

Shaanxi Ankang Green and Low-Carbon Demonstration Urban Development Project

Social Impact Assessment Report

Project Management Institutions: Project management office of People's Government of Hanbin District, Ankang City, Shaanxi Province, People's Republic of China

PIU: Hanbin District Wuli Industrial Park (Chengdong New Area) Management Committee

November 2023

Executive Summary

The Shaanxi Ankang Green and Low-Carbon Demonstration Urban Development Project is a construction oriented project meant to address the challenges of energy structure adjustment and industrial structure optimization. As one of the third batch of national low-carbon pilots, Ankang will highlight the leading role of green and low-carbon development, and take the construction of a low-carbon city pilot as an important way to realize the transformation and development of the whole city and improve the level of regional ecological civilization. The preliminary efforts at the project investigation and evaluation had planned 17 subprojects in different sectors which mainly include low-impact and resilient road works, green buildings, resilient city construction, flood control works, environmental governance and ecological parks, and ecological green corridors.

This project, financed by Asian Infrastructure Investment Bank (AIIB), will be managed by the project management office established by the People's Government of Hanbin District, Ankang City, as the project management agency, and implemented by Ankang Wuli Industrial Concentration Zone, as the PIU. The project proposal is expected to be submitted to the AIIB Board of Executive Directors for approval in February 2024. As a part of the project preparation, several assessments have been made and different Plans prepared. Key such efforts relate to: Social Impact Assessment (SIA), Stakeholder Engagement Plan (SEP), Resettlement Action Plan (RAP) and Environmental and Social Management Plan (ESMP). This document describes the results of the SIA.¹

The social impact assessment has been made in accordance with the Environmental and Social Standards (ESS) of AIIB under its Environmental and Social Framework (ESF) as well as the relevant national/ provincial rules and regulation. Data are drawn from both primary and secondary sources which include literature study, focus group discussion, key informant interview, and questionnaire survey. During the social survey, the SIA unit has made field visits to the project service area and conducted Focus Group Discussions (FGDs) and key informant interviews among the villagers profited by the Project, households involved in land acquisition and resettlement and land transfer, project owners and relevant government departments to keep track of key stakeholders' views, concerns, and suggestions for the Project.

¹ Project Management Organization (PMO) entrusted Shaanxi Keshe Business Information Consulting Co., Ltd. (hereinafter referred to as the "SIA unit" or "Shaanxi Keshe") to carry out social risk and impact survey and assessment for the Project.

The screening and analysis of social risks and impacts reveal that ESS 1 and ESS2 are relevant and hence triggered in the context of the project. Whereas ESS3 is not triggered as that no construction operations of the Project will take place in ethnic minority communities and there are no ethnic minority communities affiliated to the collectives in the proposed construction areas of the Project.

The key social risks associated with the Project relate to: community health and safety labor and working conditions, land acquisition and resettlement of inhabitant, non-inclusive impacts viz exclusoin (i.e. social inclusion and gender equality), and stakeholder engagement is insufficient. In order to mitigate the identified risks, appropriate mitigation measures for different risks have proposed in this SIA, Consequently, a separate stakeholder engagement plans (SEPs) for the project activities and their PIUs.

According to the investigation and impact analysis, **the potential social risks mainly include:** (1) the risk of exclusion--insufficient opportunities for women and other vulnerable groups to participate in and benefit from the project--during the preparation, construction and operation of the project; (2) Impacts of land acquisition and resettlement; (3) labor and work conditions related --For management personnel and staff (such as construction workers, etc.) involved in the construction and operation of the project, the risks of working conditions (such as wage level, working hours, contract terms, GRM, overtime compensation, etc.) which shall be implemented in accordance with the requirements of the Labor Law, and also labor health and safety risks; (4) Community health and safety risks, mainly including the risk of natural disasters, especially flood, in the project area, road and traffic safety risks during the construction of the project, construction disturbance to the life of nearby residents, and the impact of non-native construction personnel on the life of nearby community residents, etc., as well as road and traffic safety risks after the completion of road subprojects; and (5) Lack of effective stakeholder engagement causes insufficient social support and poor sustainability of the project, community dissatisfaction, etc.

To address the above risks, a Social Management Plan (SMP) has been developed to minimize and mitigate the negative impacts from this Project. The People's Government of Hanbin District PMO and the PIUs have agreed to take **main social risk management measures** as follows:

1) **Impacts on vulnerable group:** For vulnerable groups affected by land acquisition, relevant measures have been developed in the Resettlement Plan

(RP). In general, a Stakeholder Engagement Plan (SEP) has formulated in this project to provide guidance in the activities of meaningful public consultation. By improving the existing management mechanism and procedures, the development opportunities and equitable benefits for vulnerable groups are fully considered in the design and implementation process to ensure the interests of vulnerable groups in the project.

2) **Gender-specific impacts:** Main measures for promoting the gender equality include:

Ensuring equal pay for all types of workers serving the Project,

b. Enhancing the engagement of women in public consultation and negotiation activities,

c. Providing opportunities for women to attend skill training; and

d. Providing suitable jobs for women in the construction and operation stages of the Project.

3) **Resettlement Action.** : With the deepening of project design, the optimized scheme will avoid or minimize the impact of land acquisition and resettlement. For unavoidable land acquisition and resettlement, a resettlement plan has been formulated for the Project in accordance with AIIB environment and social Standard ESS2 and the corresponding laws and regulations of China. The PMO will implement activities related to land acquisition and resettlement compensation in accordance with the resettlement action plan.

The PMO will engage a third-party external monitoring agency for resettlement to monitor and evaluate the resettlement implementation to ensure the implementation of the resettlement objectives of project activities.

4) **Health and safety risks:**

Workers' health and safety risks: Strengthen occupational health and safety training; Raise the staff' safety awareness and guide them to use personal protective equipment (PPE) correctly; Further improve the complaint handling mechanism for workers, listen and respond to their suggestions and opinions, feedbacks and concerns, and keep written records; Hire qualified social management consulting agencies to regularly monitor worker risk management and improve worker management according to suggestions and opinions.

For community health and safety risks: The PMO will establish a formal community communication mechanism to strengthen the communication with communities and respond to the concerns of communities in a timely manner; a qualified social management consulting agency will be entrusted to regularly monitor and assess social management measures, and the community health and safety risk management will be improved as recommended. Regarding community health and safety risks arising from the construction and operation, the following measures will be taken:

- Improve the construction organization plan, reasonably arrange the construction process and construction period, and minimize the impact on the communities;
- The operations after 9 p.m. shall be avoided as far as possible, especially the startup or operation of mechanical equipment, so as to avoid the noise impact on community residents at night;
- Standardize the management of drivers and vehicles and optimize the transportation routes to minimize impacts on communities;
- Carry out safety education for local residents (including women, children, the elderly, etc.); in particular, improve the awareness and ability of residents in the project area to cope with natural disasters, especially flood;
- Establish and adopt a written grievance response mechanism (GRM) to actively handle the community complaints and suggestions, and timely feed back the handling results to the claimants.

5) Labor and working conditions:

The PMO will arrange special departments and special personnel for implementation of relevant mitigation measures , and require contractors, subcontractors and major suppliers to manage labors according to the requirements. The PMO will supervise the labor management performance. Then, the formed mitigation measures are as follows:

- Ensure that the terms and conditions of employment, occupational health and safety, Grievance Redress Mechanism (GRM), etc. of workers are effectively guaranteed;

- For contractor management, implement the Labor Management Procedure (LMP) requirements about contractors in the bidding procurement documents and incorporate them into the contract terms; specify remedial measures for non-compliance in the contract, and establish the procedures for third-party performance management and monitoring; for temporary workers, also ensure that labor contracts/agreements are signed and third-party companies purchase accident insurance for them;
- For supplier management, implement the labor management requirements for suppliers in the bidding and procurement documents, and include them in the contract terms. In addition, the contract shall also specify: a. corresponding remedial measures for non-compliance and establish procedures for managing and monitoring third-party performance; b. Submit the manufacturer's due diligence report on labor management, including information on contract management, child labor, equal pay for equal work, gender discrimination, forced labor, and other aspects of the manufacturer's employment of workers.
- Monitor and evaluate labor management performance (LMP) and make continuous improvement of LMP.

6) Stakeholder engagement:

The implementation of this project needs to be in accordance with the Stakeholder Engagement Plan (SEP) and the determined Grievance Redress Mechanism (GRM). The PMO and PIU shall provide efficient resources to ensure the effective operation of the relevant mechanism; a special column will be set up on the government website by the PMO to regularly publish project information, especially environmental and social performance information; environmental and social monitoring information in the operation process will be released to communities in a timely manner.

The feedback obtained from the stakeholder engagement plan of the project shall be incorporated into the Social Management Plan (SMP) from time to time and as appropriate. The full-time responsible personnel of the PMO will collect and sort out information related to social management in a timely manner, regularly follow up on the implementation of subprojects, inspect the social

performance of subprojects on site, identify problems and propose improvement suggestions.

During the project implementation, the PMO will entrust a third party to conduct independent monitoring and assessment of the implementation and performance of social actions and measures of the Project semiannually.

Table of Contents

1 PROJECT INTRODUCTION	1
1.1 BACKGROUND	1
1.2 SUBPROJECT DESCRIPTION	2
1.3 AREAS AFFECTED BY THE PROJECT	6
1.4 SCOPE OF THE SOCIAL IMPACT ASSESSMENT	7
1.5 SIA OBJECTIVES.....	8
1.6 SIA PROCESS AND METHOD	9
1.7 POSITIVE IMPACT OF SIA ON PROJECT FEASIBILITY STUDY.....	13
1.8 LIMITATION	16
2 SOCIAL AND ECONOMIC BASELINE	17
2.1 SOCIAL AND ECONOMIC PROFILE OF SHAANXI PROVINCE.....	17
2.2 SOCIAL AND ECONOMIC CONDITIONS OF ANKANG.....	17
2.3 SOCIOECONOMIC PROFILE OF HANBIN DISTRICT.....	18
2.4 BASIC INFORMATION OF BENEFICIARY VILLAGES AND TOWNS.....	21
2.5 QUESTIONNAIRE SURVEY	23
2.5.1 <i>Scope of Questionnaire Survey</i>	23
2.5.2 <i>Analysis of Questionnaire Survey Results</i>	24
3 SOCIAL MANAGEMENT POLICY FRAMEWORK.....	36
3.1 OVERVIEW	36
3.2 POLICY FRAMEWORK.....	37
3.2.1 <i>Social Stability Risk Assessment</i>	38
3.2.2 <i>Labor management</i>	39
3.2.3 <i>Community Health and Safety</i>	42
3.2.4 <i>Land Acquisition and Involuntary Resettlement</i>	42
3.2.5 <i>Information Disclosure and Public Participation</i>	44
3.2.6 <i>Analysis of Differences with AIIB's ESS and Remedial Measures</i>	45
3.3 REQUIREMENTS AND APPLICABILITY OF THE AIIB'S <i>ENVIRONMENTAL AND SOCIAL FRAMEWORK</i>	48
4 SOCIAL RISK AND IMPACT SCREENING	50
4.1 SCREENING METHOD	50
4.2 SOCIAL IMPACT SCREENING RESULTS.....	50
4.2.1 <i>Irrelevant Social Risks and Impacts</i>	50
4.2.2 <i>Relevant Social Risks and Impacts</i>	52
5 SOCIAL IMPACT ANALYSIS.....	55
5.1 OVERVIEW OF SOCIAL RISK CLASSIFICATION	55
5.2 ANALYSIS OF IMPACT ON SOCIAL SECURITY.....	55
5.2.1 <i>Analysis of Impact on Vulnerable Groups</i>	55
5.2.2 <i>Gender Impact Analysis</i>	55
5.2.3 <i>Analysis of Land Acquisition and Resettlement Risks</i>	57
5.3 HEALTH AND SAFETY.....	62
5.3.1 <i>Worker Health and Safety</i>	62
5.3.2 <i>Community Health and Safety Impacts</i>	64
5.3.3 <i>Health and Safety Impact Mitigation Measures</i>	66
5.4 LABOR AND WORKING CONDITIONS	70
5.5 RISK OF INADEQUATE STAKEHOLDER ENGAGEMENT.....	71
5.5.1 <i>Analysis of Stakeholder Engagement in the Project Area</i>	71
5.5.2 <i>Design Optimization and Mitigation Measures to Mitigate Insufficient Stakeholder Engagement Risks</i>	71
5.6 SCREENING OF SOCIAL SENSITIVE POINTS	72
5.7 SOCIAL BENEFITS ANALYZE OF THE PROJECT	74
5.8 SUMMARY OF SOCIAL IMPACTS AND RISKS AND MITIGATION MEASURES.....	75
6 STAKEHOLDER ENGAGEMENT	83

6.1 UNDERTAKEN STAKEHOLDER ENGAGEMENTS	83
6.2 IDENTIFICATION OF STAKEHOLDERS.....	85
6.3 KEY FINDINGS FROM COMPLETED STAKEHOLDER ENGAGEMENTS	86
6.4 INFORMATION DISCLOSURE ACTIVITIES FOR ENVIRONMENTAL AND SOCIAL DOCUMENTS.....	87
6.5 SEP FOR FUTURE IMPLEMENTATION.....	87
7 SOCIAL MANAGEMENT PLAN	89
8 INSTITUTION ARRANGEMENT AND CAPACITY BUILDING	97
8.1 INSTITUTIONAL ARRANGEMENT	97
8.2 RESPONSIBILITIES OF AGENCIES	97
8.3 CAPACITY BUILDING OF INSTITUTIONS.....	99
9 MONITORING AND ASSESSMENT	105
9.1 EXTERNAL MONITORING.....	105
9.2 REPORTING SYSTEM	106
ATTACHMENT	107
ATTACHMENT 1 QUESTIONNAIRE.....	107
ATTACHMENT 2 LABOR MANAGEMENT PROCEDURE.....	110
ATTACHMENT 3 GBV/SH RISK PREVENTION MEASURES FRAMEWORK.....	130
ATTACHMENT 4 SOCIAL INVESTIGATION RECORD	134

List of Tables

TABLE 1-1 CONTENTS OF PROJECT CONSTRUCTION WORKS.....	3
TABLE 1-2 STATISTICS OF SOCIAL ASSESSMENT SUGGESTIONS ADOPTED IN THE FEASIBILITY STUDY REPORT	14
TABLE 2-1 SOCIOECONOMIC PROFILE OF HANBIN DISTRICTS IN 2022.....	18
TABLE 2-2 BASIC INFORMATION OF BENEFICIARY TOWNS/SUB-DISTRICTS	21
TABLE 2-3 BASIC INFORMATION OF DIRECTLY BENEFICIARY VILLAGES/COMMUNITIES.....	21
TABLE 2-4 REGIONAL DISTRIBUTION AND QUANTITY OF QUESTIONNAIRE SURVEY.....	23
TABLE 2-5 STATISTICAL RESULTS OF THE QUESTIONNAIRE BY GENDER	28
TABLE 3-1 CORRELATION ANALYSIS OF PROJECT SOCIAL STANDARDS.....	36
TABLE 3-2 LEGAL FRAMEWORK FOR SOCIAL RISK MANAGEMENT	38
TABLE 3-3 LIST OF ILO CONVENTIONS (IN FORCE) RATIFIED BY CHINA.....	39
TABLE 3-4 LAWS AND REGULATIONS OF CHINA AND SHAANXI PROVINCE ON LABOR AND WORKING CONDITIONS	41
TABLE 3-5 STATE LAWS AND REGULATIONS ON COMMUNITY HEALTH AND SAFETY	42
TABLE 3-6 LEGAL FRAMEWORK FOR LAND ACQUISITION AND DEMOLITION /INVOLUNTARY RESETTLEMENT ..	43
TABLE 3-7 LEGAL FRAMEWORK FOR INFORMATION DISCLOSURE AND PUBLIC ENGAGEMENT.....	44
TABLE 3-8 APPLICABILITY OF AIIB'S SOCIAL STANDARDS AND DIFFERENCES FROM CHINA'S POLICIES AND REMEDIAL MEASURES.....	46
TABLE 5-1 LIST OF LAND ACQUISITION AND DEMOLITION FOR THE PROJECT.....	59
TABLE 5-2 MITIGATION MEASURES FOR HEALTH AND SAFETY RISKS	67
TABLE 5-3 SOCIAL SENSITIVE FACILITIES AROUND THE PROJECT	72
TABLE 5-4 POSITIONS PROVIDED	75
TABLE 5-5 SUMMARY OF SOCIAL IMPACTS AND RISKS AND MITIGATION MEASURES	76
TABLE 6-1 STATISTICS OF STAKEHOLDER ENGAGEMENT	84
TABLE 7-1 SOCIAL MANAGEMENT PLAN	90
TABLE 8-1 PHASED SCHEDULE FOR SOCIAL MANAGEMENT CAPACITY BUILDING.....	102

List of Figures

FIGURE 1-1	DISTRIBUTION OF PROJECT CONSTRUCTION ACTIVITIES1.....	6
FIGURE 2-1	LOCATION MAP OF CHENGONG NEW AREA	20
FIGURE 2-2	AGE DISTRIBUTION OF THE RESPONDENTS	25
FIGURE 2-3	HOUSEHOLD AGE STRUCTURE	25
FIGURE 8-1	ORGANIZATIONAL STRUCTURE OF PROJECT SOCIAL MANAGEMENT1	97

Abbreviations

AIIB	Asian Infrastructure Investment Bank
E&S	Environment and Society
EIA	Environmental Impact Assessment
ESF	Environmental and Social Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standards
GIIP	Good International Industrial Practices
GRM	Grievance Redress Mechanism
LMP	Labor Management Procedure
M&E	Monitoring and Evaluation
PIU	Project Implementation Unit
PMO	Project Management Office
RP	Resettlement Plan
SEP	Stakeholder Engagement Plan
SEA	Sexual exploitation and abuse
SH	Sexual harassment
ToRs	Terms of References
USD	USD

1 Project Introduction

1.1 Background

The Green Low-carbon Environmental and Sustainable Development Demonstration Project (This project) in Ankang Chengdong New Area is a construction oriented project meant to address the challenges of energy structure adjustment and industrial structure optimization. As one of the third batch of national low-carbon pilots, Ankang will highlight the leading role of green and low-carbon development, and take the construction of a low-carbon city pilot as an important way to realize the transformation and development of the whole city and improve the level of regional ecological civilization. The area for implementation of the Project is located within the planned scope of Chengdong New Area, Hanbin District, Ankang City and following are the major objectives.

