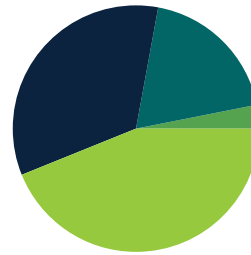


Coc San Hydropower Project

Context

Electricity demand in Vietnam is growing **15% annually**, and the country is committed to developing generation of renewable energy and establishing a competitive electricity market.



Vietnam Power Profile 2016



29.7MW run-of-river plant located in Lao Cai Province, Vietnam.

- First foreign direct investment in Hydropower in Lao Cai
- Part of Provincial Power development plan aiming to reach 1,000 MW by 2020.

What InfraCo Did

By providing development expertise and funding of **US\$7.54M**, InfraCo Asia enabled the financing and completion of a **US\$49.9M** Hydro Power project.

Early work in the Coc San project stalled in 2011 when initial capital was expended and the project company was unsuccessful in securing long-term debt financing.

InfraCo Asia was able to overcome the project company's difficulty in securing financing and address due diligence and safeguard issues that were exacerbated by adverse macro-economic conditions at the time.

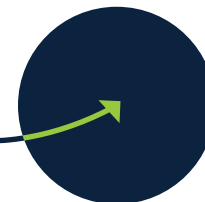


Having shortlisted the project in 2012, IAD took a majority stake in LCRE through its then wholly owned subsidiary Viet Hydro Pte. Ltd. and led in the development of the project through to achieving financial close in December 2014 and commercial operation in April 2016.



As construction of the substantially de-risked project neared completion, private sector investor NEXIF Energy, funded by Denham Capital, acquired a majority stake in Viet Hydro and diluted InfraCo Asia.

US\$7.54M
InfraCo Asia



US\$49.9M
Total
Project Value



We're very proud to have taken a project that had run into distress to a point where it is commercially viable and is now successful in operation.

Allard Nooy
CEO, InfraCo Asia



PIDG Support

InfraCo Asia is part of the Private Infrastructure Development Group (PIDG). PIDG's technical assistance facility allocated a one-off grant of US\$5M as viability gap funding and InfraCo Asia Investments contributed US\$10M at financial close. All PIDG funding was provided through Viet Hydro Pte. Ltd.

Development Impact



130,000
people benefit from reliable
and affordable power supply



76,000
tonnes carbon emission
reduced per annum

Iron | Mining | Copper
Fertilizer from Apatite Mines

Expansion
of industries



250 temporary jobs created in
Construction
35 permanent jobs sustained in
Operation

Environment & Community

Environmental studies carried out to World Bank standards have ensured the impact of the Coc San project – which is set amid beautiful terraced rice paddies – has been minimal. Little land has been lost to surrounding communities, and there has been no displacement of people. Shareholders in the Project have implemented two programs to support local people.

Community Development Program

Has so far achieved rehabilitation of three schools and the construction of an access road, enabling easier movement of farm produce. Preparations have been made for small-scale irrigation projects to assist crop diversification.

Livelihoods Restoration Program

Is designed to assist people whose land was impacted by the project to reinstate income-producing activities. This includes the provision of training in construction along with a project to improve crop yields, with support from local agricultural departments.

Scholarships are provided to enable children to attend school and purchase books and uniforms.

InfraCo Asia receives funding from the governments of Australia, Switzerland and the United Kingdom.



- InfraCo Asia
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- www.PIDG.org
- Private Infrastructure Development Group
- @pidgorg

“ We will benefit due to increased electricity reliability, which will support Industrial Zone developments and attract investments in mineral processing facilities to support existing mining projects.

Doan Van Huong
Former Chairman of the Lao Cai Provincial Peoples Committee

