

November 16, 2017
Mizuho Bank, Ltd.

Rating Advisory Service Agreement for Vietnam Electricity
Signed with the World Bank

Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara, hereinafter “MHBK”) has signed an advisory service agreement for Credit Rating Readiness and Preparation for Vietnam Electricity (hereinafter “EVN”) with the World Bank. This project is funded and supported by the World Bank’s Global Infrastructure Facility (hereinafter “GIF”)*. MHBK is the first Japanese bank to sign an advisory service agreement for Credit Rating with the World Bank.

Demand for electricity in Vietnam has been growing steadily, backed by strong economic growth. Enhanced investment in the country’s power supply capacity is an important issue to meet increasing demand. EVN is the state-owned company in Vietnam which generates, transmits, distributes, and sells electric power in the entire country. EVN is looking to diversify its funding sources for raising investment capital to meet the targets set by the Government of Vietnam for installed power generation capacity in the country by 2030.

The World Bank has been supporting the Government of Vietnam and EVN on their power sector reform and infrastructure investment program through a combination of financing and advisory support. Thinking it necessary for EVN to obtain an international credit rating in order to access alternative sources of capital, including the international capital markets, the World Bank and GIF have supported EVN to appoint MHBK to act as a rating advisor to EVN.

Working together with the World Bank and GIF, MHBK will act as a consultant to provide strategic advice to help EVN in defining and articulating an overall credit rating strategy. More specifically, the scope of work of MHBK includes a business and financial review of EVN, assessment of information readiness for rating exercise and financial simulation, and provide guidance to the overall credit rating process.

MHBK will utilize its broad range of experience in corporate finance in supporting the further development of EVN, broadening its capital sources to support the enhancement of Vietnam’s power sector capacity, and thereby contributing to the development of economy and capital market of Vietnam.

* GIF is a partnership among governments, multilateral development banks, private sector investors, and financiers. It is designed to provide a new way to collaborate on preparing, structuring, and implementing complex projects that no single institution could handle on its own.