

**CLIMATE FUND MANAGERS**  
Fund Manager to the Climate Investor One Funds

A photograph of three wind turbines silhouetted against a sunset sky with orange and blue hues. The turbines are partially obscured by a thick layer of white mist or clouds at the bottom of the frame.

**Project Disclosure**



## Who is our prospective client?

Climate Investor One (“CI One”) is considering an investment opportunity with Samtan Co Ltd (“Samtan”) in the development of 18 wind turbines totalling 78 MW near-shore Hiep Thanh Wind Power Plant (the “Project”) located in Hiep Thanh, Tra Vinh province, South Vietnam. The project site is in proximity to the Tra Vinh wind farm (“Tra Vinh I”) currently being developed by CIO. The Project is owned by Ecotech Tra Vinh Renewables Joint Stock Company (“Ecotech”) and is included in the Government’s Wind Power Master Plan of Tra Vinh Province. The Project is expected to start operation by the end of 2020.

## What is the funding objective?

CI One’s investment will be used to finance the construction of the Project, which will support the government’s ambition of reducing reliance on fossil fuels, hydropower and energy imports through the implementation of renewable energy projects. As electricity demand in Vietnam is significantly increasing, the government has stipulated ambitious goals for the wind and solar sector and in 2016 revised Vietnam’s renewable energy targets. Targeted capacity for wind is 800 megawatts (MW) by 2020, 2,000 MW by 2024 and 6,000 MW installed by 2030. To reach these goals, the government will need to take measures to expedite wind development and encourage independent power producers into the market with new sources of funding to finance the country’s transition.

## Why do we want to fund this project?

The Project is a priority for the Government of Vietnam to meet its targets for wind power. The Project will generate an estimated 295.4 gigawatt hours per year (GWh/year) of renewable power, which will be transferred to the national electricity grid and will provide up to 180,975 people with clean energy. This generation will result in annual avoided greenhouse gas emissions of 123,537 tonnes of equivalent carbon dioxide each year (tCO<sub>2</sub>eq year). The Project will have a high development impact in terms of local sustainable development and will contribute towards Vietnam working towards the Sustainable Development Goals of the United Nations (UN SDGs). Key contributions will be the provision of additional renewable energy capacity and creation of employment which is particularly important as the Project is located in a remote area where there are limited opportunities for employment.

## What is the environmental and social (E&S) rationale?

The E&S risk of the project has been classified as category B+ (in accordance with CIO’s risk categorisation), which is equivalent to International Finance Corporation (IFC) Category B. An environmental impact assessment (EIA) to meet Vietnamese requirements has been completed and approved. An IFC-compliant environmental and social impact assessment (ESIA) is currently being completed. Land acquisition is being undertaken as per Vietnamese law by the government. With Tra Vinh I, the Project is expected to deliver a greater impact in relation to CIO’s Community Development Programme for the Tra Vinh community. This is due to the aligned and coordinated interventions in one region, which is likely to more than double CIO’s resources to implement its CSR initiatives.