(1) Improve the management, operation and coordination capabilities of all parties involved in the Project, and provide demonstration and experience for promoting the construction of low-carbon pilot cities.

(2) Increase the green area by about 2 million m², reduce the carbon emission by about 8,000 tons per year, and achieve a fixed carbon content of about 5,000 tons per year and the oxygen output of about 4,500 tons per year through the construction of the Project.

(3) Implement the concept of the "Sponge City" in the low-carbon transport infrastructure construction, ecological park construction, and urban waterlogging prevention and control; build landmark green buildings and increase the green building area by 32000 square meters at the same time.

(4) Improve low-carbon industrial clusters, establish a green city management center and a base for popularizing green and low-carbon life style, supervise, manage and operate the city better, and convey low-carbon lifestyle and concept to the public at the same time.

This project, financed by Asian Infrastructure Investment Bank (AIIB), will be managed by the project management office established by the People's Government of Hanbin District, Ankang City, as the project management agency, and implemented by Ankang Wuli Industrial Concentration Zone, as the PIU. The project proposal is expected to be submitted to the AIIB Board of Executive Directors for approval in February 2024. As a part of the project preparation, several assessments of this project have been made and different action Plans prepared. These project documents mainly relate to: Social Impact Assessment

(SIA), Stakeholder Engagement Plan (SEP), Resettlement Action Plan (RAP) and Environmental and Social Management Plan (ESMP). This document describes the results of the SIA. ²

The social impact assessment has been made in accordance with the Environmental and Social Standards (ESS) of AIIB under its Environmental and Social Framework (ESF) as well as the relevant national/ provincial rules and regulation. The social impact assessment data are drawn from both primary and secondary sources which include literature study, focus group discussion, key informant interview, and questionnaire survey. During the survey, the SIA unit has made field visits to the project service area and conducted Focus Group Discussions (FGDs) and key informant interviews among the villagers profited by the Project, households involved in land acquisition and resettlement and land transfer, project owners and relevant government departments to keep track of key stakeholders' views, concerns, and suggestions for the Project.

1.2 Subproject Description

Taking into consideration the construction objectives of the project and the actual situation of the project area, the Project is designed to be further divided into 17 subprojects within 5 sections, as detailed below:

Section 1: Low Impact and Resilience Road Works. 9 subprojects under this Section, involving 5 new road works, two road reconstruction and upgrading works, 5 green public parking lots and construction of new energy streetlights.

Section 2: Urban Ecological Restoration and Green Resilient Infrastructure Construction. 3 subprojects under this Section, including Project of Hanjiang River Restoration and Green Corridor along the River (Phase I), Huangyang River Water Environment Treatment and Ecological Park Project, Hanjiang River Comprehensive Regulation Project Zhangtan Town Section Protective Works Protection Zone 1.

Section 3: Ecological Park and Urban Integrated Waterlogging Control System. There are 3 subprojects under this Section, including Ankang Chengdong Sports Park Subproject, Community Ecological Park and 10 waterlogging-prone points prevention and control upgrading works.

Section 4: Green and Low-carbon Urban Operation System. The 2 subprojects under this Section are green and low-carbon city operation management and data center, and information-based system and database construction.

² Project Management Organization (PMO) entrusted Shaanxi Keshe Business Information Consulting Co., Ltd. (hereinafter referred to as the "SIA unit" or "Shaanxi Keshe") to carry out social risk and impact survey and assessment for the Project.

Section 5: Institutional Capacity Enhancement and Project Management Support. The main content of this Section: Through the construction of green and low-carbon city, including but not limited to management and technical training, consultation, visit and exchange, and monitoring related to low-carbon social economy, enhance the execution ability and practical level of project management institutions and involving parties, as well as the management and technical level of green and low-carbon ecological education, knowledge dissemination, community participation, and other aspects.

See Table 1-1 for detailed contents of project construction works.

Table 1-1 Contents of Project Construction Works1

Project Section	Subproject activity	Construction Scale and Scope
Resilient Road Works with Low Impact	Zhenxing Road in Ankang Chengdong Industry-City Integration Demonstration Zone	The total length is 2080m, and the road width is 26m. The main content of construction includes roads, transportation, water supply, rainwater, sewage, sponge, electricity, communication, and other supporting infrastructure.
	Huanta Road in Ankang Chengdong Industry-City Integration Demonstration Zone	The total length is 1,890.00m, and the road width is 18m. The main content of construction includes roads, transportation, water supply, sewage, electricity, and other supporting infrastructure.
	Lyuyuan Road in Ankang Chengdong Industry-City Integration Demonstration Zone	The total length is 225.00m. The main content of construction includes roads, transportation, rainwater, sewage, electricity, and other supporting infrastructure.
	Chunlin Road in Ankang Chengdong Industry-City Integration Demonstration Zone	The total length is 278m, and the road width is 18m. The main content of construction includes roads, transportation, rainwater, sewage, and other supporting infrastructure.
	North Section of Yong'an Road in Ankang Chengdong Industry-City Integration Demonstration Zone	The total length is 1,148m, and the road width is 26m. The main content of construction includes roads, transportation, tunnels, water supply, rainwater, sewage, sponge, electricity, communication, and other supporting infrastructure.
	Second Bid Section of the Guanmiao -	The total length is 1,254m, and the road width is 40m. The main content of construction includes roads, transportation, water supply, rainwater, sewage,

Project Section	Subproject activity	Construction Scale and Scope
	Huangyang River (the eastern section of the ring road) Reconstruction Project	sponge, electricity, communication, and other supporting infrastructure.
	Resilience Improvement Project of Shiti-Zhangtan Class I Highway of National Highway G211	The total length is 7,624m. The main content of construction includes rainwater, sewage, electricity, communication and other supporting infrastructure.
	Green Public Parking Lot Project in Core Area of Ankang Chengdong New Area	4 new green public parking lots with a total area of 25,550 m ² and 679 parking spaces in total, including 663 car parking spaces and 16 accessible parking spaces.
	New Energy Street Lamp Construction Project	A total of 3471 new-energy street lights are to be installed on existing and planned roads (17 roads).
Urban Ecological Restoration and Green Resilient Infrastructure Construction	Project of Hanjiang River Restoration and Green Corridor Along the River (Phase I)	The total area is 93.5 hectares. The main content of construction includes Hanjiang River rehabilitation, green corridor along the river, and construction of walkways.
	Huangyang River Water Environment Improvement and Ecological Park Project	The total area is 144.7 hectares. The main construction contents include water environment management, science popularization and education, ecological agriculture, and ecological conservation.
	Hanjiang River Comprehensive Regulation Project Zhangtan Town Section Protective Works Protection Zone 1	Section I of the Zhangtan-Jizhen protection project of Hanjiang River Comprehensive Improvement Project starts from the 230m upstream of Zhangtan Town Bridge (Pile No. Huangyang 4+450), is arranged surrounding Jizhen Town, reaches to Mogou (Pile No. Mogou 1+060), and goes along the left bank of Mogou to Pile No. Mogou 1+920, forming a closed flood control area with a dike length of 2,490m, of which, 500m of Zhangtan Town Bridge has been built. The designed total length of the dike is 1,990m, and the total area of protection is 50,667 m ² .
Ecological Park and Urban Integrated Waterlogging Control	Ankang Chengdong Sports Park	The planned land area of the project is 174,747.62 m ² , including: 9,635.9 m ² of the square at the main entrance, 19,674 m ² of garden road, 3,082 m ² of outdoor sports fields, 8,431.56 m ² of outdoor square and children's playing ground, 200 parking spaces,

Project Section	Subproject activity	Construction Scale and Scope
System		139,867.06 m ² of green land area, supporting construction of water supply and drainage network and other infrastructure.
	Community Ecological Park Project	This project plans to arrange 2 community parks, with a total area of 23,900 m ² and a green area of 17,447 m ² .
	Urban Integrated Waterlogging Control System Construction	The waterlogging prevention and improvement project was carried out for the 4 waterlogging points in the East City New District, and the urban waterlogging problem was solved by constructing drainage pipes, rainwater drainage outlets, rainwater lifting pumping stations and setting up anti-back-flowing facilities.
Green and Low-carbon Urban Operation System	Green and Low-carbon City Operation Management and Data Center	The project covers a total floor area of 13,087.03 m ² (about 19.63 mu), and the total construction area of about 49,950 m ² , of which the above-ground construction area is 33,000 m ² , including the green industrial economic center, green city management system, green city and architectural achievements exhibition center; the underground construction area is 16,950 m ² , including underground garage, civil air defense and equipment rooms. The ratio of green space is 30.06%, the plot ratio is 2.52, and the building density is 28.65. There're 396 parking spaces, including 40 above ground and 356 underground.

Source: project feasibility study report, November 2023.

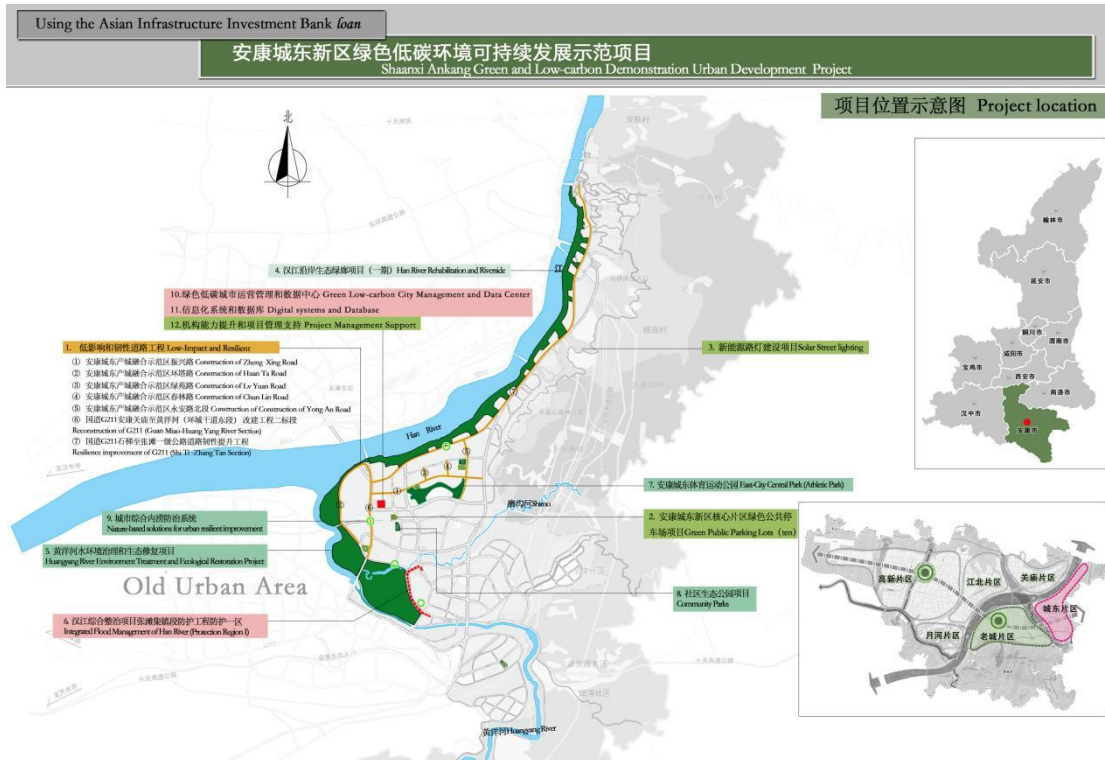


Figure 1-1 Distribution of Project Construction Activities11

In order to ensure the smooth progress of construction of the Project, the People's Government of Ankang City, as the project leadership organization, will play a role of coordinator to address major issues encountered during construction. Its office will be located in the Development and Reform Commission of Ankang City, and it will take charge of the planning, guidance, coordination, implementation, and supervision & management of the entire project, including management of social affairs.

The People's Government of Hanbin District, Ankang City, as the PMO, responsible for the project management and has set up a project management office (PMO), is responsible for coordinating, implementing, and overseeing the management of subprojects.

The Administrative Committee of Wuli Industrial Concentration Zone (Ankang Chengdong New Area) in Hanbin District (hereinafter referred to as the "Administrative Committee") is PIU, which is responsible for the planning, coordination, implementation, supervision and management of subprojects within the jurisdiction of each district and county, and specific operations after the project is completed and put into use.

1.3 Areas Affected by the Project

According to the project feasibility study report in November 2023, the project will directly affect 12 villages/communities in 3 towns/sub districts of

Hanbin District, Ankang City, namely Dian'an Village, Lishi Village, Wangwan Village, Shuangjing Village, Houyan Village, Zoupo Village, Zhangtan Community, Langou Village and Wangling Community in Zhangtan Town, Jiutiaogou Village and Yangkou Village in Shiti Town, and Dashuling Village in Xincheng Subdistrict. These villages/communities will also directly benefit from the project. There are 25,143 people who are directly affected and benefited by the project. The indirect impact of the project covers the whole Hanbin District, indirectly benefiting 893,400 people.

1.4 Scope of the Social Impact Assessment

According to the requirements of AIIB for project identification and assessment, in consideration of the details of subproject activities (including site selection, scale, technical proposal, etc.), the social impact assessment and social management documents for the Project, namely Green and Low-carbon Environmental and Sustainable Development Demonstration Project in Ankang Chengdong New Area, were prepared and assessed in the following way:

- The detailed drafts of environmental and social management documents were prepared in the light of the content of construction in the feasibility study during the project identification and assessment period, and relevant environmental and social management documents were updated as the feasibility study and design went further. The social management documents prepared separately by the SIA unit include Social Impact Assessment (SIA) Report, Resettlement Action Plan (RAP), Resettlement Due Diligence Report (DDR), and Stakeholder Engagement Plan (SEP).
- The document compiled by the EIA unit and the SIA unit together is the Environmental and Social Management Plan (ESMP).

The SIA focuses on the potential impacts of the scope of construction activities of each subproject and the construction and operation of project activities on workers, major surrounding sensitive communities, communities and residents affected by land acquisition and resettlement, as well as those communities that may be affected by the completion and use of each subproject.

And, This SIA screens and evaluates the potential social risks and impacts that may arise during the preliminary preparation, construction, and completion stages of subprojects, develops mitigation measures, prepares relevant documents, conducts stakeholder engagement activities, and develops tracking, monitoring, and reporting arrangements during the implementation of the project.

In addition to the SIA, a social investigation was carried out on the impacts of all subproject activities (including land use, community safety and labor management, etc.), the social risks and impacts of projects in the project area were systematically assessed (including labor and working conditions, land acquisition and resettlement, community safety and stakeholder participation, etc.) to determine the ability and level of social risk management of the project management and implementation unit, and capacity building actions were developed, laying a foundation for project SIA and proposing corresponding management measures.

Due to the fact that the Social Impact Assessment (SIA) report is the main social document covering all relevant social risks and impacts of all subprojects, its level of detail is different from other relevant project text required by specific environmental and social standards. There may be some replication between this SIA and other social report text. However, thematic social instruments such as Resettlement Action Plan (RAP) emphasize more detailed arrangements to implement relevant actions and measures to avoid, minimize, manage, and monitor related risks and impacts.

1.5 SIA Objectives

The SIA mainly aims to analyze and assess the potential social impacts and risks of the proposed subprojects during the entire project cycle (including current level, preparation, construction, and operation) in accordance with the relevant requirements of the AIIB's *Environmental and Social Framework*. The **specific purposes** of the SIA are as follows:

- Based on the results of the social audit and risk screening, the potential social impacts and risks in the future construction and operation of the future investment activities of the proposed subprojects are assessed in accordance with relevant Chinese laws and regulations and the requirements of related environmental and social standards in the AIIB's *Environmental and Social Framework* (ESF), and the impacts and risks are as follows:
 - Environmental and Social Assessment and Management (ESS1), including social inclusion, health and safety, and working conditions for workers;
 - Land Acquisition/Involuntary Resettlement (ESS2).

- Formulating and implementing stakeholder engagement plans (including GRM) and improving the project design and impact/risk mitigation measures and actions based on the comments and suggestions proposed by various stakeholders in Meaningful Consultation.
- Learning the attitudes of local communities (especially those surrounding the construction sites) to and concerns about the proposed subprojects, and providing a basis for identifying potential social impacts and risks of project investment, and developing more effective mitigation measures;
- Putting forward suggestions for mitigating relevant social impacts and risks according to the SIA results to ensure that relevant subprojects can meet the relevant environmental and social standards of the AIIB and relevant Chinese laws and regulations within a reasonable period;
- Having adequate communication with the owner to clarify risk mitigation measures, scheme optimization and scheme suggestions, and formulating schedules for the implementation of measures and actions;
- Developing a social management plan (SMP), clarifying the organizational arrangements, staffing, fund arrangement, monitoring, and reporting for the social management implementation of the proposed subprojects.

1.6 SIA Process and Method

The feasibility study and field investigation finds that the main construction areas of the Project are distributed in 9 streets/communities in Zhangtan Town, Hanbin District (to be affected by land acquisition and relocation), 2 villages under the jurisdiction of Xincheng Subdistrict Office (to be affected by land transfer), and 2 villages/communities in Shiti Town (to be temporarily affected by construction).

From March to September 2023, the SIA team carried out field investigation in the project construction area with the active cooperation of the People's Government of Hanbin District PMO and PIUs. The specific process includes the following (see Figure 1-1 for details):

- 1) The first step in this SIA is to analyze project activities, which is crucial for determining the nature of social risks and impacts, identifying elements that interact with social receptors, focusing on analyzing the

correlation of relevant ESS, and determining the target scope of social baseline research and regulatory framework analysis.

