



Project Summary Information

Date of Document Preparation: February 8, 2024	
Project Name	Guangzhou Smart City Project Phase 1
Project Number	P000657
AIIB member	People's Republic of China
Sector/Subsector	Digital Infrastructure and Technology
Alignment with AIIB's thematic priorities	Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	To improve digital infrastructure available to the municipal government and operators of urban infrastructure in Guangzhou. This will result in improved monitoring and maintenance of urban infrastructure and municipal services, enhanced city operations and management and more informed decision-making for urban planning.
Project Description	The Project constitutes a smart city platform operation in Guangzhou, which will operate a green datacenter, smart city-related telecom network components, data analysis platforms and initial pilot smart city solutions relating to urban infrastructure and management.
Expected Results	<ul style="list-style-type: none"> • Expanded Connectivity: the Project will invest in telecom networks focused on connecting urban infrastructure; • Additional Data Storage and Processing Capacity: the Project will invest in a green datacenter, adding new data storage and processing capacity to Guangzhou; • Smart City Applications: the Project will implement initial pilot smart city applications involving the rollout of sensors to monitor the condition of urban infrastructure in Guangzhou, improving the ability to detect the requirements for and undertake maintenance of this infrastructure.
Environmental and Social Category	Category B

Environmental and Social Information	<p>Application of Bank's ESP and Categorization. The Bank's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL) are applicable to this Project. ESS 1 (Environmental and Social Assessment and Management) is triggered given the nature of the proposed Project activities. Since the Project will be constructed using existing structures/buildings, ESS2 Land Acquisition and Involuntary Resettlement are not applicable. In addition, the Project components are mainly within urban areas of the Guangzhou Municipality, where no ethnic minority groups are collectively attached to the Project areas. Therefore, ESS 3 Indigenous Peoples is not triggered. The Project is proposed as a Category B, considering the lack of land acquisition and limited scale of civil work, as well as the expectation that the Project's environmental and social (E&S) impacts will be manageable through mitigation measures and management tools.</p> <p>Environmental and Social Instruments. As a Category B Project, an Environmental and Social Impact Assessment (ESIA) and an Environmental and Social Management Plan (ESMP) have been prepared to cover the entire Project in accordance with AIIB's ESP. ESIA including ESMP documentation was disclosed both in English and Chinese by the Client in an appropriate manner and on AIIB's website.</p> <p>Environmental Aspects. The ESIA/ESMP prepared covers the following aspects based on the digital infrastructure nature of the project and taking into account that major project activities/construction will be undertaken in existing buildings/structures for device/equipment installation and interior decoration, including: (i) clear baseline information on what will be impacted and modified due to Project activities; (ii) impact assessment focusing on construction and operational phases, including occupational health and safety matters; (iii) provision of recommendations on measures to implement to avoid, minimize, mitigate, or compensate for adverse impacts; (iv) stakeholder engagement, especially with project affected peoples (PAPs) who were identified during the preparation of the ESIA/ESMP, including information and GRM disclosure in a meaningful manner throughout Project cycle; and (v) institutional arrangements for E&S management and monitoring during preparation and implementation.</p> <p>Social Aspects. The proposed Project's social impacts and risks should not be significant and the Project does not involve any land acquisition. Land use and property ownership due diligence was conducted and concluded that the previous land acquisition and resettlement have no legacy issues. As per the ESP requirements, a Social Impact Assessment (SIA) has been conducted within the ESIA process to consider vulnerable groups, community safety, gender-based violence (GBV), labor influx and labor conditions, traffic safety and stakeholder engagement. The SIA was used to enhance the Project's design by considering the inclusion of gender opportunities and promoting women's socioeconomic empowerment. Actions planned in ESIA/ESMP to address the health and safety concerns for communities and workers matters including preventing</p>
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	<p>Sexual Exploitation and Abuse and Sexual Harassment. In addition, compliance with the ESMP is an essential part of the contract document with contractors.</p> <p>Gender Aspects. Implementation of the Project should increase employment opportunities for women. During project preparation, a gender analysis identified gaps and prepared a Gender Action Plan (GAP) as part of the ESMP for this Project aiming to cover GBV, gender inclusion, and institutional capacity building. The PMO is to present a detailed smart city-related capacity building and awareness education programs that will be implemented for the Project organization and local communities. Targets will be made for female participation.</p> <p>Stakeholder Engagement. Stakeholder engagement through public consultation and focus group discussions have been carried out with various groups of stakeholders including project-affected peoples (PAPs), women and identified vulnerable groups as part of the preparation of E&S documents and continued throughout the project cycle. The stakeholder engagement aims to meaningfully and in a culturally appropriate manner through engaging PAPs and local communities to disseminate information about the Project, impacts, grievance mechanism and mitigation measures, in order to obtain feedback and suggestion on design related issues and the proposed mitigation measures. The ESMP includes a Stakeholder Engagement Plan (SEP), which analyzed the results of the sessions carried out so far and also outlined the future consultation and communication plan of the Project with various groups of stakeholders.</p> <p>Project Grievance Redress Mechanism (GRM) and the Monitoring. A Project specific GRM in line with AIIB's ESP has been established in the PMO to receive, acknowledge, evaluate and facilitate the resolution to complaints relating to E&S issues and propose corrective actions. A separate GRM has been also established to manage workplace complaints and concerns. These were undertaken using understandable and transparent processes that are gender responsive, culturally appropriate and readily accessible to all segments of the affected people. Information regarding the established GRMs and the AIIB's Project-affected Peoples Mechanism (PPM) have been disclosed in Chinese language through the PMOs' WeChat public account to the PAPs and other stakeholders. In addition, PMO will produce semi-annual progress reports of ES instruments based on agreed format, which will be submitted to AIIB for review. AIIB will monitor the Project's E&S management performance during its implementation support missions.</p>
Cost and Financing Plan	Total project cost is approximately USD 401 million of which AIIB would finance USD 200 million.
Borrower	The People's Republic of China

Implementing Entity	Guangdong Province		
Estimated date of loan closing	First half of 2030		
Contact Points:	AIIB	Borrower	Implementation Entity
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Date of Concept Decision	July 12, 2023		
Date of Appraisal Decision	February 8, 2024		
Estimated Date of Financing Approval	April 2024		

Independent Accountability Mechanism	<p>AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRMs or the processes of AIIB's Management.</p> <p>Information on AIIB's PPM is available at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</p>
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