



Project Summary Information

Date of Document Preparation/Updating: 25 th February 2025	
Project Name	Nukus II 200MW Wind and BESS Project
Project Number	P000905
AIIB member	Uzbekistan
Sector/Subsector	Energy
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	To increase the renewable energy generation capacity through the construction of a 200MW wind power plant and 100MWhr Battery Energy Storage System in the Republic of Uzbekistan.
Project Description	<p>The project involves the development, construction, and operation of a wind power plant of 200MW capacity, a 100MWhr Battery Energy Storage System (BESS), expansion of a 220kV switching station and 2x42 km double circuit 220kV Overhead Transmission Line (OHTL) connecting to an existing grid substation. The proposed project site is in the Karatau mountain region in Beruniy and Qorao'zak Districts in Karakalpakstan, Northwestern Uzbekistan.</p> <p>A 25-year PPPA has been awarded to ACWA through a competitive tender and signed on March 28, 2024, with the National Electric Grid of Uzbekistan (NEGU) as the Public Partner (off taker). A project SPV – Private Partner (ACWA Power Beruniy Wind FE LLC) has been established and will serve as the borrower for the respective plant.</p>
Expected Results	<p>The preliminary indicators to measure the expected results from the Project are presented below:</p> <ul style="list-style-type: none"> (i) Annual electricity generation from renewable energy (GWh) (ii) Avoided GHG emissions (tCO₂eq/year) (iii) Installed generation capacity (MW) (iv) Private Capital Mobilized (USD million).
Environmental and Social Category	B

Environmental and Social Information	<p>Applicable Policy and Categorization. AIIB's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), will apply to this Project. ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) are applicable to the ES aspects of the Project. The Project includes development of wind turbines, battery energy storage system and 220 kV overhead transmission line (OHTL), Category B is assigned as the Project will have a limited number of potentially adverse environmental and social impacts during construction and operation phases. Asian Development Bank (ADB) is considering participating in the financing as a senior lender (project finance) and they have categorized as B for environment and B for involuntary resettlement.</p> <p>Environmental and Social Instruments: The client has prepared an Environmental and Social Impact Assessment (ESIA) including Environmental and Social Management Plan (ESMP), non-technical summary of the ESIA (NTS), stakeholder engagement plan (SEP) and is currently finalizing the Land Acquisition and Livelihood Restoration Plan (LALRP). Critical Habitat Assessment (CHA) for the Project has been carried out and biodiversity management measures have been prepared. Lenders' Environmental and Social Advisor (LESA) hired by the Project carried out environmental and social due diligence (ESDD) and reviewed the project ES documents as well as the client's ES management capacity. The ESDD report and draft environmental and social action plan (ESAP) prepared for the Project will be finalized before the Project approval.</p> <p>Environmental Aspects: The environmental impacts linked with the construction phase include increased dust levels, gaseous emissions, noise and vibration, generation of solid waste and hazardous waste, wastewater, soil contamination, traffic impacts and occupational health and safety impacts. The mitigations measures have been prepared and will be implemented to manage the construction phase impacts. CHA concluded that critical habitat (CH) is triggered for Bukhara Red Deer and Common Crane. The Lower Amu Darya State Biosphere Reserve (LADSBR) is known to hold the largest remaining concentration of this endangered subspecies. The Common Crane was not observed during the spring, 2024 vantage point (VP) surveys conducted along the Project's OHTL route. However, notable sightings of these species were recorded at the Nukus I wind farm. Therefore, a Biodiversity Action Plan (BAP) will be developed prior to the start of construction activities to achieve net gains for biodiversity values for which CH was identified. During the assessment 36 species were identified as Priority Biodiversity Features (PBFs), for which mitigation measures were also developed to attain No Net Loss (NNL) of biodiversity. Detailed biodiversity management measures are included in the ESIA. The environmental impacts during the operational phase of the wind project include bird and bat collision-related fatalities, noise, electrocution of birds within the overhead transmission line footprint, generation of waste, and spills and leaks during maintenance activities. The mitigations measures are included in the ESIA and detailed plans to manage operational phase impacts will be prepared as part of the operational phase ESMP.</p>
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Social Aspects: The entire land in Uzbekistan as per the country law belongs to the government. The Wind Farm (WF) and the OHTL will require land acquisition of around 103 Ha. According to the census conducted in 2024, the Wind farm and OHTL will impact a total of 39 households, 6 will be impacted by the WF and 33 by the OHTL. The project will not cause any physical displacement. These land users include 6 state organizations (e.g., Beruniy district Municipality), agricultural enterprises, individual farmers, owners of commercial and residential land plots as well as informal herders. The project will result in the impact of two commercial and 7 residential plots. ESIA assessed loss of wages by the agriculture farm workers. The number of workers on the impacted agricultural farms varies depending on the season, such as during harvesting or planting periods. However, the livelihoods of engaged workers are not expected to be impacted, as the impacts on those lands are anticipated to be low. There are only 3 females headed HH within the impacted land plots. A total of 25 households have been categorized as vulnerable as per the definition agreed for vulnerable households. As part of the LALRP, a comprehensive Livelihood Restoration Program has been developed. Under this program, affected households, severely impacted PAPs, and vulnerable groups including women, youth, and persons with disabilities will be eligible for livelihood restoration support in addition to the compensation they receive.