- 2) Based on project construction activities, conducted social audit on completed land acquisition, analyzed project activities, and conduct social screening on planned investment activities to determine the correlation between environmental and social standards, identified social impact risks related to subprojects, and determined the analysis scoping.
- 3) Based on the project description and identification of social impacts and risks, analyzed the relevance and applicability of China's existing regulatory framework and related environmental and social standards (ESSs), as well as gap mitigation measures, and conducted targeted social baseline surveys. The baseline survey and regulatory framework constitutes the basis for reliable screening and analysis scoping of social risks.
- 4) Following the analysis scoping, targeted surveys and stakeholder engagement were conducted by Social Impact Assessment team to provide information on risk assessment and mitigation measures. Stakeholder engagement ran through the entire assessment process, as well as the implementation and monitoring & assessment of social measures after project approval. An independent Stakeholder Engagement Plan (SEP) was developed in the project to manage information disclosure and stakeholder engagement in line with ESF requirements.
- 5) The task force assessed the potential social risks and impacts that were significant and related to the proposed subprojects, focused on the analysis of significant impacts and risks, and proposed project design optimization suggestions and impact/risk mitigation measures, based on which a social management plan was formed. Risk assessment and optimization is an iterative and complete process, while comprehensively considering various measures to find better solutions.
- 6) After the risk and impact assessment and mitigation measures process, the SIA unit summarized all actions by activity and county in a table format, which is more convenient for PMO's reference and use.

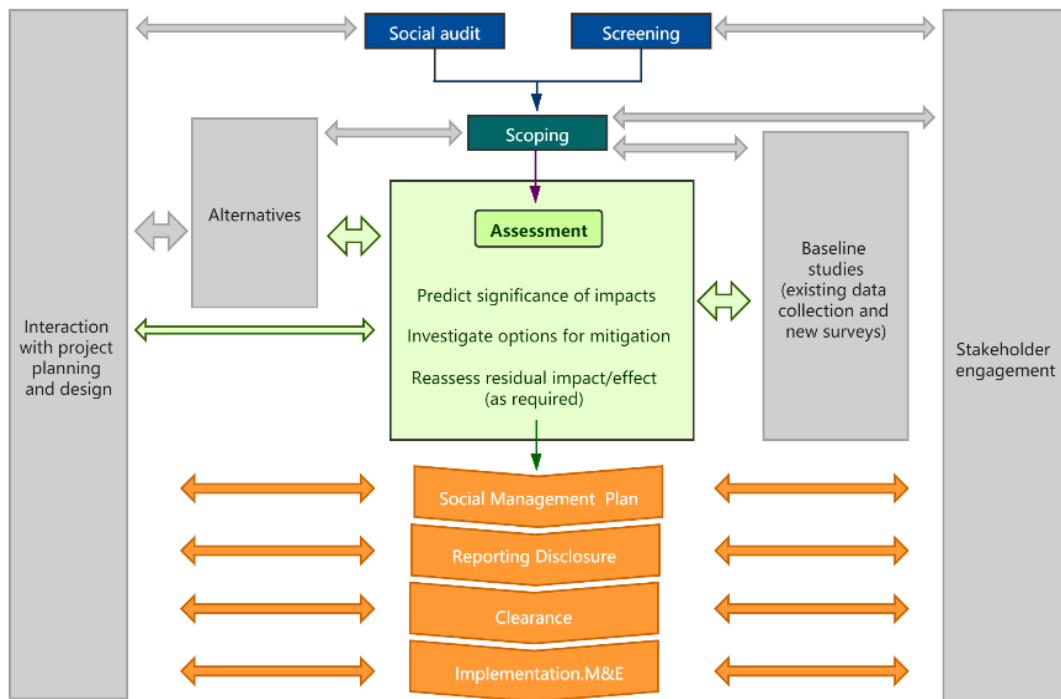


Figure 1-4 SIA Method

The **survey methods** adopted in the project SIA are as follows:

1) Literature review

The SIA team searched for information on project construction and social stability by means of the People's Government of Hanbin District, PMO, PIU and government agencies concerned, and online search engines, such as project approval documents, special reports, social stability documents, relevant management systems, approval documents for land acquisition, LAR compensation documents, etc.

2) Field visit

Based on the review of collected data, the SIA team conducted field visits to the proposed activity sites to learn nearby social and environmental sensitive points, identify potential social risk factors, and evaluate on management level through site observations.

In addition, the team also interviewed communities and residents around major existing facilities to learn their attitudes, opinions and suggestions.

3) Interview with government agencies concerned

The SIA team interviewed government agencies concerned (mainly including Natural Resources Bureau, Water Conservancy Bureau and Human Resources and Social Security Bureau of Hanbin District) with great influence on

the Project by interview, telephone, etc. to learn their guidance and requirements for land, occupational health and safety (OHS), etc.

4) Key informant interview

The SIA team conducted interviews with key informants of this project (mainly including PMO and its functional departments, Land Acquisition and Demolition Office of Zhangtan Town, feasibility study units, environmental impact assessment units, township governments, and village cadres) through various forms of field investigation, online communication, etc., to be aware of the environmental and social risks of the current subproject activities (including land use, the health of workers and surrounding communities, road traffic safety, etc.), the existing systems and management measures, and the implementation status, as well as suggestions for environmental and social risk management in future construction and operation.

5) Workshop

The SIA team held workshops with workers of existing facilities, community workers, nearby community residents, school faculties, etc. to learn about their existing working conditions, working hours, overtime conditions, remunerations, OHS training, labor protection, physical checkup, and concerns about and suggestions on facility site selection, construction and operation noise, risks of natural disasters (especially flood), and traffic safety risks, etc. 10 times of workshop were held with stakeholders for a total of 145 people to identify their needs, impacts and comments and suggestions.

6) Questionnaire survey

With the coordination and support of PMOs in cities, districts and counties, the SIA team has also carried out a questionnaire survey on affected villages to identify the opinions and suggestions of community residents on project site selection. A total of 760 valid questionnaires (including 397 from households affected by land acquisition and 363 from non-resettlement households) were received in this survey. The respondents were from 12 villages / communities in 3 townships / sub-districts.

7) Consultation workshop

In response to the results of social audit and SIA, the SIA team has had multiple communications with PMO, design units, environmental impact assessment units, and relevant government departments (such as the Natural Resources Bureau, Agriculture and Rural Bureau, Ecological and Environmental Protection Bureau, etc.) regarding risks and mitigation measures related to project activity land, labor and working conditions, community health and safety,

etc., to determine feasible solutions compliant with domestic laws and regulations, the AIIB's ESF and international good practices.

1.7 Positive impact of SIA on Project Feasibility Study

The SIA unit has put forward reasonable suggestions for the construction content in the feasibility study report based on the social survey and Stakeholder Engagement. After discussing with the feasibility study unit, relevant suggestions were adopted, as shown in Table 1-2.

Table 1-2 Statistics of Social Assessment Suggestions Adopted in the Feasibility Study Report1

S/ N	Items	Construction Content of Original Feasibility Study Project	Suggestions from SIA	Construction Contents of Feasibility Study Project after Adoption of Suggestions
1	Huangyang River Water Environment Improvement and Ecological Park Project	Subprojects are designed according to the land acquisition method.	The subproject area has basic farmland and the land has not been approved. The SIA unit believes that it is difficult to handle the relevant approval procedures for land acquisition for this subproject. Therefore, it is necessary to consider using the land in a land use rights transfer manner and designing it based on the principle of not changing the land use and nature.	The land involving basic farmland is designed according to organic agriculture, while other land is designed according to nature-based solutions. And, the land use and nature will not be changed.
2	Project of Hanjiang River Restoration and Green Corridor Along the River (Phase I)	Subprojects are designed according to the land acquisition method.	Through investigation, the SIA unit found that the Shiti Town area of the subproject is not within the urban development boundary, and it is difficult to handle relevant approval procedures for land acquisition. It is suggested that the land be used in accordance with the method of land use rights transfer and designed according to the principle of not changing the land use and nature.	Designed in accordance with nature-based solutions. The land use and nature will not be changed.
3	Subprojects Involving Construction of Public Toilets	Special wheelchair ramps shall be provided at the entrance and exit of the green belt and steps, and the width and gradient of the ramps shall be designed according to the Codes for Accessibility Design. Barrier-free signs shall be set at the positions of barrier-free facilities and barrier-free restroom cubicles shall be set in	Through investigation, the SIA unit found that the public has a strong willingness to build aging-friendly public toilets. According to this opinion, the SIA unit suggests to the feasibility unit that aging-friendly functional facilities such as emergency call function and assistance facilities will be considered in the design of public toilets.	Add aging-friendly design to public toilets: Install emergency call buttons on the side of the washbasin against the wall and on the side wall of the toilet seat to provide safety protection for elderly toilet users; The assistance handrails for indoor public areas extend from the entrance of the public restroom to areas such as men's and women's restrooms and wash basins;

S/ N	Items	Construction Content of Original Feasibility Study Project	Suggestions from SIA	Construction Contents of Feasibility Study Project after Adoption of Suggestions
		public restrooms.		Install assistance handrails in the toilet; Install soft silicone anti-collision stickers on the sink; Equipped with a retractable 360° steering faucet for some elderly people with inconvenient waist and back.
4	Chengdong Sports Park Subproject	Construction of stadiums	Based on interviews with nearby villagers, they express their desire for more green spaces in the park's development, as they believe that enclosed venues may not serve the local community better. It is suggested to optimize the design by increasing the area of green spaces and open spaces in the park.	The construction of stadiums has been canceled, and it will be replaced with a design that includes extensive green spaces and open spaces, instead of enclosed sports facilities.

1.8 Limitation

1) The SIA is carried out simultaneously with the project feasibility study report, which is still in its preliminary stage when the SIA Report is prepared. The SIA is based on the data and information provided by the PMO, as well as the field surveys and consultation by the task force during the SIA. In addition, there may be ecological conservation redlines and water conservancy constraints correlated with the land to be occupied by some subprojects, and the boundary of land for construction may change. Therefore, any change in the scope of proposed investment activities, or other relevant information such as project design, composition, and service procurement will affect the analysis, assessment, and conclusions of the SIA Report.

2) Due to time constraints, the review of documents was conducted by random sampling. The sampling is intended for risk screening through the verification of the current status instead of a comprehensive document review.

3) Only scanned copies instead of original documents of most permits and approvals have been provided for review. The SIA team assumes that these scanned documents are accurate and reliable unless written documents or field surveys contradict this assumption

2 Social and Economic Baseline

2.1 Social and Economic Profile of Shaanxi Province

Shaanxi Province, abbreviated as "Shaanxi" or "Qin", is located in the central hinterland of the Chinese Mainland. Since ancient times, it has been the capital of emperors. In nine unified dynasties, five capitals were in Xi'an (Xianyang). It is an important birthplace of the Chinese nation. Shaanxi Province has a total area of 205,800 square kilometers. Shaanxi Province had 10 prefecture-level cities (of which Xi'an, the provincial capital, is a sub-provincial city), 31 municipal districts, 7 county-level cities and 69 counties under its jurisdiction. By the end of 2022, the province's permanent resident population was 39.56 million, an increase of 20,000 over the previous year. There were 20.18 million males, accounting for 51.01%, and 19.38 million females, accounting for 48.99%. Shaanxi Province is a province where ethnic minorities live scatteredly, with a total of 54 ethnic minorities and a permanent resident population of 190,000. The majority of them are Hui people, who are distributed all over the province, of which the urban population accounts for 80%.

In 2022, Shaanxi's annual GDP reached RMB 3,277,268 million, an increase of 4.3% over the previous year. The added value of the primary industry was RMB 257,534 million, up 4.3%, accounting for 7.9% of the GDP, that of the secondary industry was RMB 1593.311 billion, up 6.2%, accounting for 48.6% of the GDP, and that of the tertiary industry was RMB 1426,423 million, up 2.6%, accounting for 43.5% of the GDP.

The annual per capita disposable income of urban residents is RMB 42,431, growing by 4.2%; per capita disposable income of rural residents is RMB 15,704, growing by 6.5%³.

2.2 Social and Economic Conditions of Ankang

Ankang is located in the southeast of Shaanxi, at the junction of Sichuan, Shaanxi, Hubei, and Chongqing. With a warm climate and abundant vegetation, it used to be a place for reproduction and habitat of early humans. The excavated archaeological relics have proven that as early as the Stone Age, there were activities of ancestors on both banks of the Han River and in the hinterland of the Qin and Ba regions. Ankang has jurisdiction over 1673 administrative villages, 4 subdistrict offices, 135 towns in 8 counties, 1 district, 1 county-level city, covering an area of 23500 square kilometers. By the end of 2022, the city's

³Source: 2022 Statistical Bulletin of National Economic and Social Development of Shaanxi Province

registered population was 3,018,000, including 1,608,800 men and 1,409,100 women.

In 2022, its GDP reached RMB 126,865 million, a year-on-year increase of 2.0%. The added value of the primary industry was RMB 17,456 million, up 4.2%, accounting for 13.7% of the GDP, that of the secondary industry was RMB 54,007 million, up 0.2%, accounting for 42.6%, and that of the tertiary industry was RMB 55,402 million, up 2.9%, accounting for 43.7%. The annual per capita disposable income of urban residents of the city was RMB 31,976, up RMB 1,480 or 4.9% over the previous year. The annual per capita disposable income of rural residents of the city was RMB 13,368, up RMB 904 or 7.3% over the previous year.

2.3 Socioeconomic Profile of Hanbin District

(1) Social and economic conditions

Hanbin District is located in the southeast of Shaanxi Province and the upper reaches of the Hanjiang River. It is a traffic hub in eastern central Shaanxi and an important water conservation area for the Middle Route of the National South-to-North Water Diversion Project. Hanbin District has jurisdiction over 23 towns, 4 sub-district offices, 293 villages and 94 communities, with a permanent resident population of 893,400.

Table 2-1 Socioeconomic Profile of Hanbin Districts in 2022

S/N	Indicator	Unit	Quantity
1	Land area	km ²	3645.91
2	Total registered population	10,000 people	103.08
2.1	Urban population	10,000 people	54.18
2.2	Female	10,000 people	48.9
3	GDP	RMB 100 million	405.89
3.1	Primary industry	RMB 100 million	45.01
3.2	Secondary industry	RMB 100 million	129.48
3.3	Tertiary industry	RMB 100 million	231.41
3.4	Per capita GDP	yuan/person	45489
4	General finance budget revenue	RMB 100 million	4.64
5	Urban per capita disposable income	yuan/person	32397
6	Rural per capita disposable income	yuan/person	13245

Source: 2022 Statistical Bulletin on National Economic Development of Hanbin District.

(2) Low-income group

According to data provided by the Civil Affairs Bureau and the Human Resources and Social Security Bureau of Hanbin District, in 2022, there were 17341 households with 44660 registered low-income families in Hanbin District. The main reasons for the low income of households enjoying subsistence allowance include illness, lack of labor force, and the seniors with no family. Hanbin District provides basic support for families who meet the minimum living guarantee conditions. According to the actual situation of low-income families, the subsistence allowance received by rural families in Hanbin District in 2022 is between RMB 200 to 400/prs/month, which can ensure the basic living standards of families enjoying subsistence allowance.

(3) Overview of Chengdong New Area

The establishment of Chengdong New Area of Ankang City is a significant decision made by the municipal party committee and the municipal government of Ankang City to coordinate the construction of a central city and the development of Hanbin District. It is subordinate to the People's Government of Hanbin District. The population capacity planned for Chengdong New Area is 80,000 residents, with land use restricted to 9.78 square kilometers (approximately 14,670 mu) and a construction area of 7.955 square kilometers. Since its initiation in 2017, the development and construction in Chengdong New Area have primarily focused on the central area of the region. The current project construction is also concentrated in this area, as depicted in Figure 2-1.

The Chengdong New Area features a diverse terrain, with a mix of valleys and hills, higher elevations in the south, and lower elevations in the north. The topography is characterized by hilly and mountainous landscapes, with elevations ranging from 200 to 800 meters. The region is in the northern subtropical humid monsoon climate zone, characterized by moderate sunshine, ample rainfall, mild temperatures, and distinct four seasons. Precipitation exhibits significant interannual variations, with an average annual rainfall ranging from 750 to 1200 millimeters. Approximately 60% of the annual precipitation is concentrated between June and September, with the lowest recorded value of 540.3mm in 1966 and the highest of 1109.2mm in 1983.

