

Results of Environmental Review

- (1) Reference Number
22-007
- (2) Project Name
Wind power project
- (3) Project Site
Sekong province, Attapeu province, Laos
- (4) Project Outline
Wind power project
- (5) Category
A
- (6) Reason of Categorization
The project falls into the large-scale overhead electrical power transmission lines sector and includes sensitive characteristics and is also located in a sensitive area under the Environmental Guidelines.
- (7) Environmental Permission / Approval by the Environmental Authority
An environmental and social impact assessment report has been prepared in accordance with the country's legislation and an environmental permit has been granted by the environmental authorities in July 2022.
- (8) Pollution Prevention
Appropriate measures have been planned to address pollution including waste, soil contamination and noise.
- (9) Natural Environmental Considerations
The project site overlaps with important natural habitats and endangered species are observed. However, no significant impacts are foreseen because a biodiversity action plan including offsets is developed and various mitigation measures will be taken.

(10) Social Considerations

Although economic displacement is involved, appropriate consultation and compensation are to be provided for project affected people, and livelihood restoration assistance is planned.

Appropriate measures including cultural heritage management have been identified to address other social impacts.

(11) Applied International Standards

IFC Performance Standards

(12) Monitoring

Environmental Monitoring Plan has been prepared, and monitoring result is to be reported to the environment authorities.

(end)

Questions

Q1. Please provide the address of the project site.

Address of the project site: The Project is located in the Sekong and Attapeu provinces in southern Lao PDR (15° 19' 21.509" N, 107° 8' 18.516" E).

Q2. Please provide brief explanation of the project.

The Project involves the development, financing, construction, operation and maintenance of a 600MW wind farm project located in Lao PDR under a 25-year Concession Agreement with the Government of Lao PDR. The electricity generated from the Project will be sold to Vietnam under a 25-year Power Purchase Agreement with Vietnam Electricity.

Q3. Will NEXI insurance be applied to a new project or an executing project? In case of an executing project, please inform of strong claims by stakeholders such as local residents, as well as improvement guidance or cessation orders for construction work / operations, from environmental authorities.

- | | |
|---|--|
| <input checked="" type="checkbox"/> New Project | <input type="checkbox"/> Executing Project (with Claim etc.) |
| <input type="checkbox"/> Executing Project (without Claim etc.) | <input type="checkbox"/> Others (Please specify) |

Q4. In case of this project, is it necessary to execute Environmental and Social Impact Assessment (ESIA) based on the laws or regulations of the country where the project is to be implemented? If necessary, please inform the progress of ESIA.

- | | |
|---|--|
| <input type="checkbox"/> Required (Completed) | <input checked="" type="checkbox"/> Required (Under execution or under planning) |
| <input type="checkbox"/> Not Required | <input type="checkbox"/> Others (Please specify) |

Q5. In case that ESIA is already completed, please inform whether ESIA report is already approved based on the environmental and social assessment system of the country where the project is to be implemented or not. If ESIA report is already approved, please provide the date and name of authorities of the approval.

- | | |
|--|---|
| <input type="checkbox"/> Approved (without condition) | <input type="checkbox"/> Approved (conditional) |
| <input checked="" type="checkbox"/> Under approval process | <input type="checkbox"/> Others (Please specify) |

Date of Approval: June, 2022

Name of Authorities: Ministry of Natural Resources and Environment

Q6. If environmental and social permit(s) other than ESIA is required, please provide the name of required permit(s). Have you obtained required permit(s)?

- | | |
|--|---|
| <input type="checkbox"/> Obtained | <input type="checkbox"/> Required, but not obtained yet |
| <input checked="" type="checkbox"/> Not required | <input type="checkbox"/> Others (Please specify) |

Name(s) of required permit(s): _____

Q7. Will the insurance be used for the undertaking that cannot specify the project at this stage (e.g. export or lease of machinery that has no relation with specific project, or Two Step Loan that cannot specify the project at the time of loan agreement)?

No (The Project can be specified)

If you answered "Yes", it is not necessary to reply to the following questions.

If you answered "No", please reply to the following questions.

Q8. Are there any environmentally sensitive area(s) shown below in and around project site(s)?

Yes

If you answered "Yes", please select applicable items by marking, and reply to the following questions.
If you answered "No", please reply to the questions 9 and after.