Gender Aspects. The Project provides an opportunity to advance gender equality by promoting women’s employment and empowerment. The SPV and EPC contractor are committed to hiring local workers, including individuals from vulnerable groups. Additionally, a Women’s Talent Development Program will be established to support at least 20 women with training and counseling aimed at advancing their professional careers, particularly in supervisory and managerial roles. The ESIA study identified several potential impacts of the Project that may disproportionately affect women and has proposed mitigation measures to address those impacts. These mitigation measures, along with other actions to address gender-related risks, will be detailed in the Gender Action Plan (GAP) and incorporated into other environmental and social management plans.

Occupational Health and Safety, Labor and Working Conditions: The construction workforce will consist of both skilled and semi-skilled laborers, with the EPC contractor required to prioritize local employment opportunities to promote community involvement and economic benefits. The project will involve occupational health and safety (OHS) risks typically associated with construction activities. These include, but are not limited to, collisions with moving machinery and vehicles, Hazards related to the use of explosives and hazardous chemicals, Risks of electric shock, mechanical and load-handling accidents, Exposure to noise, dust, and chemical vapors. To address these risks, mitigation measures have been outlined in the ESMP. Additionally, the SPV, EPC contractor, and O&M contractor will be required to prepare and implement a comprehensive LWCMP. This plan will ensure non-discrimination and equal opportunities in employment, GBVH risk management, provisions for managing migrant labor safety protocols are in place to protect workers and minimize risks during construction and operational phases. The plan will also include training, monitoring, and emergency response measures to promote a safe and healthy working environment.

	<p>Stakeholder Engagement, Consultation and Information Disclosure: As part of the scoping phase and the preparation of the ESIA and the LALRP, a SEP was developed. This plan includes a detailed mapping of relevant primary and secondary stakeholders, such as individuals, groups, and institutions impacted by or interested in the project. Additionally, a final consultation with affected households will be conducted with the specific objective of disclosing and gathering feedback on the LALRP entitlement matrix to ensure it adequately addresses community needs and concerns. The SEP will need to be updated to address stakeholder engagement requirements during the construction and operational phases of the project. All relevant ES documents, prepared in both English and summaries in the local language will be disclosed in-country via ACWA Power and on AIIB's website, hard copies of the documents in the vernacular language will be made available at the project site for the benefit of local communities and stakeholders, ensuring ease of access and informed participation in the process.</p> <p>Project Grievance Redress Mechanism (GRM). A GRM has been established for the scoping and preparation phase of the project. GRM includes key principles, scope and detailed procedures along with a process flow and timeline for addressing grievances promptly. The GRM also allows for anonymous grievances to be processed and facilitates the Project-affected peoples (PAPs) to submit their grievances arising from the land and other asset compensation or any other issues in relation to the Project. During the construction and operational phases of the project, the SPV, EPC contractor, and O&M company will be required to develop and implement a Project-specific Workers' Grievance Mechanism. The information of established GRMs and Bank's Project-affected Peoples Mechanism (PPM) will be timely disclosed in an appropriate manner.</p> <p>Monitoring and Supervision Arrangements: The SPV will hire qualified ES staff to monitor the implementation of ES management plans. EPC contractors will also deploy ES staff to implement the ES management plans at the Project sites. LESA will be engaged to monitor the ESAP implementation during the construction and operation stages of the Project. Monitoring report will be prepared based on agreed format semi-annually during construction and operational phases and will be submitted to AIIB for review by the client and LESA. The Bank's ES Specialists will join the lenders' group's field-based ES monitoring missions, as necessary.</p>
Cost and Financing Plan	<p>Estimated Project cost: USD265 million.</p> <p>AIIB senior secured loan up to USD75 million.</p>
Borrower/Investee Company/Counterparty/Guaranteed entity	ACWA Power Beruniy Wind FE LLC

Implementing Entity/Sponsor	ACWA Power		
Estimated date of last disbursement (NSBF)	Q2 2026		
Contact Points:	AIIB	AIIB	Implementation Organization/Sponsor
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Date of Concept Decision	07/25/24		
Estimated Date of Appraisal Decision	March 2025		
Estimated Date of Financing Approval	Q1 2025		

Independent Accountability Mechanism	<p>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 Policy in situations when their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. Information on AIIB's PPM is available at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</p>
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