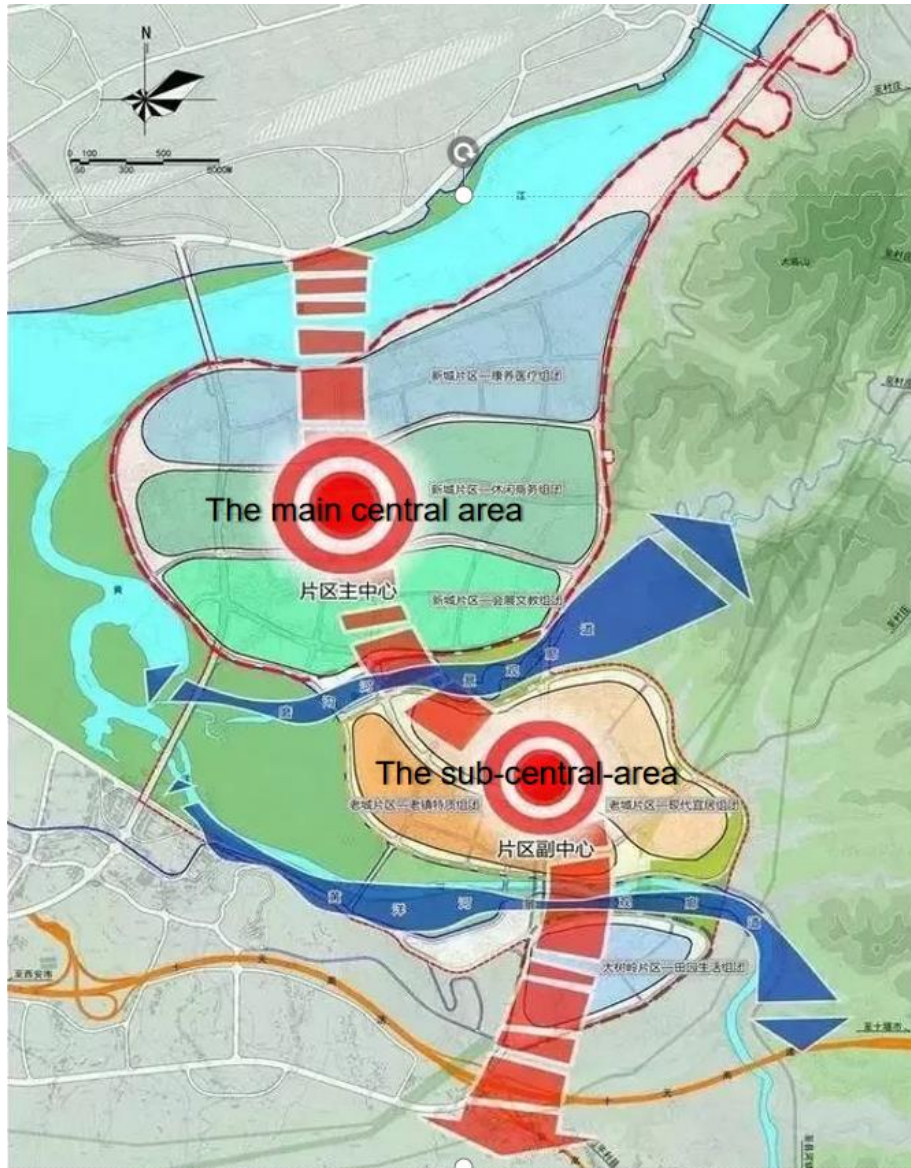


Figure 2-1 Location Map of Chengdong New Area

The population in the Chengdong New Area is approximately 60,000, with females accounting for approximately 46% of the total. It is currently experiencing an aging trend. The main crops in the area are rice, rapeseed, and corn, with a limited amount of vegetables. The area is located adjacent to the main urban center of Ankang City. Unlike rural mountainous regions, the convenience of working in the city is relatively high. Most working-age villagers are employed in Ankang City, while some others work outside the city. Agricultural labor is primarily undertaken by the elderly population, and due to the undulating terrain with many sloped areas, the agricultural output is relatively low. Therefore, agriculture is no longer the primary income source for local rural families, with most relying on income from employment opportunities.

Chengdong New Area is primarily structured around various industry sectors, including the digital economy, eco-industry, processing and manufacturing, ecological wellness, and green ecological agriculture. Currently, more than 30 digital economy companies have established their presence in the area. In the next 3 to 5 years, Chengdong New Area plans to attract more high-tech processing and manufacturing companies, health and elderly care industry firms, and digital economy enterprises. It is estimated that this development will create around 8,000 to 10,000 job opportunities for the local workforce.

2.4 Basic Information of Beneficiary Villages and Towns

(1) Beneficiary towns/Sub districts

Table 2-2 Basic Information of Beneficiary Towns/Sub-districts

Township	Number of villages / communities	Number of households	population	Female population	Labor force	Minority population	Cultivated land area	Per capita net income of rural residents
	Pc	Household	Person	Person	Person	Person	Mu	yuan/year
Zhangtan	15	8320	30304	14029	18860	19	18459	15654
Shiti	12	5843	18188	8196	9985	11	16667	13870
Xinchen Subdistrict Office	27	106892	233368	65350	204727	9867	8017	16255
Total	54	121055	281860	87575	233572	9897	43143	15916

Data source: provided by relevant town/sub-districts.

(2) Directly benefited villages/communities

Table 2-3 Basic Information of Directly Beneficiary Villages/Communities

Affected village/community	Number of households	Total population	Female population	Labor force	Ethnic minority	Cultivated land area	Per capita net income of rural residents
	Household	Person	Person	Person	Person	Mu	yuan/year
Lishi Village	436	1693	685	960	0	850	13350
Shuangjing Village	440	1459	576	980	0	570	14290

Dian'an Village	432	1588	723	894	1	500	16788
Wangwan Village	453	1858	937	1288	0	667	15763
Houyan Village	471	1848	958	1042	2	850	16042
Langou Village	583	1913	931	956	1	1230	12687
Zoupo Village	566	2300	1127	1340	0	2192	12736
Wangling Community	889	3304	1608	2313	1	1917	15080
Zhangtan Community	868	2990	1812	1980	12	1987	15465
Yangkou Village	423	1349	740	772	0	6780	10700
Jiutiaogou Village	297	972	459	615	1	1109	11007
Dashuling Village	1147	4139	1989	2154	0	550	18800
Total	7005	25413	12545	15294	18	19202	15017

Data Source: provided by relevant village committees.

(3) Status of ethnic minorities

According to socio-economic surveys and interviews with relevant departments, the population of ethnic minorities of the directly benefited villages/communities of this project is only 18 people, as shown in Table 2-3. The impact of land acquisition and demolition of the project does not involve ethnic minority families, so the implementation of the project will not have a direct negative impact on the production and living facilities of these ethnic minorities. In addition, after the completion of the project, the local infrastructure conditions and living environment will be greatly improved. Therefore, the project construction has a significant impact on the local economic development and improves the production and living conditions of the local people, including ethnic minorities. These ethnic minorities, like other population groups, are beneficiaries of project construction.

According to the survey, these scattered ethnic minorities who have migrated to directly benefited villages or communities for historical reasons are mainly engaged in small-scale business activities, and their livelihood and

production have little dependence on land. Although their religion and some dietary habits still exhibit certain ethnic characteristics, overall, their language, culture, and some living habits have not significantly differed from the local Han people during their long-term settlement with the Han people. According to the description in the AIIB's ESS3, it can be seen that the ethnic minorities in the affected area do not belong to the category of indigenous peoples defined in ESS3, so the project does not require the development of specialized ethnic minority plans or policies.

2.5 Questionnaire Survey

2.5.1 Scope of Questionnaire Survey

With the coordination and support of the PMO, SIA consulting experts also conducted questionnaire surveys on farmers in 9 villages/communities in Zhangtan Town, 3 villages in Shitai Town, and 2 villages/communities in Xincheng Subdistrict in Hanbin District affected by the project to identify the opinions and suggestions of residents in the beneficiary villages and towns on the project construction content, potential social risks, and land acquisition willingness. For more information about questionnaire survey, see Attachment 1.

From March to July 2023, the SIA unit carried out two random sampling questionnaire surveys, the first for households affected by land acquisition and demolition, and the second for non-affected households. Respondents are selected by random survey sampling. A total of 760 questionnaires were received in the two surveys, including 385 from households affected by land acquisition and demolition, 375 from non-land acquisition and demolition households and 318 from female respondents. The respondents are distributed in 3 communities and 11 administrative villages of 3 townships/sub districts (see Table 2-4).

Table 2-4 Regional Distribution and Quantity of Questionnaire Survey

S/N	Town	Village/Community	Number of questionnaires
1	Zhangtan	Dian'an	64
2	Zhangtan	Houyan	80
3	Zhangtan	Langou	46
4	Zhangtan	Lishi	89
5	Zhangtan	Shuangjing	78
6	Zhangtan	Wangling Community	18

S/N	Town	Village/Community	Number of questionnaires
7	Zhangtan	Wangwan	76
8	Zhangtan	Zhangtan Community	71
9	Zhangtan	Zoupo	75
10	Shiti	Shuangcun Village	42
11	Shiti	Jiutiaogou	38
12	Shiti	Yangkou	35
13	Xincheng Subdistrict Office	Dashuling	28
14	Xincheng Subdistrict Office	Zaoyuan Community	20
Total			760

2.5.2 Analysis of Questionnaire Survey Results

The majority of the respondents are the households affected by planned land acquisition, households whose land has already been acquired, village officials, and villagers. Among them, 52.2% are from households affected by land acquisition, 4.1% are from households whose land has already been acquired, 29.9% are from benefited villagers, 13.8% are from other related personnel, and 41.8% are from female respondents. The 760 respondents have an average household size of 3.5 people. The total population of these households is 2,663.

Age distribution of the respondents: 363 (47.8%) of the 760 respondents are aged 21-44, 208 (27.4%) are aged 45-59, and 189 (23.4%) are aged 60 and above. The youngest respondent is 21 years old, while the oldest is 81 years old.

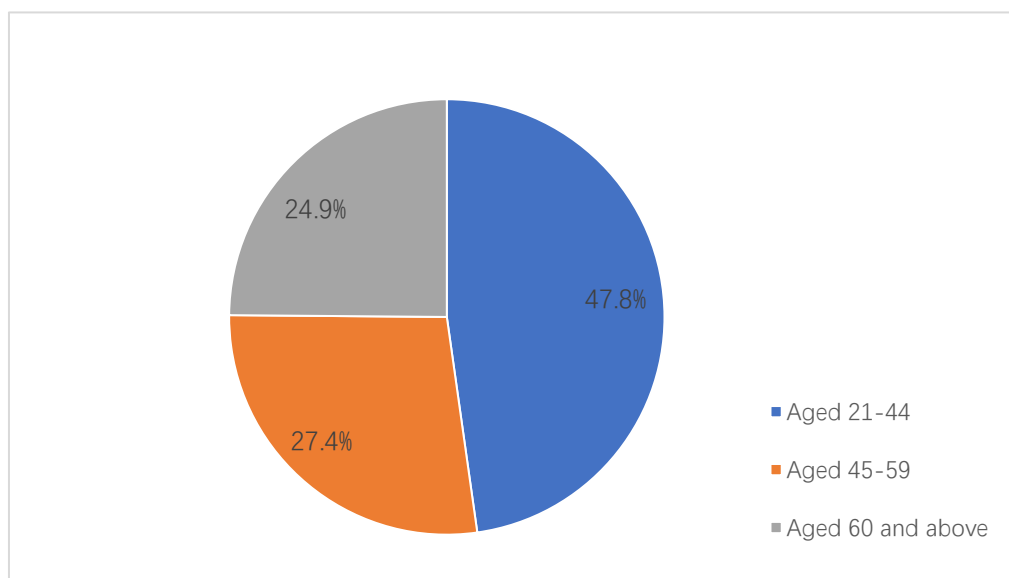


Figure 2-2 Age Distribution of the Respondents

Educational attainment distribution of the respondents: 112 (14.7%) of the 760 respondents have completed only primary school education or below, 216 (28.4%) have completed only junior high school education, 248 (32.6%) have completed only senior high school education, and 184 (24.2%) have completed undergraduate/college education or above.

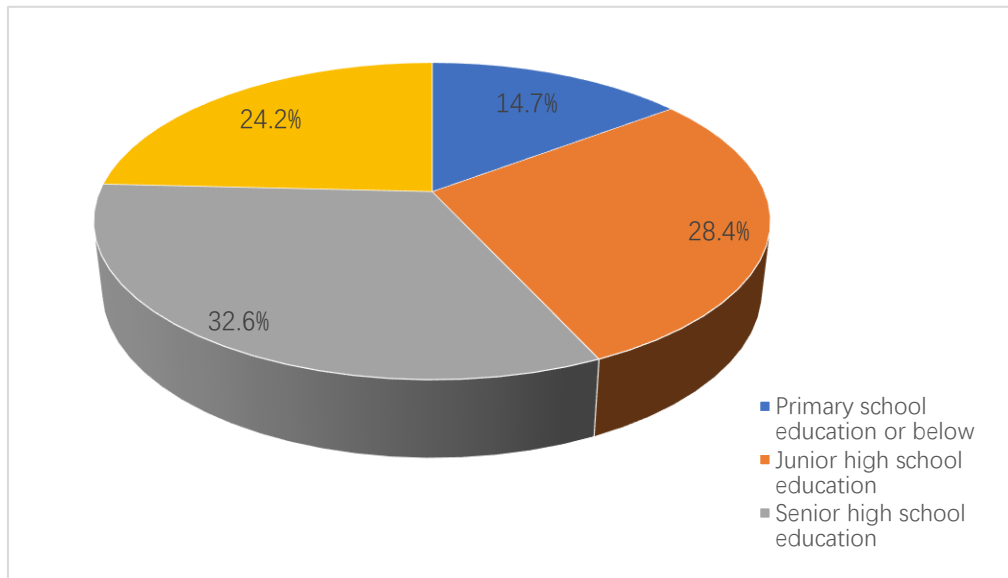


Figure 2-3 Household Age Structure

1. Overall Analysis of Survey Results

According to the statistical results of the questionnaire survey, 97.8% of respondents approve of the implementation of the project, and 96.6% of respondents are willing to hand over land to the project for use through expropriation, land use rights transfer, or other forms of cooperation.

With regard to the compensation policies for land acquisition and demolition in Ankang Chengdong New Area, 93.2% of respondents knew or were aware of some compensation policies, while only 6.8% did not know them.

For the potential social stability risk factors brought by the implementation of the Project, respondents believed that noise, dust pollution (90.7%), and environmental pollution (92.4%) are the most significant risk factors.

In terms of housing demolition and resettlement, 88.2% of respondents chose to move to the buildings for centralized settlement, and 11.8% chose monetary compensation.

Regarding the training willingness, 95.3% of respondents were willing to attend the trainings provided by the government without charge, and domestic service (73.2%) and handcrafting (71.2%) were more welcomed.

With regard to the choice of willingness to participate in project construction, only 0.5% of respondents clearly expressed their unwillingness to participate in project construction activities, 93.2% were willing to participate in long-term or temporary labor services, and 6.3% held a wait-and-see attitude.

With regard to the grievance channel, 87% of respondents were aware of it;

With regard to the choice of household decision-making and women's income, 86.8% of households are headed by men (household heads), and most decisions on family affairs are made through joint discussion (84.1%). 95.9% of households have female participation in village activities, 71.5% have female income from working outside the homeland, and 14.5% female have no income.

With regard to the opinions on the construction of squares and parks, 93.7% of respondents wanted to diversify green plants. 88.3% of respondents believed that the night lighting in squares and parks needs to be strengthened.

The survey result reflects that the publicity for project implementation needs to be strengthened, especially that the implementation policies and methods of the project should be improved and enriched after further communication and consultation with the public and affected people in the project area. The vast majority of the surveyed public in the project implementation area supported the construction of the Project, and a few people with reservations were mostly for some personal reasons, such as their concerns that the land use policy could not meet their own conditions. The respondents also put forward some valuable opinions or suggestions, as follows:

(1) Develop and build Chengdong New Area as soon as possible, so that the masses can be benefited as soon as possible.

(2) Expect that more labor opportunities or employment information are provided in the project.

(3) Conduct practical skills training to improve the chances of successful candidates.

(4) Add aging-friendly facilities, such as facilities for assisting the elderly in public toilets.

(5) It is hoped to increase the area of green spaces or open spaces in the park.

Based on the above findings, the SIA team suggest that during the implementation of the project, the relevant management agencies and PIUs should establish and improve the information disclosure, public participation and Grievance Redress Mechanism of the project to ensure that the negative impact of the project on the masses in the project area is minimized.

In addition, based on the fact that the masses in the project area live in the project area for a long time and are more familiar with the geographical and natural conditions of the project area, relevant agencies should listen to their "local knowledge" to ensure the smooth implementation and operation of the project.

2. Analysis of the Survey Results for Women.

A total of 318 questionnaires from women were collected in this survey. Among them, 98.4% of female respondents expressed their support for the project, slightly higher than the male support rate. Five female respondents considered the project to have little relevance to them and expressed a neutral stance by choosing "indifferent." At the same time, 96.5% of women are willing to provide land for the project's use through methods such as land acquisition, transfer, or other forms of cooperation, which is generally consistent with the willingness of the male respondents.

