



MINISTRY OF PLANNING AND INVESTMENT OF VIETNAM

FINANCING GREEN PROJECTS

Dr. PHAM HOANG MAI

Director General

Dept. of Science, Education, Natural Resources and Environment

GREEN PROJECTS

Type

- Renewable Energy
- Energy Efficiency
- Waste Treatment and Waste - to - Energy
- Urban Mass Transit
- Urban Resilience

Characteristics

- Small and Medium Size
- Owner Equity is small
- Governmental Financial Supports
- Not Well Developed Legal Frameworks

RENEWABLE ENERGY PROGRAM

| Name of the Project | Installed Capacity | Total Investment (million.USD) | Requested Bank Loan (million USD) |
|--|--------------------|--------------------------------|-----------------------------------|
| Thuan Nhien Phong Wind Powet Plant | 30 MW | 60.2 | 35.7 |
| Huong Linh 2 Wind Power Plant | 30 MW | 70.3 | 44.1 |
| Huong Linh 1 Wind Power Plant | 30 MW | 68.9 | 25.6 |
| Solar Power Plant Da Bac 2 | 48MW | 54.0 | 37.8 |
| Phuoc Thai 1 Solar Power Plant | 50 MW | 73.0 | 50.7 |
| Solar Power Project on the Da Mi hydropower resevoir | 47.5 MW | 62.0 | 41.4 |
| Tinh Bien 1 Solar Power Project | 50 MW | 41.9 | 29.3 |
| | 285.5 MW | 430.3 | 264.6 |

RENEWABLE ENERGY PROGRAM

1. Priority and ratings potential

- Top Priority
- **SDG 2030:** 7, 8, 12
- **NDC:** Wind Power 440kg Carbon/MwH; Solar Power 410 kg Carbon/MwH
- **Scale:** Small and Medium
- Owner Equity of 40%
- Governmental Financial Supports

2. Project and portfolio characteristics

- Modern Technology;
- Amount and source of revenue streams anticipated – Feed in Tariff;
- Location: Central & Southern Vietnam.

RISKS AND COSTS

Risks:

- Foreign Exchange Risk;
- Sovereign Risk + Institution Risk;
- Green Risks (i.e. Technology, Natural Conditions, Governmental Regulations)

Costs:

- Domestic refinancing (bank's deposit): 4-6,5%
- Management fees.



Market Lending rate: 9-11% for long-term loans

LOANS

Investment Fund, Fund
Loans



Loan and / or Investment
agreement

Commercial banks



Projects

Investment:

- Equipment
- Installation
- Services

Refinancing +
FX Back up +
institution risk

1-3%
Less than
market
refinancing

Governmental Financial
Organisations
(VDB, SBV...)

- Governmental
regulations;
- WB, JICA, GCF...



EQUITY INVESTMENT

