, violence, or harassment have been reported in relation to the Project. The ESIA in English, alongside its NTS in Khmer, which includes information about Project-level Grievance Redress Mechanism (GRM), will be disclosed on AIIB's and the Borrower's websites respectively.

**Project Grievance Redress Mechanism (GRM**). The Borrower has established a Project-level GRM in accordance with applicable ES policy requirements. The ESDD will review the records of public consultations and the setting up of Project-level GRM. The Project Team's field mission will also assess the status of Project-level GRM for internal and external stakeholders, including GRM for workers, to align the mechanism's implementation with the Reference Framework of IFC PS. The information of established GRM and AIIB's Project-affected People's Mechanism (PPM) will be timely disclosed to local communities in an appropriate manner.

**Monitoring and Supervision Arrangements.** The Borrower will be responsible for the implementation of the Project. Qualified ES staff will be engaged to monitor the implementation of ESMPs. The lenders' ES advisor (LESA) will be engaged

	to monitor the ESAP implementation of the Project. Monitoring reports will be prepared by the Borrower and LESA based on agreed format and frequency to be submitted to DEG/AIIB for review. The Bank's ES Specialists will join the lenders'			
	group's field-based ES monito	oring missions, as necessary.		
Cost and Financing	The total project cost is approximately USD169 million, of which the proposed AIIB loan is up to USD40 million. The			
Plan	remaining project costs will be funded by the shareholder of the Borrower and other financial institutions, including DEG.			
Borrower	SchneiTec Beyond Co., Ltd			
Sponsor	Mr. Heng Socheat			
Estimated date of	Q3 2025			
last disbursement				
Contact Points:	AIIB		DEG	Borrower
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Date of Concept Decision	December 20, 2024			
Estimated Date of	Q2 2025			
Appraisal Decision				
Estimated Date of	Q2 2025			
Financing				
Approval				

Independent	AIIB's policy on the PPM applies to the Project. The PPM has been established by the AIIB to provide an opportunity for an			
Accountability	independent and impartial review of submissions from Project-affected people who believe they have been or are likely to			
Mechanism	be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns			
	cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. For information on the			
	PPM, please visit https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-			
	you/index.html			

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