Table 2-5 Statistical Results of the Questionnaire by Gender

S/ N	Question	Gender of questionnaire investigation	Option							
			1	2	3	4	5	6	7	8
1	Do you support or endorse the implementation of the Project? ①=Yes ②=No ③=Indifferent	Female	98.4%	0.0%	1.6%	\	\	\	\	\
		Male	97.3%	0.0%	2.7%	\	\	\	\	\
2	If the project construction needs to occupy your land (land occupation and house demolition are compensated based on the policy), are you willing to provide land or demolish your house for the project? ①=Yes ②=No	Female	96.5%	3.5%	\	\	\	\	\	\
		Male	96.6%	3.4%	\	\	\	\	\	\
3	If your house needs to be demolished, which of the following resettlement methods will you choose? ①=By centralized resettlement building ②=House purchasing after monetary compensation	Female	89.0%	11.0%	\	\	\	\	\	\
		Male	87.6%	12.4%	\	\	\	\	\	\
4	4. Are you familiar with the compensation policy for land acquisition and demolition in Chengdong New Area? ①=Familiar with ②=Not familiar with	Female	93.4%	6.6%	\	\	\	\	\	\
		Male	93.0%	7.0%	\	\	\	\	\	\
5	If your house may be demolished, selection of demolition and resettlement methods: ①=Directly decided by the host ②=Directly	Female	13.5%	9.7%	76.7%	\	\	\	\	\
		Male	9.5%	14.0%	76.5%	\	\	\	\	\

S/ N	Question	Gender of question naire investigation	Option							
			1	2	3	4	5	6	7	8
	decided by the hostess ③=Jointly decided by male and female family members									
6	If your house may be demolished, the signatory of the Demolition Compensation Agreement is: ①=Male head of household ②=Female head of household ③=Who is at home signs ④=Male and female members jointly decide who signs the agreement	Female	9.7%	10.4%	18.6%	61.3%	\	\	\	\
		Male	5.2%	8.1%	23.3%	63.3%	\	\	\	\
7	If you settle in a centralized place or purchase a house by yourself, the family decision-making situation of purchasing a resettlement house (such as floor, location and area) is as follows: ①=Directly decided by the host ②=Directly decided by the hostess ③=Jointly decided by male and female family members	Female	10.1%	16.4%	73.6%	\	\	\	\	\
		Male	5.2%	26.0%	68.8%	\	\	\	\	\
8	What do you think are the potential social impacts and risks during the project implementation and operation? (Multiple choices allowed)?	Female	25.5%	35.2%	93.1%	91.5%	8.8%	7.9%	72.6%	5.7%
		Male	29.6%	31.9%	91.9%	90.0%	7.7%	5.2%	73.5%	4.8%

S/ N	Question	Gender of question naire investigation	Option							
			1	2	3	4	5	6	7	8
	①=Impact on traffic safety ②=Engineering accident ③=Environmental pollution ④=Impact on noise and dust ⑤=Contradiction between external construction personnel and local residents ⑥=Possible reduction of household income ⑦=Contradiction caused by land acquisition and demolition ⑧=Others (please specify) _____									
9	Are you or your family members willing to participate in free training provided by relevant government departments? ①=Yes ②=No ③=Depending on the situation	Female	95.9%	4.1%	\	\	\	\	\	\
		Male	94.8%	5.2%	\	\	\	\	\	\
10	If the project provides free training opportunities, what kind of training do you want? (Multiple choices allowed) ①=Planting technology ②=Breeding technology ③=Vehicle maintenance	Female	10.1%	9.4%	0.0%	83.0%	84.0%	24.5%	34.0%	\
		Male	10.4%	12.7%	23.5%	66.1%	62.0%	14.9%	45.5%	\

S/ N	Question	Gender of question naire investigation	Option							
			1	2	3	4	5	6	7	8
	④=Housekeeping service ⑤=Handicraft making ⑥=Chef ⑦=Others (please specify) _____									
11	Are you and your family willing to participate in the construction and operation of the Project? ①=Yes ②=No ③=Depending on the situation	Female	92.5%	1.3%	6.3%	\	\	\	\	\
		Male	93.7%	0.7%	5.7%	\	\	\	\	\
12	Is the owner of your family male or female? ①=Male ②=Female	Female	86.5%	13.5%	\	\	\	\	\	\
		Male	85.3%	14.7%	\	\	\	\	\	\
13	Who decides the major and minor issues in your family? ①=By the owner's decision ②=Joint discussion ③=By joint discussion of major issues and by the owner's decision of minor issues ④=By the owner's decision of major issues, and the decision of minor issues by yourself	Female	1.9%	84.6%	12.9%	0.6%	\	\	\	\
		Male	2.3%	83.9%	13.1%	0.7%	\	\	\	\
14	Do women in your family participate in village-level activities?	Female	96.2%	3.8%	\	\	\	\	\	\
		Male	95.7%	4.3%	\	\	\	\	\	\

S/ N	Question	Gender of question naire investigation	Option							
			1	2	3	4	5	6	7	8
	①=Yes ②=No									
15	Do female members of your family have a wage income? ①=Income from work in community factories/cooperatives	Female	22.0%	50.9%	15.1%	11.9%	\	\	\	\
	②=Income from migrant work ③=Income from fixed work in the city ④=No work income	Male	8.4%	59.5%	15.8%	16.3%	\	\	\	\
16	Who do you think spends or exercises more time in squares and parks among family members? ①=Male ②=Female	Female	1.6%	3.8%	94.7%	\	\	\	\	\
		Male	1.6%	1.4%	97.1%	\	\	\	\	\
17	What aspects do you think should be strengthened for squares and parks? ①=Diversified green plants ②=Setting of disaster avoidance facilities	Female	94.7%	15.4%	91.5%	52.2%	20.4%	9.1%	\	\
	③=Lighting ④=Setting of mother-and-child room and toilet for the disabled ⑤=Setting of access for the disabled	Male	93.0%	14.3%	86.0%	45.2%	24.9%	12.0%	\	\

S/ N	Question	Gender of question naire investiga tion	Option							
			1	2	3	4	5	6	7	8
	⑥=Others (please specify) _____									
18	If your legitimate rights and interests are infringed, are you clear about the complaint channel? ①=Clear ②=Unclear	Female	86.8%	13.2%	\	\	\	\	\	\
		Male	87.1%	12.9%	\	\	\	\	\	\
19	If your land is expropriated, would you like to participate in the endowment insurance for landless farmers? ①=Yes ②=No	Female	0.6%	99.4%	\	\	\	\	\	\
		Male	0.9%	99.1%	\	\	\	\	\	\

Regarding the land acquisition and compensation policies for Chengdong New Area. 93.4% of women are aware of or have some knowledge of the compensation policies, which is slightly higher than the proportion of men who are informed about the policies. 21 women expressed that they do not understand the compensation policies.

Regarding the potential social stability risk factors in the project implementation. female respondents consider noise, dust pollution (91.5%), and environmental pollution (93.1%) to be the most significant risk factors.

When it comes to the options for resettlement. 89.0% of women prefer centralized resettlement in apartment buildings, while 11.0% of respondents opt for monetary compensation. The preference for centralized resettlement in apartment buildings is slightly higher among women than men.

Regarding their willingness to participate in training. 95.9% of the respondents expressed their willingness to take part in free training provided by the government. Among them, four women, primarily due to their elder age, explicitly stated their unwillingness to participate in training. Additionally, nine women mentioned that they have relatively stable jobs and would decide to participate or not based on their own schedules. In terms of specific training options, there is a substantial willingness among women to engage in domestic services (83.0%) and handicraft production (84.0%). The female respondents' preference for participation in these two training categories exceeds that of male respondents, with women considering these types of work more suitable for themselves.

Regarding the willingness to participate in project construction. 92.5% of female respondents expressed their willingness to engage in long-term or temporary labor for the project. Only four women explicitly stated that they couldn't participate in project construction activities due to their relatively elder age. Additionally, 20 women expressed a cautious attitude, believing that the job positions in construction activities may not necessarily be suitable for them. The willingness to participate in project construction is generally consistent between women and men.

Regarding the channels for grievance. 86.8% of women are familiar with the grievance channels, while 13.2% of women are not entirely clear about the grievance channels, believing that issues can generally be resolved by approaching the village committee. Women's understanding of grievance channels is generally consistent with that of men.

In terms of household decision-making and women's income. 86.5% of households are primarily managed by males (household heads). Household matters are mostly decided through mutual discussion (84.6%), with a significant proportion involving joint decision-making on major issues. In 96.2% of households, women are actively involved in village-level activities.

Regarding opinions on the construction of squares and parks. 94.7% of the female respondents expressed a desire for a diverse range of greenery. 91.5% of women believed that the lighting in squares and parks at night needs improvement. These opinions were generally consistent with those of male respondents.

Overall, there aren't significant differences between women and men regarding their attitudes toward the project, relocation willingness, and training willingness. In terms of family decision-making, the majority of both men and women tend to make decisions jointly. However, there are individual cases where decisions are made solely by either men or women in their households. Women's suggestions mainly focus on "hope that the project will increase labor opportunities or provide employment information", "add aging-friendly facilities in public places" and "increase green space or open activity venues in parks". Women's suggestions primarily focus on the following areas: "Hoping for the project to create more job opportunities or provide employment information," "Increasing age-friendly facilities in public places", and "expanding green spaces or open spaces in the park".

3 Social Management Policy Framework

3.1 Overview

The implementation of the project needs to comply with the requirements of AIIB's Environmental and Social Framework (ESF), as well as the relevant laws and regulations of China in the field of social risk management. This chapter summarizes the requirements of the AIIB's Environmental and Social Standards (ESSs) applicable to the Project, sorts out China's current social management laws and regulations, technical specifications, applicable standards, etc. that are most relevant to the Project, makes a comparative analysis of the AIIB's ESSs, and proposes remedial measures for the existing differences.

In accordance with the nature, scale and construction contents of the Project, the SIA team conducted a preliminary review on the correlation between the social impacts and risks of the Project and the AIIB's Environmental and Social Standards (ESSs), and found that:

- According to the social and economic baseline survey, ethnic minority communities (villages) are not involved in the project area, so ESS3 is not applicable.
- The construction and operation of the project involve land acquisition or occupation, labor management and work condition, community healthy and safety, vulnerable groups, and gender development, etc. It requires extensive support and participation from surrounding communities and residents, as well as the establishment of a smooth information communication/grievance redress mechanism. Therefore, the standards related to the AIIB's ESS include:
 - o Environmental and Social Assessment and Management (ESS1): including social inclusion, stakeholder engagement and information disclosure, health and safety, workers and working conditions;
 - o Land Acquisition and Involuntary Resettlement (ESS2).

Table 3-1 Correlation Analysis of Project Social Standards3

S/N	Subprojects	ESS1	ESS2	ESS3
1	Zhenxing Road in Ankang Chengdong Industry-City Integration Demonstration Zone	✓	✓	X
2	Huanta Road in Ankang Chengdong Industry-City Integration Demonstration Zone	✓	✓	X
3	Lyuyuan Road in Ankang Chengdong	✓	✓	X

S/N	Subprojects	ESS1	ESS2	ESS3
	Industry-City Integration Demonstration Zone			
4	Chunlin Road in Ankang Chengdong Industry-City Integration Demonstration Zone	✓	✓	X
5	North Section of Yong'an Road in Ankang Chengdong Industry-City Integration Demonstration Zone	✓	✓	X
6	Second Bid Section of the Guanmiao - Huangyang River (the eastern section of the ring road) Reconstruction Project	✓	✓	X
7	Resilience Improvement Project of Shiti-Zhangtan Class I Highway of National Highway G211	✓	X	X
8	Green Public Parking Lot Project in Core Area of Ankang Chengdong New Area	✓	✓	X
9	New Energy Street Lamp Construction Project	✓	X	X
10	Project of Hanjiang River Restoration and Green Corridor Along the River (Phase I)	✓	✓	X
11	Huangyang River Water Environment Improvement and Ecological Park Project	✓	✓	X
12	Hanjiang River Comprehensive Regulation Project Zhangtan Town Section Protective Works Protection Zone 1	✓	✓	X
13	Ankang Chengdong Sports Park	✓	✓	X
14	Community Ecological Park Project	✓	✓	X
15	Green and Low-carbon City Operation Management and Data Center	✓	✓	X
16	Information-based System and Database	✓	X	X
17	Institutional Capacity Improvement and Project Management Support	✓	X	X
X-not relevant, ✓ - relevant				

3.2 Policy Framework

Compared with the AIIB's Environmental and Social Standards (ESSs), China has established a more dispersed system for project social risk identification and management, which is supervised and managed by different government functional departments. These systems include social stability risk assessment of major projects, social management system of land acquisition and demolition,

management system of ethnic minorities and management system of laborers. According to social risk management system of the project, the project construction must conform to the fundamental interests of the majority of the people, and social stability risk assessment shall be carried out for major decisions, major fixed asset investment projects, etc.

3.2.1 Social Stability Risk Assessment

The Chinese Government has stipulated relevant social risk management regulations for major investment projects. According to the Interim Measures for Social Stability Risk Assessment of Major Fixed Assets Investment Projects issued by the National Development and Reform Commission, the project units of major investment projects shall investigate and analyze social stability risks when organizing the preliminary work of major projects. Subsequently, the local people's government or the assessment subject designated by the relevant department of the project will organize the assessment and demonstration of the social stability risk analysis made by the project unit, take various ways to listen to the opinions of all parties, analyze, judge and determine the risk level, assess the legality, rationality, feasibility and controllability of the project construction, the possible social stability risks, the opinions of all parties and their adoption, and propose risk prevention and resolution measures and emergency response plans; see Table 2-2 for details.

China's social stability risk assessment is partially consistent with the requirements of social impact assessment specified in ESS1. China's social stability risk assessment pays more attention to the social stability risks brought about by project construction and decision-making, but pays less attention to social inclusiveness and sustainability. In order to strengthen the social management of the Project, achieve the social objectives of the Project, and promote social equity, social inclusion and social sustainable development through the construction of the Project, the People's Government of Hanbin District will identify and screen the social risks of the Project, and pay special attention to the following aspects: including land acquisition, restriction of land use, transformation of land use mode, labor and working conditions, health and safety, the risk of insufficient stakeholder engagement, gender development, as well as influence of ethnic minorities, etc. The social impact assessment of the Project will be conducted before the assessment of relevant subprojects in accordance with the requirements specified in ESS1.

Table 3-2 Legal Framework for Social Risk Management

S/N	Domestic laws and regulations	Effective year
1	Interim Regulations on Procedures for Major	2019

S/N	Domestic laws and regulations	Effective year
	Administrative Decisions (No. 713)	
2	Notice on Printing and Issuing the Interim Measures for Social Stability Risk Assessment of Major Fixed Assets Investment Projects of National Development and Reform Commission	2012

3.2.2 Labor management

China has established a sound legal and regulatory system related to labor management. As a member of the International Labour Organization (ILO), China has ratified 28 conventions (including 20 that have come into effect, as shown in Table 7), covering equal pay for equal work, discrimination, minimum age, child labor, occupational health and safety, forced labor, employment policies, consultation, and the right to association. The laws and regulations of China and Shaanxi Province stipulate wage standards, working hours, labor protection, and labor disputes. Forced labor and/or child labor is prohibited, and special labor protection is implemented for female and underage workers. This is in coincident with the AIIB's ESF requirements.

Table 3-3 List of ILO Conventions (in Force) Ratified by China

Conventions ⁴	Date
Basic Conventions (5)	
C100-1951 Equal Remuneration Convention, (No. 100)	1990.12.02
C111-1958 Discrimination (Employment and Occupation) Convention (No. 111)	2006.01.12
C138-1973 Minimum Age Convention (No. 138): 16 years	1999.04.28
C155-1981 Occupational Safety and Health Convention (No. 155)	2007.01.25
C182-1999 Worst Forms of Child Labour Convention (No. 182)	2002.08.08
Governance (Priority) Conventions (2)	
C122-1964 Employment Policy Convention (No. 122)	1997.12.17
C144-1976 Tripartite Consultation (International Labour Standards) Convention (No.144)	1990.11.02
Technician Conventions (13)	
C011-1921 Right of Association (Agriculture) Convention (No. 11)	1934.04.27
C014-1921 Weekly Rest (Industry) Convention (No. 14)	1934.05.17
C019-1925 Equal Treatment (Accident Compensation) Convention (No. 19)	1934.04.27
C026-1928 Minimum Wage-Fixing Machinery Convention (No. 26)	1930.05.05
C027-1929 Marking of Weight (Packages Transported by Vessels)	1931.06.24

⁴ On August 12, 2022, the Chinese government ratified the Convention on Forced Labour (No.29, 1930) and Convention on Abolition of Forced Labour (No.105, 1957), which were entered into force one year after signing.

Conventions ⁴	Date
Convention (No. 27)	
C032-1932 Protection against Accidents (Dockers) Convention (Revised), 1932 (No. 32)	1935.11.30
C045-1935 Underground Work (Women) Convention (No. 45)	1936.12.02
C080-1946 Final Articles Revision Convention (No. 80)	1947.08.04
C150-1978 Labour Administration Convention (No. 150)	2002.03.07
C159-1983 Vocational Rehabilitation and Employment (Disabled Persons) Convention (No. 159)	1988.02.02
C167-1988 Safety and Health in Construction Convention (No. 167)	2002.03.07
C170-1990 Chemicals Convention (No. 170)	1995.01.11
Maritime Labour Convention, 2006-In accordance with Standards A4.5 (2) and (10), the Government has designated the following sectors of social security: medical; unemployment benefits; old-age pensions; industrial injury benefits and maternity benefits.	Revised on December 12, 2015, 2016 and 2018

Data Source: ILO official website

The Chinese laws and regulations have comprehensive provisions on child labor, discrimination, forced labor, working hours, minimum salary, labor safety and health, etc. For example, employers are prohibited from recruiting minors under 16 years; female and underage workers (16-18 years) are subject to special protection; laborers should not be discriminated against based on ethnic group, race, gender or religion; women enjoy the same employment rights as men; forced labor is prohibited; employers must establish a sound labor safety and health system, and reduce occupational hazards. Shaanxi Province, and the project cities / counties / districts have formulated relevant institutions and measures accordingly.

The Chinese government has also established a system of laws, regulations and industry standards to protect laborers' OHS, including state laws and regulations, local regulations and bylaws, and health and safety standards of different industries. A multi-layer legal system for occupational health protection has been established.

There are special laws that protect women's labor rights, including the prohibition of sexual harassment. In particular, Ankang City and Hanbin District have also developed special action plans to promote the demonstration construction of healthy enterprises and prevent and control occupational disease hazards. Specific measures include giving comprehensive publicity on the *Law on the Prevention and Control of Occupational Diseases* to improve employers' consciousness of providing occupational health protection for workers according to law; strengthening supervision and inspection to urge employers to implement the main responsibility of occupational disease prevention and

control; strengthening the “three simultaneities”⁵ management of occupational protection facilities in construction projects, strengthening occupational disease health monitoring for workers, strengthening the declaration of occupational hazard items, and strengthening the detection, monitoring and evaluation of occupational hazards; regulating employment management, and increasing the coverage of work injury insurance.

Table 3-4 Laws and Regulations of China and Shaanxi Province on Labor and Working Conditions

Policy level	Regulations	Effective year
China	Labor Law of the People's Republic of China	Revised in 2018
	Management Measures for Occupational Health Monitoring and Supervision of the Employer	2012
	Labor Contract Law of the People's Republic of China	Revised in 2012
	Regulations of Labor Insurance and Supervision	Revised in 2018
	Emergency Response Law of the People's Republic of China	2007
	Emergency Management Measures for Work Safety Accidents	2016
	Law of the People's Republic of China on the Protection of Rights and Interests of Women	Revised in 2018
	Special Rules on Labor Protection of Female Employees	2017
	Measures on the Administration over Classification of Hazards of Occupational Diseases Involved in Construction Projects	2006
	Catalogue for the Administration over Classification of Hazard Risks of Occupational Diseases Involved in Construction Projects	2021
	Law on the Prevention and Control of Occupational Diseases	Revised in 2018
	Social Insurance Law of the People's Republic of China	Revised in 2018
	Law of the People's Republic of China on the Protection of Minors	Revised in 2020
	Law of the People's Republic of China on the Protection of Persons with Disabilities	Revised in 2018
	Labor Dispute Mediation and Arbitration Law of the People's Republic of China	2007
	Law of the People's Republic of China on Prevention and Treatment of Infectious Diseases	Revised in 2013
Trade Union Law of the People's Republic of China	Revised in 2009	
Shaanxi Province	Regulations on Minimum Salaries of Shaanxi Province (Order No.109 of the Shaanxi Provincial Government, May 20, 2006)	Implemented from July 1, 2006
	Regulations on the Work Safety Responsibility of Production and Business Units of Shaanxi Province (Order No.156 of the Shaanxi Provincial Government in 2011)	2011
	Notice on the Integrated Regulation and Law Enforcement of Work Safety and Occupational Health (SAJ [2017] No.156)	Effective from 2012
	Administrative Measures for the Safety Management of Work in Confined Spaces of Shaanxi Province (SAW [2021] No.25)	2017
	Special Rules on Labor Protection of Female Employees of	Effective from

⁵ Occupational protection facilities for construction projects must be designed, constructed, and put into operation together with the main part.