- ☒ (1) National parks, nationally-designated protected areas (coastal areas, wetlands, areas for ethnic minorities or indigenous peoples and cultural heritage, etc. designated by national governments)
- ☒ (2) Forests with important ecological value (including primary forests and natural forests in tropical areas)
- ☒ (3) Habitats with important ecological value (including coral reefs, mangrove wetland and tidal flats)
- ☒ (4) Habitats of rare species requiring protection under domestic legislation, international treaties, etc.
- ☐ (5) Areas in danger of large-scale salt accumulation or soil erosion
- ☐ (6) Areas with a remarkable tendency towards desertification
- ☐ (7) Areas with unique archaeological, historical or cultural value
- ☒ (8) Areas inhabited by ethnic minorities, indigenous peoples or nomadic peoples with traditional ways of life (including areas which are used for cultural or spiritual purposes) and other areas with special social value

Q9. Does the project involve following characteristics?

Yes

If you answered "Yes", please describe the scale of applicable characteristics, and reply to the questions 10 and after.

If you answered "No", please reply to the questions 11 and after.

- ☒ (1) Involuntary resettlement and/or loss of means of livelihood (Number of affected people: 14 households)
- ☐ (2) Pumping of groundwater (Scale: m3 /year)
- ☒ (3) Land reclamation, development and/or clearing (Scale: 150 ha)
- ☒ (4) Deforestation (Scale: 150 ha)

Q10. Under the environmental and social impact assessment system of the country where the project is to be implemented, do the applicable characteristics from (1) – (4) of the questions 9 and their scale serve as basis for executing an ESIA for the project?

- ☒ They do ☐ They do not
- ☐ Others (Please specify)

Q11. May the project involve significant social impacts?

No

If you answered "Yes", please describe the outline of the impacts, and reply to the questions 12 and after.
If you answered "No", please reply to the questions 12 and after.

- ☐ The likelihood of severe project-related human rights impacts ()
- ☐ Others ()

Q12. Will the value insured by NEXI in the export, loan or investment project be equal or less than 5% of the total project cost, or equal or less than SDR 10 million? (In the case of additional support for a past project, this shall be the accumulated total amount)

No

If you answered "Yes", it is not necessary to reply to the following questions.
If you answered "No", please reply to the questions 13 and after.

Q13. Does the project belong to either of the sectors that impact on the environment and society is deemed immaterial or is not anticipated under normal conditions (e.g. maintenance of the existing facilities, non-expansionary renovation project, and acquisition of rights and interests without additional capital investment)?

No

If you answered "Yes", it is not necessary to reply to the following questions.
If you answered "No", please reply to the questions 14 and after.

Q14. Does the project belong to the following sectors?

Yes

If you answered "Yes", please specify the sector by marking, and reply to the questions 15 and after.
If you answered "No", it is not necessary to reply to the following questions.

- ☐ (1) Mining
- ☐ (2) Oil and natural gas development
- ☐ (3) Pipelines
- ☐ (4) Iron and steel (projects that include large furnaces)
- ☐ (5) Non-ferrous metals smelting and refining
- ☐ (6) Petrochemicals (manufacture of raw materials; including complexes)
- ☐ (7) Petroleum refining
- ☐ (8) Oil, gas and chemical terminals
- ☐ (9) Paper and pulp
- ☐ (10) Cement plants (including a greenfield quarry)
- ☐ (11) Manufacturing and transport of toxic or poisonous substances regulated by international treaties, etc.
- ☐ (12) Thermal power
- ☐ (13) Nuclear power
- ☐ (14) Hydro power, dams and reservoirs
- ☒ (15) Power transmission and distribution lines involving ~~large-scale involuntary resettlement, large-scale logging or submarine electrical cables~~
- ☐ (16) Roads, railways and bridges
- ☐ (17) Airports
- ☐ (18) Ports and harbors
- ☐ (19) Sewage and wastewater treatment having sensitive characteristics or located in sensitive areas or their vicinity
- ☐ (20) Waste management and disposal
- ☐ (21) Agriculture involving large-scale land clearing or irrigation
- ☐ (22) Forestry
- ☐ (23) Tourism (Construction of hotel, etc.)

Q15. Please provide information on the scale of the project (project area, area of plants and buildings, production capacity, amounts of power generation, etc.) Further, please explain whether an execution of EISA is required on account of the large scale of the project in the country where the project is implemented.

The Project requires approximately 1,050 hectares of land, including 580 hectares of permanent land for the Project's facilities and 470 hectares for the Right of Way of the Transmission Line. The Project will utilize approximately 150 wind turbines and have an aggregate generating capacity of 600MW. Based on historical on-site wind data, forecast P50 net power generation output is 1,707 GWh per year (excluding curtailment).