

# Sector Specific Guide

## Introduction

One of financial institutions' key roles is providing capital to support the development of economic and society through providing loan to or investment in project/ business entity. However, large scale project development could have negative impacts on the environment and society if it does not consider them since the project design and development. Therefore, SCB has developed following Sector Specific Guide:

- Alternative energy
- Dam
- Infrastructure
- Thermal powerplant

The Guides are designed to describe our approach for approaching sustainability risks within these sectors. They address the key environmental and social risks as well as outline the appropriate management approach.

SCB reviews the Guides annually in both the existing sector itself as well as necessity and readiness to introduce the Guide for additional sectors.



# Sector Specific Guide

## Alternative Energy

Alternative energy is expected to play a larger role in energy security of the nation including economic development. SCB commits to provide financial support for this type of project because its lower carbon footprint comparing to conventional energy.

### Boundary

- Photovoltaic (PV) power plant installed capacity from 10MW
- Waste-to-energy plant capacity from 10MW

### Key Environmental & Social Risks

#### Photovoltaic power plant

- Solid waste generation from disposed PV panel
- Social license to operate

#### Waste-to-energy plant

- Air pollutions
- Nuisance to local community
- Social license to operate

### Key Mitigation Measures

#### Photovoltaic power plant

- Waste management plan in place for appropriately disposal of PV panels
- Conducting at least a townhall meeting to communicate the project information and make a dialogue on community concerns and mitigation measures



# Sector Specific Guide

## Alternative Energy

### Waste-to-energy plant

- Application of Best Available Control Technology (BACT) for the plant design
- Waste storage room built as an enclosed system
- Conducting at least a townhall meeting to communicate the project information and make a dialogue on community concerns and mitigation measures





# Sector Specific Guide

## Dam

Water resource development project including dam generate so many benefits to humanity including irrigation, fishery, daily use, flood prevention and electricity generation. On the other hand, a large water resource development especially with large reservoir could impact to community and the environment. Therefore, the bank issues the following guides in case of providing loan to this type of project.

### Boundary

- Dam with reservoir volume from 100 million cubic metres
- Dam with reservoir area from 15 square kilometer

### Key Environmental & Social Risks

- Lost of natural habitat
- Lost of community land
- Social license to operate

### Key Mitigation Measures

- Conducting impact evaluation on terrestrial and aquatic flora and fauna
- Preparing resettlement plan for displaced community
- Conducting at least a townhall meeting to communicate the project information and make a dialogue on community concerns and mitigation measures

# Sector Specific Guide

## Thermal Power Plant

Electricity generation from thermal power plant is one of greenhouse emissions sources which contributes to climate change. However, thermal energy is still crucial for social and economic development of the country during the period which renewable energy is still be developed in term of reliability, security and affordability. Therefore, SCB provides financial support for a new thermal power plant that employs advance technology, has robust environmental management and complies with the following guidelines.

### Boundary

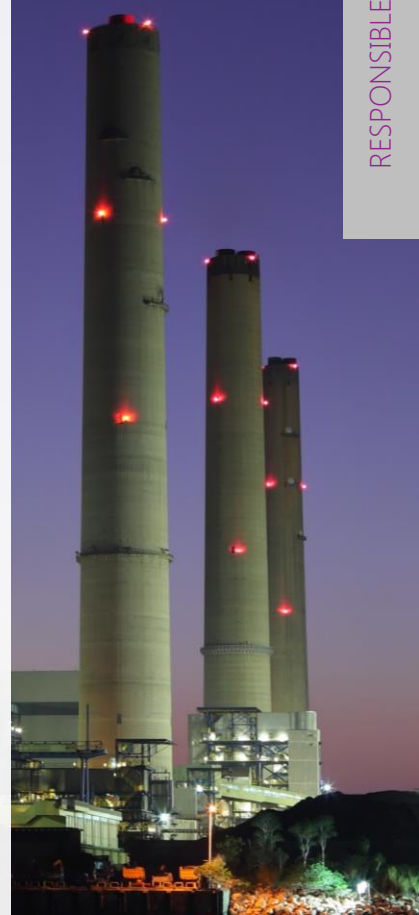
- All thermal power plant from 10 MW with an exemption of waste-to-energy power plant

### Key Environmental & Social Risks

- Air pollutions
- Greenhouse gas emissions
- Social license to operate

### Key Mitigation Measures

- Using mathematical model in evaluating air pollution impact
- Using Best Available Control Technology (BACT) for high efficiency power generation and greenhouse gas control
- Conducting at least a townhall meeting to communicate the project information and make a dialogue on community concerns and mitigation measures





# Sector Specific Guide

## Infrastructure

Infrastructure project such as rail or port could significantly contribute to economic and social development, directly and indirectly. However, this type of project is generally a large scale project which could have significant environmental and social impacts if managed not properly. Therefore, SCB issues the sector specific guide as follows

### Boundary

- All type of mass-transit rail project
- Port with capacity to accommodate 500 gross tonnage ship or port with from 100 metres

### Key Environmental & Social Risks

#### Mass transportation system by rail

- Air pollutions
- Noise and vibration
- Social license to operate

#### Port

- Water flow
- Waste water and water erosion
- Social license to operate

### Key Mitigation Measures

#### Mass transportation system by rail

- Assess potential impact from air pollutions during both construction and operation
- Assess noise level from the project at 50 meters including at sensitive receptors such as school or hospital and developing noise contour map

# Sector Specific Guide

## Infrastructure

### Mass transportation system by rail

- Conducting at least two townhall meetings to communicate the project information and make a dialogue on community concerns and mitigation measures

### Port

- Assess the change in water flow on erosion and sedimentation as the result from the project
- Collect sample of flora and fauna on to evaluate the impact from erosion
- Conducting at least two townhall meetings to communicate the project information and make a dialogue on community concerns and mitigation measures