Policy level	Regulations	Effective year
	Shaanxi Province (Order No.209 of the Shaanxi Provincial Government on January 12, 2018)	March 1, 2018
	Administrative Measures for the Development of Public Welfare Jobs of Shaanxi Province issued by Department of Human Resources and Social Security, Finance Department of Shaanxi Province	Effective from March 1, 2019
	Notice of the Shaanxi Provincial Labor and Social Security Department, and Finance Department on the Management of the Development of Public Welfare Jobs issued by Department of Human Resources and Social Security, Finance Department of Shaanxi Province	Effective from April 14, 2020
Municipal and district level	Notice on Further Strengthening Occupational Health Training of Ankang Administration of Work Safety (ASAJGH [2016] No. 330)	2016
	Ankang Occupational Disease Prevention and Control Planning 2021-2025	2022
	Notice of Health Commission of Ankang City on Issuing the Key Points of Occupational Health Work in Ankang City in 2023 (AWH [2023] No. 51)	2023
	Health Ankang Action 2020-2030	2021

3.2.3 Community Health and Safety

Relevant requirements for community health and safety cover work safety, infectious disease prevention and control, road traffic safety, etc. China has established sound institutional requirements on natural disaster prevention, work safety, traffic safety, infectious disease prevention and control, and accident response to protect people's personal and property safety.

Table 3-5 State Laws and Regulations on Community Health and Safety

Policy level	Policy	Effective date
China	Work Safety Law of the People's Republic of China	Revised in 2021
	Emergency Response Law of the People's Republic of China	In 2007
	Law of the People's Republic of China on Prevention and Treatment of Infectious Diseases	Revised in 2013
	Regulation on Emergency Responses to Work Safety Accidents	In 2019
	Measures for the Administration of Road Transportation Safety of Hazardous Goods	In 2020
	Technical guidelines for eco-environmental health risk assessment—General principles	In 2020

3.2.4 Land Acquisition and Involuntary Resettlement

For land acquisition, housing demolition, resettlement and compensation, China has developed a complete legal framework and policy system, including the Land Administration Law of the People's Republic of China (the third revision on August 26, 2019) and the Decree No.590 of the State Council - Regulation on the Expropriation of Buildings on State-owned Land and Compensation (January 21, 2011). Within the framework of national laws and

policies, local governments at all levels have promulgated and implemented applicable laws and policies conforming to local laws and policies to manage and guide local land acquisition, housing demolition, resettlement -and compensation.

Table 3-6 Legal Framework for Land Acquisition and Demolition/Involuntary Resettlement

Policy level	Policy	Effective date
China	Land Administration Law of the People's Republic of China	Amended on August 26, 2019
	Notice of the Ministry of Land and Resources on Further Land Acquisition Management (GTZYB [2010])	June 26, 2010
	Guiding Opinions on Perfection of Land Acquisition Compensation and Resettlement System (GTZF [2004] No. 238)	November 3, 2004
	Decision of the State Council on Deepening the Reform and Rigidly Enforcing Land Administration (GF [2004] No. 28)	October 21, 2004
	Notice of the State Council on Intensifying the Land Control (GF [2006] No. 31)	August 31, 2006
	Notice of Guidance on Employment Training and Social Security for Land-expropriated Farmer sent by the General Office of the State Council to the Ministry of Labor and Social Security (GF [2006] No. 29)	April 10, 2006
	Notice of the Ministry of Labor and Social Security, and the Ministry of Land and Resources on Doing A Practical Job in Social Security for Land-expropriated Farmers (LSBF [2007] No.14)	April 28, 2007
	Circular of the Ministry of Finance, the Ministry of Land and Resources and the People's Bank of China on the Relevant Issues Concerning Adjusting Payments for the Paid Use of New Construction Land (CZ [2006] No. 48)	November 7, 2006
Shaanxi Province	Measures of Implementing the Land Administration Law of the People's Republic of China in Shaanxi Province	September 29 , 2022
	Measures for Unified Land Acquisition for Construction Projects in Shaanxi Province	January 8, 2002
	Notice on Printing and Issuing Shaanxi Provincial Unified Land Acquisition Project Management Procedures (Trial) (SGTZBF [2015] No. 5)	March 27, 2015
	Notice of the People's Government of Shaanxi Province on Promulgating the Comprehensive Land Price of the Acquisition of Agricultural Lands in the Province	December 31, 2020
	Implementation Plan of the Five-Year Action (2021~2025) for the Improvement of Rural Human Settlements in Shaanxi Province	May 12, 2022
	Contents of Compensation for Acquisition of Farmers' Collective Land	August 11, 2015
	Notice of Shaanxi Provincial Department of Labor and Social Security and Department of Land and Resources on Forwarding the Notice of the Ministry of Labour and Social Security and the Ministry of Land and Resources on Effectively Implementing Social Security for Land-expropriated Farmers	September 11, 2007
	Notice on Issues Related to the Management of Agricultural Land for Facilities by Shaanxi Provincial Department of	July 2, 2020

Policy level	Policy	Effective date
	Natural Resources and Shaanxi Provincial Department of Agriculture and Rural Affairs (SZRZG [2020] No.4)	
	Measures for the Assignment and Transfer of State-owned Land Use Right in Shaanxi Province	September 1, 2016
	Notice on Further Implementing Policies Related to Land-Expropriated Farmers' Participation in Basic Endowment Insurance in Shaanxi Province	May 23, 2016
Urban area	Opinions of the Office of Ankang Municipal People's Government on Further Improving the Employment Training and Social Security of Land-expropriated Farmers in Ankang Central Urban Area (AZBF [2016] No. 1)	January 26, 2016
	Notice of the Office of the People's Government of Hanbin District, Ankang City on Issuing the Land Acquisition, House Demolition and Resettlement Plan for Development and Construction of Chengdong Area (HZBF [2017] No. 128)	June 26, 2017
	Notice of Hanbin District People's Government of Ankang City on Promulgating the Comprehensive Land Price of the Acquisition of Agricultural Lands in the District (HZF [2021] No. 3)	January 18, 2021
	Notice of the Office of the People's Government of Hanbin District, Ankang City on Issuing the Implementation Plan for Temporary Land Lease of Huangyang River Land Raising and Protection Project of Xunyang Hydropower Station (HZBF [2019] No.138)	October 30, 2019

3.2.5 Information Disclosure and Public Participation

With regard to the information disclosure, public engagement and complaint and grievance redress mechanism (GRM), the laws and regulations of China, Shaanxi Province and the project districts and counties have made comprehensive and strict requirements on the approval and implementation process of major construction projects, the compensation plan for land expropriation and requisition, the allocation of government resources and other information disclosure, and required smooth channels for public engagement.

China and Shaanxi Province have established a systematic petition mechanism. Citizens, legal persons or other organizations can report the situation to the people's governments at all levels and the working departments of people's governments at or above the county level by letter, e-mail, fax, telephone, visit, etc., and put forward suggestions, opinions or complaints, which shall be handled by the relevant administrative organs according to law. See Table 3-7 for details.

Table 3-7 Legal Framework for Information Disclosure and Public Engagement

Policy level	Title	Effective year
China	Land Administration Law of the People's Republic of China	2020
	Measures for Public Engagement in Environmental Impact Assessment	2019
	Regulations for the Implementation of the Land Administration Law of the People's Republic of China	2021
	Guidelines on Standards for Publicity of Community-level Government Affairs on Acquisition of Farmers' Collective Land	2019
	Opinions on Comprehensively Promoting the Publicity of Government Affairs	2016
	Opinions of the General Office of the State Council on Promoting the Publicity of Government Information in the Field of Public Resource Allocation	2016
Shaanxi Province	Measures of Implementing the Land Administration Law of the People's Republic of China in Shaanxi Province	2022
	Measures for Unified Land Acquisition for Construction Projects in Shaanxi Province	2002

3.2.6 Analysis of Differences with AIIB's ESS and Remedial Measures

As mentioned above, China has established a systematic social security management system, with the consistent objectives with the AIIB's social security policies, i.e., mitigating the social risks of the project and achieving sustainable development, but there are still some differences. See Table 3-7 for relevant difference analysis.

Table 3-8 Applicability of AIIB's Social Standards and Differences from China's Policies and Remedial Measures

No.	ESS standard	Applicability	Comment	Policy differences	Remedial measures
1	ESS1:Environmental and Social Assessment and Management	Yes	<p>A social impact assessment (SIA) has been prepared for the project.</p> <p>As an important part of the AIIB's environmental and social assessment and management, an Environmental and Social Management Plan (ESMP) has been prepared to ensure that the project complies with the requirements of measures and actions in the social management plan.</p> <p>The Borrower shall continue to carry out stakeholder engagement and information disclosure activities throughout the implementation of all subprojects.</p> <p>The requirements on working conditions, labor protection, grievance redress mechanism (GRM), occupational health and safety in this Standard are all applicable to the direct workers and contract workers of the Project; potential risks of child labor, forced labor and major safety issues need to be identified for employees of key suppliers. Worker management is assessed in the SIA and corresponding management measures are proposed in the social management plan.</p> <p>The social impact assessment assesses the social impacts and risks in the health and safety of surrounding communities, and puts forward corresponding management measures in the social management plan.</p> <p>The project involves a wide range of stakeholders, so a Stakeholder Engagement Plan</p>	<p>In China, social stability risk assessment is only required for major investment projects. The scope of assessment is mainly for the project itself, and does not involve the due diligence on existing facilities and associated facilities.</p> <p>The Chinese government has comprehensive regulations on labor and working conditions which are basically consistent with the scope and elements of ESS1.</p> <p>Practically, the risks of child labor, forced labor and SEA/SH of the Project are extremely low, but the occupational health and safety is required to be strengthened and improved. The ESS1 of AIIB has stricter labor management procedures and normative requirements in terms of policy requirements and practice.</p> <p>Applicable Chinese policies and practices focus more on the engagement in the initial stage of project construction, and the public engagement level in policy planning is low, and there is no</p>	<p>For these subprojects, social audit, social risk and social impact assessment (SIA) have been carried out, and SEP and ESMP have been designated.</p> <p>Identify the labor risks and health hazards of the workers involved in the Project, and prepare relevant management measures in the ESMP.</p> <p>Identify the impact of the project on the surrounding communities and safety in line with the social impact assessment, optimize the project design, and formulate corresponding social risk management measures; during the whole project period, the project will conduct stakeholder engagement and establish a grievance</p>

No.	ESS standard	Applicability	Comment	Policy differences	Remedial measures
			<p>(SEP) has been prepared. With the development of the project, the SEP shall be updated once new stakeholders are identified.</p> <p>The Borrower will carry out stakeholder engagement activities in accordance with the plan in the SEP throughout the project life cycle, especially for vulnerable groups of the project.</p>	<p>clear requirement for stakeholders to engage in the whole life cycle of the project or decision-making. According to ESS, the stakeholder engagement shall run through the whole project cycle, and the Stakeholder Engagement Plan (SEP) shall be prepared in the project preparation stage and monitoring shall be carried out in the implementation stage.</p>	<p>redress mechanism (GRM). The Project will be fully negotiated in preparation. On this basis, the Stakeholder Engagement Plan (SEP) has been formulated for the subprojects, ensuring that stakeholders continue to engage in the project during the project life cycle and monitor the implementation process.</p>
2	ESS2: Land Acquisition and Involuntary Resettlement	Yes	<p>According to the identification, land acquisition was involved in the new project activities, and a resettlement impact survey, socio-economic and resettlement plan survey, and a Resettlement Action Plan (RAP) was developed for the project. By corresponding due diligence on the land activities already obtained for this project, identified remaining land issues, and developed corresponding remedial measures.</p> <p>For project lands, grievance and monitoring evaluation have been strengthened.</p>	<p>China's policy does not require the preparation of a separate resettlement plan for municipal project investment and due diligence on existing facilities.</p>	<p>In accordance with the identification of resettlement impacts, the project has prepared a resettlement action plan and conducted due diligence on existing facilities; and developed a monitoring plan for the implementation of project resettlement.</p>

3.3 Requirements and Applicability of the AIIB's *Environmental and Social Framework*

The AIIB's *Environmental and Social Framework* clarifies the Bank's commitment to sustainable development through a Bank policy and a set of Environmental and Social Standards. This Environmental and Social Standards (ESSs) specify the requirements that the borrowing country shall meet when identifying and evaluating the environmental and social risks and impacts of projects supported by the AIIB through investment project financing.

- **ESS1 Requirements:**

- The borrower shall evaluate, manage, and monitor environmental and social risks and impacts throughout the entire project cycle in a manner and at a time acceptable to the AIIB, ensuring compliance with the requirements of the Environmental and Social Standards. The borrower shall conduct environmental and social assessments for the proposed project, including stakeholder engagement; Conduct stakeholder engagement activities and release appropriate information in accordance with ESS; and monitor and report on the environmental and social performance of the project in accordance with the Environmental and Social Standards.
- The borrowing country shall formulate and implement the written labor management procedures applicable to the Project for project employees, including direct employees and contract workers; provide the project employees with information and documents that can clearly explain the terms and conditions of employment, and pay the project employees regularly in line with applicable national laws and labor management procedures; only when permitted by applicable national laws or labor management procedures can the salaries of the employees be deducted, and the employees shall be informed of the conditions for such deduction; sufficient weekly leave, annual leave, sick leave, maternity leave and family leave shall be provided for project employees in line with applicable national laws and labor management procedures; no child labor, forced labor or discrimination is allowed; the appropriate protection and assistance measures shall be provided for vulnerable workers; an grievance redress mechanism (GRM) needs to be provided; and the occupational health and safety measures shall be designed and implemented.

- The borrowing country shall assess the risks and impacts of the Project on the health and safety of affected communities in the project cycle, including vulnerable groups due to special circumstances. The borrower shall identify risks and impacts according to the ranking of the management and mitigation measures and propose mitigation measures.
- The borrowing country shall maintain stakeholder engagement in the project cycle and the nature, scope, and frequency of stakeholder engagement will be consistent with the nature, scale, potential risks, and impact of the Project. The borrower will make meaningful consultations with all stakeholders in a culturally appropriate manner, providing them with timely, understandable, and easily accessible information, without external manipulation. As part of social assessment, the borrower will maintain and publish the documentation of stakeholder engagement, including the description of the stakeholders involved in the consultation, summary of received feedback, brief description of how feedback was considered, or reasons why the feedback was undesirable.
- **ESS2 states** that involuntary resettlement shall be avoided. Otherwise, resettlement shall be minimized and appropriate measures shall be carefully planned and implemented to mitigate adverse impacts on resettled people (and their resettlement areas).

Overall, ESSs set objectives and requirements to avoid and minimize social risks and impacts to the project staff, affected communities, and involuntary resettlement. Once they are set, the borrower shall manage them through a social management system in conformity with ESS1.

4 Social Risk and Impact Screening

4.1 Screening Method

The SIA team of the Project made detailed identification and screening of potential social risk factors of the Project through data collection, workshops, questionnaire survey, stakeholder⁶ interview, and key informant interview.

According to the proposed contents of the Project, the potential social risks of the Project include: risks in land acquisition and house demolition and resettlement, risks in work relations and occupational health and safety of laborers, risks in community health and safety and road safety, insufficient stakeholder engagement, and risks of non-inclusiveness of vulnerable groups.

The project's key social risks include community health and safety, labor and working conditions, land acquisition and resettlement of inhabitant, non-inclusive impacts viz exclusoin (i.e. social inclusion and gender equality), and inadequate stakeholder engagement.

According to preliminarily identified and screened risk factors mentioned above, the nature and scale of project activities, and the existing management level, the degree of social risks was preliminarily judged.

4.2 Social Impact Screening Results

The social risk analysis of facility construction of the Project was made according to the activities of each subproject and each phase of the Project (preparation period, implementation period, and operation period) as well as the Environmental and Social Framework (ESF) and Environmental and Social Standards (ESSs) of the AIIB.

4.2.1 Irrelevant Social Risks and Impacts

- **Ethnic minority:**

According to the audit, there are no communities or villages inhabited by ethnic minorities within the construction scope of the Project, which does not concern the ESS3 standard.

- **Forced labor and employment child labor:**

China implements comprehensive laws and regulations and strict supervision on the prohibition of child labor, discrimination, and forced labor, which are basically consistent with the scope and elements of ESS2. Shaanxi Province has released relevant policies to prohibit any unit, organization or

⁶ Refer to the stakeholder engagement plan of the Project details.

individual from introducing minors under 16 to work. The people's governments at or above the county level shall strengthen their leadership over the prohibition of child labor, establish and improve the coordination mechanism and responsibility assessment system for the prohibition of child labor, and urge the implementation of prohibition measures.

The workers involved in the activities of the Project are mostly management personnel and construction personnel for the construction period and management personnel and staff for the operation period. Considering the nature of the job position, the construction workers of the Project shall have relevant experience, skills, and qualification certificates. All of these jobs have an age limit (For example, over-18-year-old Chinese citizens can apply for a driving license). Cleaners and handymen are mostly 40-50 years old. According to the audit, so far, PMOs do not employ any child labor or minor worker aged 16-18.

According to the Labor Law and the Provisions of the State Council on Work Hours for Workers and Staff Members, the working hours of laborers shall not exceed 44 h per week and 8 h per day on average. Under certain circumstances, the extended working hours shall not exceed 3 h per day or 36 h in total per month (according to Article 41 of the Labor Law); minor workers aged 16-18 shall not work overtime. According to the audit, PMOs do not show forced labor up to now.

According to Article 12 of the Labor Law, laborers shall not be discriminated against in work because of their nationality, gender, or religious belief. Article 27 of the Employment Promotion Law specifies that it is not allowed to refuse to employ women or raise the employment standard for women because of their gender or restrict the marriage and childbirth of female employees in the labor contract. The Employment Promotion Law protects the employment rights of "the disabled", "carriers of infectious diseases", and "rural laborers". It also clearly specifies that recruitment brochures or advertisements issued by employers shall not contain discriminatory content. According to the audit, PMOs do not show discrimination in recruitment up to now.

According to the social audit, PIUs in the construction and operation periods are mainly relevant government departments and subordinate organizations which adopt complete labor management and supervision system without the employment of child labor, forced labor, or discrimination in recruitment. Therefore, it is expected that the risk of child labor, forced labor, and discrimination in recruitment will not materialize under the Project; however, according to the audit and current management level of relevant organizations, special attention shall be paid to the risks in working terms and conditions and

OHS of laborers under the Project.

4.2.2 Relevant Social Risks and Impacts

According to the project activities and the screening based on environmental and social standards (ESSs) of AIIB, the social risks of the Project mainly include: (1) Risk of exclusion--insufficient opportunities for women and other vulnerable groups to participate in and benefit from the project--during the preparation, construction and operation of the project⁷; (2) Impact of land acquisition and resettlement; (3) Labor and work conditions related -- For management personnel and staff (such as construction workers, etc.) involved in the construction and operation of the project, the risks of working conditions (such as wage level, working hours, contract terms, GRM, and overtime compensation; (4) Community health and safety risks, mainly including the risk of natural disasters, especially flood, in the project area, road and traffic safety risks during the construction of the Project, disturbance to the life of nearby residents, and the impact of non-native construction personnel on the life of nearby community residents, etc., as well as road and traffic safety risks after the completion of road subprojects; (5) Lack of effective stakeholder engagement causes insufficient social support and poor sustainability of the project, community dissatisfaction, etc.

(1) Vulnerable groups

Relevant vulnerable groups in the project area may be more affected due to their own factors and excluded from the Project.

(2) Gender

During the preparation and implementation of the project, the number of women participating in public affairs and consultation activities is less than that of men. Some temporary employment cannot achieve equal pay for equal work irrespective of gender.

(3) Project land risk

Among the 15 subprojects of the project, 2 subprojects only involve temporary construction impacts (National Highway G211 Shiti-Zhangtan First-class Highway Road Resilience Improvement Project, New Energy Streetlight subproject), and 8 subprojects involve land acquisition and housing demolition (Zhenxing Road, Huanta Road, North Section of Yong'an Road, Lyuyuan Road, Second Bid Section of the Guanmiao - Huangyang River (the

⁷The vulnerable groups in the project are 16 households of villagers affected by land acquisition.

eastern section of the ring road) Reconstruction Project, Green and Low-carbon City Operation Management and Data Center, Ankang Chengdong Sports Park and Community Ecological Park Project), and 2 sub projects only involve land acquisition (Chunlin Road Project and Green Public Parking Lot Project), and 1 sub project involves land acquisition, demolition and land use rights transfer impact (Han River Restoration and Coastal Green Corridor Project), and 1 sub project involves land use rights transfer (Huangyang River Environmental Management and Ecological Park Project). The Project involves a large area of land use and a large affected population. In particular, individual households affected by the Project have different demands when confronting land acquisition, demolition and resettlement, which need to be properly handled. Therefore, there are certain risks in the land acquisition and demolition activities of the Project.

As mentioned above, China, Shaanxi Province, and Hanbin District have established a sound policy and regulation system for land acquisition and the implementation process of land acquisition and resettlement; the PIUs for land acquisition also assign professional personnel with rich experience to implement land acquisition and resettlement. In the light of the above, to a certain extent, the land use risk can be reduced through regulatory constraints, process management in combination with relevant experience of land acquisition and resettlement personnel.

(4) Working conditions and health and safety risks of workers

During the construction and operation of the Project, there may be potential labor management risks, such as labor rights and interests protection, labor health and safety, etc. During the construction process, the protection of labor rights and interests of workers shall comply with the provisions of the Labor Law in terms of contract management, workers' insurance, etc.; health risks include driving safety, equipment use safety, construction safety accidents, noise, air, dust and infectious diseases, etc.

(5) Community health and safety

As materials and large-scale construction equipment come in and out of the construction site during the construction of the Project, the traffic flow around the ecological park and the completed road may increase significantly during the completion and use period. Therefore, the Project may cause traffic safety risks to the surrounding communities.

During the construction of the Project, the use of equipment or machinery (such as excavators and electric drills) with large noise and vibration for civil

works construction will cause disturbance to people around the construction site.

In addition, the project area also has potential risks of natural disasters, especially flood.

The non-native construction personnel might have certain impact on the life of local villagers due to factors such as living habits and physiological health.

According to investigation, there is a house on the north slope 5 meters outside the red line of the Green and Low-carbon City Operation Management and Data Center, and the construction will have a safety impact on that house. In order to avoid safety risks, this household is included in the scope of demolition.

(6) Information disclosure and engagement

Information disclosure and engagement in project preparation, implementation and operation are important links to achieve project objectives. In addition to relevant departments, the main stakeholders include town and village cadres, personnel related to sensitive facilities, residents or villagers around the project, people affected by land acquisition, villagers subject to land transfer, villagers temporarily affected by project construction, workers serving the project, etc. Untimely and insufficient information disclosure or consultation will affect the realization of the project objectives.

Extensive information disclosure and public participation have been carried out during the project preparation stage, and a Stakeholder Engagement Plan has been developed and will be implemented throughout the project life cycle.

5 Social Impact Analysis

5.1 Overview of Social Risk Classification

According to the conclusions of social risk screening and audit, this section mainly analyzes the possible social risks and impacts of activities of the Project, including negative impacts/risks and positive benefits, and proposes risk mitigation measures and benefit enhancement measures in combination with public engagement. This part analyzes the identified major social risks and impacts mainly in the following steps:

First, analyze possible impacts and risks of proposed project activities in combination with social background information and public engagement results;

Secondly, analyze the risk management measures that have been taken by PMOs and the PIUs in actual management and design of the Project in combination with the results of public engagements in social audit and SIA, and evaluate the social performance and possible gaps;

Then, according to ESSs, the SIA unit proposes mitigation measures in the "mitigation hierarchy".

Finally, the social impact assessment team and the PMO negotiate and confirm the mitigation measures proposed in this report, and clarify the responsibilities of relevant internal and external departments and the timing for implementation of these measures.

5.2 Analysis of Impact on Social Security

5.2.1 Analysis of Impact on Vulnerable Groups

According to survey, the vulnerable groups directly affected by the Project are mostly land-acquired households enjoying subsistence allowance, and 16 such households have been preliminarily identified. Relevant analysis and measures are shown in the Resettlement Action Plan (RAP).

The Project has formulated a Stakeholder Engagement Plan to provide guidance in the activities of meaningful public consultation. By improving the existing management mechanism and procedures, the development opportunities and equitable benefits for vulnerable groups are fully considered in the design and implementation process to ensure the interests of vulnerable groups.

5.2.2 Gender Impact Analysis

1. Gender Impact Analysis in the Project Area

In this social impact assessment, 11 villages/communities in the project implementation area are taken as sample points for survey. In order to fully listen to the voices of women during interviews and surveys, women accounted for 41.4% of the respondents among all villagers participating in public consultation activities.

The gender survey of the project shows that there is generally no gender distinction in decision-making, and basically men and women discuss and decide family affairs together. However, the number of women interviewed participating in public affairs and consultation activities is lower than that of men. Because of the local social background and living habits, more women in rural households believe that after the matters requiring decision-making are discussed, male members should represent the family to attend public affairs and consultation activities, while they are more likely to handle household affairs at home. This not only limits women's knowledge of relevant information, but also makes their voice and requirements less heard in project design and implementation. Women interviewed said they had no experience of domestic violence and rarely heard of local domestic violence.

According to the survey, men and women living in the project area engaged in formal work are basically equal paid for equal work in terms of remuneration and benefits. However, for temporary workers settled on a daily basis (mainly engaged in unskilled physical work, such as unskilled workers), the difference in remuneration between women and men is about RMB 50/day.

In addition, it is generally believed by the interviewed women that they are most likely to participate in logistics support, warehouse management, cooks, clerks, cleaning and other light physical work during the construction and operation of the project. The women interviewed also expressed their desire to participate in practical skills training free of charge to increase employment opportunities.

To remedy the above gender differences, corresponding measures will be set up in the social management plan: a. Ensure men and women enjoy equal pay for equal work regarding all types of work under the project; b. Strengthen the engagement of women in public consultation and consultation activities; c. Provide women with opportunities to participate in skill training; d. Provide

suitable jobs of light physical work for women during the construction and operation of the Project.

2. Risk analysis of sexual exploitation and abuse/harassment

The state and Shaanxi provincial governments have formulated comprehensive regulations to prevent the risk of sexual exploitation and abuse/harassment. Local governments have continuously strengthened law enforcement to improve the business environment.

The PMO is committed to providing a healthy and effective working environment in which sexual harassment is unacceptable because it violates the law and social ethics and is intolerable.

In addition, Related public service providers also provide existing sexual exploitation and abuse/harassment prevention services. Sexual exploitation and abuse/harassment prevention service providers are crucial not only in supporting this project in handling any potential cases of sexual exploitation and abuse/harassment, but also in assisting this project in proactively preventing sexual exploitation and abuse/harassment incidents. Including:

- Health service institutions: community hospitals and maternal and child health care hospitals.
- Judicial service institutions: community police stations; public security bureaus and district courts.
- Social service providers: District Legal Aid Center, District Women's Federation, and female community cadres.

According to social survey and the feedback from the Women's Federation, there has been no previous sexual exploitation and abuse/harassment events in the project area. As a result, the risk of sexual exploitation and abuse/harassment to workers is low.

5.2.3 Analysis of Land Acquisition and Resettlement Risks

Totally 13 subprojects under the Project involve acquisition of collective-owned land, of which 10 subprojects will exert impact caused by land acquisition and demolition. These project activities mainly include road works, parking lot and park construction, protective works, information center construction, etc.

According to the investigation, the Project covers an area of 4379.2 mu (excluding water areas), involving 12 administrative villages/communities in Zhangtan Town, Shiti Town, and Xincheng Subdistrict. It is proposed to acquire

1093.89 mu of collectively-owned land, involving 1098 households and 3971 people in 9 administrative villages/communities of Zhangtan Town, and to transfer 3,053.3 mu of land, involving 1,430 households and 5,233 people in 8 villages/communities of Zhangtan Town, Shiti Town, and Xincheng Subdistrict. The acquired land (land acquisition procedures closed) covers an area of 232.01 mu, involving 4 administrative villages of Zhangtan Town.

The house demolition for the Project involves 325 households and 1,192 people in 6 administrative villages of Zhangtan Town, namely Dian'an Village, Lishi Village, Wangwan Village, Shuangjing Village, Houyan Village, and Zoupo Village. The total area of rural houses to be demolished is 86,075 m², including 54,025 m² of residential houses and 32,050 m² of operation houses (including about 12,000 m² of **Unlicensed buildings**⁸). The details of land acquisition and demolition are described in the Resettlement Plan (RP).

The scale of land acquisition and demolition in the Project is relatively large, the affected population is relatively large, and as a result, the land use risk is relatively high. The Natural Resources Bureau of Hanbin District has submitted for approval some of the land. Please refer to Table 9-1 in Chapter 9 of the Resettlement Plan for details.

The risk mitigation measures adopted for the project land are as follows:

With the deepening of project design, the optimized scheme will endeavor to avoid and reduce the impact of land acquisition and resettlement as much as possible. For unavoidable land acquisition and resettlement, a resettlement plan has been formulated for the Project in accordance with AIIB Standard ESS2 and the corresponding laws and regulations of China. The PMO will implement activities related to land acquisition and resettlement compensation in accordance with the resettlement action plan.

The PMO will engage a third-party external monitoring agency for resettlement to monitor and evaluate the resettlement implementation to ensure the implementation of the resettlement objectives of project activities.

⁸ For unlicensed buildings, refer to sections 2.2.2 and 4.6 of the RP for detailed information. .

Table 5-1 List of Land Acquisition and Demolition for the project

S/N	Subproject	Township /Subdistrict	Village/Community	Total land area (mu)	Proposed land acquisition area (mu)	Acquired land area (mu)	Proposed land transfer area (mu)	Proposed Demolition Area (m ²)
1	Zhenxing Road	Zhangtan	Dian'an, Lishi, Zoupo	104.1	104.1	0	0	8260
2	Huanta Road	Zhangtan	Shuangjing	34.8	34.8	0	0	10650
3	Lyuyuan Road	Zhangtan	Lishi	6.9	6.9	0	0	1680
4	Chunlin Road	Zhangtan	Lishi	8.4	8.4	0	0	0
5	North Section of Yong'an Road	Zhangtan	Zoupo	34.7	34.7	0	0	3998
6	Second Bid Section of the Guanmiao - Huangyang River (the eastern section of the ring road) Reconstruction Project	Zhangtan	Dian'an, Shuangjing, and Wangwan	108.5	86.1	22.4	0	52077
7	Green Public Parking Lot Project in Core Area of Ankang Chengdong New Area	Zhangtan	Zoupo, Shuangjing, Lishi	38.2	20.6	17.6	0	0

S/N	Subproject	Township /Subdistrict	Village/Community	Total land area (mu)	Proposed land acquisition area (mu)	Acquired land area (mu)	Proposed land transfer area (mu)	Proposed Demolition Area (m ²)
8	Project of Hanjiang River Restoration and Green Corridor Along the River (Phase I)	Zhangtan	Lishi, Wangling, Langou, Dian'an, Jiutiaogou, and Yangkou	1491.6	455.9	0	1035.7	3070
9	Huangyang River Water Environment Improvement and Ecological Park Project	Zhangtan, Xincheng Subdistrict Office	Shuangjing, Wangwan, Zhangtan Community, and Lishi	2017.6	0	0	2017.6	0
10	Hanjiang River Comprehensive Regulation Project Zhangtan Town Section Protective Works Protection Zone 1	Zhangtan	Houyan	215.3	215.3	0	0	0
11	Ankang Chengdong Sports Park	Zhangtan	Lishi, Zoupo	263.3	90.93	172.37	0	2580
12	Community Ecological Park Project	Zhangtan	Zoupo, Wangwan	35.88	35.88	0	0	3760
13	Green and Low-carbon City Operation Management and Data Center	Zhangtan	Shuangjing	19.64	0	19.64	0	0

S/N	Subproject	Township /Subdistrict	Village/Community	Total land area (mu)	Proposed land acquisition area (mu)	Acquired land area (mu)	Proposed land transfer area (mu)	Proposed Demolition Area (m ²)
14	Urban Integrated Waterlogging System (Pump Station)	Zhangtan	Shuangjing, Wangwan, Zhangtan Community, and Lishi	0.28	0.28	0	0	0
Total				4379.2	1093.89	232.01	3053.3	86075

Data source: project feasibility study report and field investigation

5.3 Health and Safety

5.3.1 Worker Health and Safety

The PMO and PIUs, for specific implementation of the project during the preparation and construction period. The Management Committee of Wuli Industrial Concentration Area (Ankang Chengdong New Area) of Hanbin District (hereinafter referred to as "Chengdong Management Committee") will be responsible for specific operation after the project is completed and put into use. The types of workers involved in the construction and operation of the Project mainly include direct workers and contractor's workers. Including:

- **Direct workers** are relevant staff directly employed by the PMO (PIU) and the operating agency to engage in the project activities, mainly responsible for the construction and operation of the Project;
- **Contractors' workers** are persons hired by third parties (such as contractors and subcontractors) to engage in the work related to the core functions of the Project. Contractor's workers under this project are mainly all relevant workers of the future construction contractor of the project.
- Under the Project, **supplier's workers** are mainly employed by agency, manufacturer of purchased goods and equipment, such as photovoltaic equipment.

According to investigation and in view of the contents of new construction works and upgrading and expansion works under the Project, the labor risks of the Project mainly lies in the terms and conditions of work and the aspect of occupational health and safety. Major potential risks in and impacts on laborers are analyzed as follows according to different facilities.

A. Construction period

The workers involved in the construction process of the Project mainly include the contractor's workers engaged in road construction, pipeline construction, main building construction, interior decoration, supporting facilities construction and greening, and the management personnel (direct workers) responsible for daily management.

According to the construction contents in the feasibility study report and in consideration of the risk and social investigation of similar projects, the potential risks identified by the workers of the contractor in the construction of new roads, road upgrading and reconstruction, parking lot construction and new energy street lamp construction are mainly as follows:

- Risk of machinery/equipment operation accidents: large machinery or equipment may be required for such engineering construction, including excavators, paving machines, cranes, pipe jacking machinery, etc., and such equipment as electric drills, electric hammers and welding guns. General large-scale machinery operators must hold discipline qualification certificates, while the operators of general equipment should be skilled technicians who are relatively skilled in operation and have little risk of accidents when operating according to safety regulations. However, the operator may neglect the safety awareness due to long-time work, resulting in accidental injury or any safety accident.
- Road safety risk of transport vehicles: materials and earthwork need to be transported in the construction works of the Project, and the transport vehicles are generally trucks with large bearing tonnage. There are certain road safety risks during transportation and when entering and leaving the construction site.
- Risk of dust and odor during indoor decoration: When decorating the information center and venue, painting the walls, paving the ground, and painting may cause dust and pungent paint odor to workers.
- Accidental injury risk on the construction site: accidental injury caused by negligence or improper operation of construction workers, such as falling and crushing of iron parts, puncture by sharp objects, electric shock, scald and accidental falling.
- Infectious Disease Infection Risk: Given the scale of this project, there may be a relatively large number of construction workers with a high degree of mobility, which could pose a risk of infectious disease transmission.

Direct workers are involved in low-level risks, mainly possible accident risks in inspecting the construction site which can be avoided by strengthening the safety awareness training and construction site management.

Supplier's workers: The equipment purchased for the Project involves manufacturers or agents. During the construction period, the risk of supplier workers mainly comes from improper operation of production equipment. According to relevant data, production enterprises with complete procedures and a certain scale generally have well-established management systems and operating procedures that can be strictly enforced. Therefore, the risk of production accidents is relatively low.

B. Operation Period (completed and put into use)

After the Project is completed and put into use, the main workers involved include management personnel, various staff of the Information Center, maintenance personnel of municipal roads and pipelines, park cleaners, greening workers and maintenance personnel of relevant venues or facilities. These workers are direct workers of the Committee.

According to the construction contents in the feasibility study report and in consideration of the risks and social investigation during the operation period of similar projects, the main risks faced by workers after the completion and operation of the Project are similar, including:

- Management personnel during the operation period: the relevant risks involved can almost be negligible.
- All kinds of staff of the Information Center: due to the uninterrupted operation of communication equipment in the data room of the Information Center, there is a certain electromagnetic radiation impact on the staff who have been in the room for a long time; electricians have the risk of electric shock; other staff may have less related risks.
- Parking lot staff: when vehicles enter and leave the parking lot, there may be a quite low risk of traffic accidental injury to the staff.
- Maintenance personnel of municipal roads and pipelines: during the maintenance of roads and pipelines, it may cause the risks of traffic accidental injury and high-temperature operation.
- Park cleaners, landscaping workers and maintenance staff of relevant venues or facilities: cleaners could mainly be involved in high-temperature operations and infectious disease infection risks caused by exposure to pathogens due to insufficient protection; plant pruning by greening workers is a possible risk of accidental injury due to improper operation of equipment; there are also risks of electric shock, falling, etc. for facility maintenance personnel.

5.3.2 Community Health and Safety Impacts

According to the content of the project activities, the health and safety of the communities around the Project are analyzed according to 5 aspects, of which the institutional capacity improvement and project management support of the 5th aspect do not involve the impact of community health and safety. Therefore, the other 4 aspects are mainly analyzed and evaluated as follows:

A. Construction period

- **Disturbance of construction activities to surrounding residents:** villagers living in 11 villages/communities scattered around the construction area of the Project, especially during the **construction of 7 roads, parks and information centers** under the Project, the noise and vibration generated by construction may have a great impact on surrounding communities, and the transportation of villagers will also be affected. In addition, excavation works may cause local pipeline damage, resulting in temporary power failure, network disconnection or water cut-off for nearby villagers.
- **Impact on road traffic safety of construction vehicles:** most of the construction vehicles are heavy vehicles, and some sections of the road construction works are on slopes, so there may be blind spots, which may have a certain impact on the traffic safety of surrounding residential roads along the line.
- **Impact of external labor force on surrounding communities:** about 450 workers of various types will be needed for the construction of the Project. According to the experience in similar projects and in consideration of the construction content of the Project, the number of non-technical workers is about 3 times the sum of management personnel and technical workers. Management personnel and technical workers should be mostly employees of the Construction Contractor, while non-technical workers should mostly be employed locally. Therefore, the risk of labor influx is very low. However, due to the relatively large number of construction workers with high mobility, there may be a risk of infectious disease transmission to the surrounding communities.

In addition, the Project Management Office-PMO will require construction workers to live in the site camp, and the camp area will be located as far away as possible from the concentrated residential areas of local residents to avoid any interference with nearby communities. The risk of sexual exploitation and abuse/harassment to the community is quite low.

B. Operation Period

- **Roads:** as a traffic artery in the east new district, the traffic flow is relatively large, which has some impact on the traffic safety of surrounding communities;

- Parks and parking lots: they are open to the public, and vehicles entering and leaving may have a small impact on the travel safety of surrounding communities;
- Information Center: it is managed by the Management Committee of Wuli Industrial Concentration Area (Ankang Chengdong New Area) in Hanbin District for office use and is not open to the public. Vehicles entering and leaving the site may have certain impact on the travel safety of the surrounding communities, but the impact is very small.
- In addition, the project area also has potential risks of natural disasters, especially flood.

In addition, extreme weather may have certain impact on tourists visiting those public facilities as parks and venues.

5.3.3 Health and Safety Impact Mitigation Measures

According to the risk factors identified in the social impact assessment, the following relevant design optimization and impact mitigation measures are formulated for community health and safety; see the following table for details.

Table 5-2 Mitigation Measures for Health and Safety Risks

Stage	Responsible subject	Mitigation measures	Responsible subject
Worker health and safety			
Construction period	PIU; Township governments; Contractor; Design unit	<ul style="list-style-type: none"> o Strengthen the road traffic safety training and management of drivers for transport vehicles, and improve safety awareness to avoid and reduce the occurrence of traffic accidents. o Vehicle transportation shall be arranged reasonably according to the local actual situation and the suggestions of local residents, and the transportation time shall not be the peak traffic period. o Strengthen the training and management of construction personnel on safe and standardized construction, allocate sufficient safety officers, and supervise workers properly on safe and standardized construction. o Construction workers shall be provided with labor protection and safety protection articles free of charge, such as safety helmets, safety ropes, anti-skid shoes, gloves, and dust masks. o Formulate a complete emergency plan and assign responsibilities for specific personnel. <p>To control and prevent infectious diseases, relevant measures shall be implemented under the guidance of the District Health Commission, such as rodent control on the construction site. Additionally, it is essential to organize site personnel and construction workers to receive training on infectious disease prevention and control practices, along with the distribution of informational pamphlets on infectious disease prevention and control.</p> <ul style="list-style-type: none"> o Monitor and evaluate labor management performance and make continuous improvement of LMP. o Establish and adopt a documented Grievance Redress Mechanism (GRM), and feed back the results to the complainant in time. 	PMO and Construction Contractor
Operation period	PIU; Township	<ul style="list-style-type: none"> o Good ventilation devices shall be provided for the computer room of the Information Center, and all kinds of equipment in the computer room shall 	PMO and Construction

Stage	Responsible subject	Mitigation measures	Responsible subject
	governments; Design unit	be up to or superior to the national standards. Strengthen the training of electricians, municipal maintenance personnel and venue maintenance personnel about safe operation. <ul style="list-style-type: none"> o Strengthen traffic safety training for all workers. o Provide sufficient labor protection appliances for all workers free of charge. o For park cleaning personnel and other personnel who need to work in the open air conditions, the working time in high temperature weather shall be reasonably arranged to avoid the period with the highest temperature in the day. 	Contractor
Community health and safety			
Construction period	PIU; Township government; Design unit and Construction Contractor	<ul style="list-style-type: none"> o Improve the construction organization plan, reasonably arrange the construction process and construction period, and minimize the impact on the communities; o The operations after 9 p.m. shall be avoided as far as possible, especially the startup or operation of mechanical equipment, so as to avoid the noise impact on community residents at night. o Standardize the management of drivers and vehicles and optimize the transportation routes to minimize impacts on communities; o Carry out road safety education for local residents (including women, children, the elderly, etc.). o Conduct public awareness campaigns on infectious disease prevention and control for local residents and distribute informational pamphlets. o Carry out publicity and implementation or free knowledge training activity on flood and other natural disaster prevention and emergency avoidance for local residents. o Establish and adopt a written grievance response mechanism (GRM) to actively handle the community complaints and suggestions, and timely feed back the handling results to the claimants. 	PMO, Town Governments and Construction Contractor

Stage	Responsible subject	Mitigation measures	Responsible subject
Operation period	PIU;	<ul style="list-style-type: none"> o Bold safety warning signs or markings and speed bumps shall be set up in critical sections of community traffic. o For subprojects along the Hanjiang River and Huangyang River, flood season management measures or emergency plans shall be formulated, such as early warning in case of extreme weather, early closure of public facilities such as parks, or limited visits. During the flood season, professional departments or designated personnel should be assigned to be responsible for on-site safety management. 	PMO, Town Governments and Construction Contractor

5.4 Labor and Working Conditions

According to the investigation, the staff during the operation period are managed and recruited uniformly by the Chengdong Management Committee. As a subordinate organization of the Hanbin government, the committee usually carries out personnel management and safe operation and production in accordance with the requirements of relevant national laws and regulations.

The construction workers during the construction period should all be contractor workers. Through the investigation by the SIA unit, it was found that some villagers once went out to work as construction workers, but because they were temporary workers, they did not enter into any labor contracts or labor agreements before, and they did not have accident insurance. According to the situation of other similar construction projects, the SIA unit believes that there is still a gap between the conditions provided by the Construction Contractor and the requirements of China's labor law, labor contract law and AIIB's ESS2 in terms of labor contract and worker insurance during the construction period.

According to the above risk factors, the SIA unit has formulated relevant mitigation measures for the working conditions of workers from the aspects of improving labor contracts, labor remuneration and working hours, and optimizing the Grievance Redress Mechanism (GRM). PIUs will arrange special departments and special personnel for implementation of relevant mitigation measures and require contractors/subcontractors and suppliers to manage labors according to the requirements. PMOs will supervise the labor management performance. Then, the formed mitigation measures are as follows:

- Ensure that the terms and conditions of employment, occupational health and safety, Grievance Redress Mechanism (GRM), etc. of workers are effectively guaranteed;
- For contractor management, implement the labor management requirements for contractors in the bidding procurement documents and incorporate them into the contract terms; specify remedial measures for non-compliance in the contract, and establish the procedures for third-party performance management and monitoring; for temporary workers, also ensure that labor contracts/agreements are signed and third-party companies purchase accident insurance for them;
- For supplier management, implement the labor management requirements for suppliers in the bidding and procurement documents, and include them in the contract terms. In addition, the contract shall

also specify: ① corresponding remedial measures for non-compliance and establish procedures for managing and monitoring third-party performance; ② Submit the manufacturer and agent due diligence report on labor management, including information on contract management, child labor, equal pay for equal work, gender discrimination, forced labor, and other aspects of the manufacturer's employment of workers.

- Monitor and evaluate labor management performance and make continuous improvement of LMP.

5.5 Risk of Inadequate Stakeholder Engagement

5.5.1 Analysis of Stakeholder Engagement in the Project Area

Information disclosure and engagement in project preparation, implementation and operation are important links to achieve project objectives.

According to the investigation, the existing facilities and related facilities have been fully disclosed to and shared with the public in the process of environmental impact assessment, social stability risk assessment, land acquisition and demolition, but the participation degree of vulnerable groups and women is relatively low, and there are fewer activities related to the project activities to actively solicit opinions of community residents. At present, villagers are more likely to communicate with local town governments and village leaders to respond to all the problems.

The laws and regulations of China, Shaanxi Province and Ankang City and Hanbin District have made comprehensive and strict requirements on the approval and implementation process of major construction projects, the compensation plan for land expropriation and requisition, the allocation of government resources and other information disclosure, and required smooth channels for public participation. In addition, China and Shaanxi Province have established a systematic petition mechanism. Citizens, legal persons or other organizations can report the situation to the people's governments at all levels and the working departments of people's governments at or above the district level by letter, e-mail, fax, telephone, visit, etc., and put forward suggestions, opinions or complaints, which shall be handled by the relevant administrative organs according to law. However, there are deficiencies in the existing information disclosure and active communication mechanism for residents of surrounding communities.

5.5.2 Design Optimization and Mitigation Measures to Mitigate Insufficient Stakeholder Engagement Risks

According to the risk factors identified in the social impact assessment, the following design optimization and mitigation measures are proposed:

- The opinions and suggestions of the surrounding community residents shall be fully consulted for the optimization of the design scheme;
- Land acquisition, demolition and resettlement, land transfer, etc. of the Project shall be disclosed to community residents, whose opinions and suggestions shall be solicited;
- The implementation will be in accordance with the Stakeholder Engagement Plan (SEP) and the determined Grievance Redress Mechanism (GRM) and sufficient resources will be provided to ensure the effective operation of the relevant mechanism;
- Improve the public engagement rate of vulnerable groups and women, and fully consider their opinions and suggestions;
- Environmental and social monitoring information in the operation process will be released to communities in a timely manner.

In addition, a separate Stakeholder Engagement Plan (SEP) should be developed for the project activities to guide the People's Government of Hanbin District and PMO to conduct meaningful stakeholder consultations throughout the project cycle.

5.6 Screening of Social Sensitive Points

The SIA unit screened the social sensitive facilities around the project construction site. According to the field investigation, the sensitive facilities of the Project include 2 hospitals, 1 kindergarten and 1 cultural relic unit. The main problems involved are noise during construction and road traffic safety.

Table 5-3 Social Sensitive Facilities around the Project

Township	Location	Sensitive facilities	Relationship with the project location
Zhangtan Town	Wangwan Village	New Hope Kindergarten	20 m to the east of Second Bid Section of the Guanmiao - Huangyang River (the eastern section of the ring road) Reconstruction Project of National Highway G211
Zhangtan Town	Dian'an Village	The Third Hospital of Ankang Central Hospital (in operation)	30 m to the north of the starting point of Second Bid Section (north) of Reconstruction Project of Huanta Road and National Highway G211 from

Township	Location	Sensitive facilities	Relationship with the project location
			Ankang Guanmiao to Huangyang River (the eastern section of the ring road)
Zhangtan Town	Lishi Village	Hanbin District TCM Hospital (under construction)	50 m to the south of the Resilience Improvement Project of Shiti-Zhangtan Class I Highway of National Highway G211
Zhangtan Town	Dian'an Village	Dian'an Tower	The Huan Ta road is about 110m away from the Dian'an Tower, not within the protection and construction control area of Dian'an Tower (within 30 meters of the tower)

According to the impact, the mitigation measures taken for sensitive facilities are as follows:

1) During construction, safe passages for students to go to schools and patients to hospitals shall be reserved to ensure the access of school buses and ambulances.

2) During construction, attention shall be paid to avoiding the time of going to and from kindergarten, or the construction period shall be put in summer vacation to reduce any possible threat to the safe travel of children.

3) Equipment with great noise shall not be operated at night; transport vehicles shall slow down when passing through hospitals and kindergartens to reduce transport noise and dust.

4) A notice board will be set up on the construction site to explain the main contents of the Project and the construction time. Please understand the inconvenience caused by the construction, and indicate the contact person and complaint hotline on the notice board.

5) During the construction process, corresponding lighting facilities and sufficient protective fences shall be erected.

6) It is necessary to strengthen the education and awareness training of management and construction personnel for cultural relics protection.

Based on screening, the project will not significantly impact cultural relics and historic sites, nor will it use these sites for commercial purposes. However, as Shaanxi is a key province for national projects with a history spanning over 3000 years, archaeological discoveries of cultural relics and historic sites may

occur during construction. Therefore, in addition to the measures mentioned above, this report also suggests additional measures to support the protection of accidentally discovered cultural relics:

1) Educate and train project management and construction personnel on the preservation of cultural relics,

2) If cultural relics or historic sites are discovered during construction, immediately halt construction activities and protect the site in place;

3) Promptly report any findings to the local cultural heritage protection unit (Cultural Relics Bureau). Cultural heritage experts shall inform relevant institutions about the discovered items or sites, fence off the area to prevent further disturbance and evaluate the findings.

4) Implement action measures consistent with national legal requirements.

5.7 Social Benefits analyze of the Project

By adopting new concepts and technologies for the construction of green and low-carbon cities, for the Project, it is emphasized to popularize the concept of green and low-carbon life in society, so as to achieve the effect of collaborative creation of low-carbon cities, further improve the green development of infrastructure, and strive to build a model for the construction of green and low-carbon cities.

Through the construction of low-carbon road works, the traffic road network system of Ankang Chengdong New Area will be improved, the congestion in the central urban area will be alleviated, and solar energy will be used as the energy for street lamps, thus reducing energy consumption and carbon emissions. Improving the urban flood control and drainage capacity could be conducive to attracting investment and developing tourism, healthcare and other tertiary industries, thus promoting the local economic development and improving the economic vitality of the region. Promote energy-saving and environment-friendly vehicles, new energy public transportation, high-efficiency lighting products, etc., further increase the market share of energy-saving household appliances, and promote the establishment of green circulation entities such as green wholesale markets, green shopping malls and energy-saving supermarkets.

In addition to the above, the Project can also provide about 360 job opportunities for local people during the construction and operation periods, especially promote the project household income of vulnerable groups in rural areas in accordance with the estimation of the feasibility study unit.

Table 5-4 Positions Provided

Stage	Position	Estimated number of employees	Estimated remuneration
Construction period	Technical workers, such as steel benders, scaffolders, truck drivers, clerks, etc.	30 persons	RMB 300~400/day
	Non technical workers, such as material managers, porters, miscellaneous workers, chefs, janitors, etc.	170 persons	RMB 150~200/day
Operation period	Cleaning, greening workers, clerks, security personnel, maintenance workers, miscellaneous workers, etc.	160	RMB 2,000/month ~ RMB 3,000/month
Total		360 persons	

5.8 Summary of Social Impacts and Risks and Mitigation Measures

The Table 5-5 summarizes the main issues identified through SIA and proposed mitigation and risk recommendations. The main mitigation measures proposed, such as improving and implementing labor management procedures and workplace occupational health risk management, have been incorporated into the Environmental and Social Management Plan (ESMP) of the Project.

Subsequently, the PMO、PIU and the proposed external social monitoring unit will continue to track, monitor, and evaluate the effectiveness of the implementation of relevant measures, and regularly report to the AIIB.

Table 5-5 Summary of Social Impacts and Risks and Mitigation Measures

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
ESS 1	Employment terms for female workers	Construction period	For temporary workers settled on a daily basis (mainly engaged in unskilled physical work, such as unskilled workers), the difference in remuneration between women and men is about RMB 50/day in the beneficiary villages and towns.	<ul style="list-style-type: none"> - The construction contract specified the clause of equal pay for equal work for men and women and the penalty for failure to do so. <p>The PIU shall supervise and track it during the construction period.</p>	PIU
ESS 1	Women's engagement	Construction period	The number of women interviewed participating in public affairs and consultation activities is lower than that of men.	<ul style="list-style-type: none"> - Strengthen the engagement rate of female public consultation and negotiation activities. - Provide skill training opportunities for women priority. - Give appropriate employment opportunities for women and ensure equal pay for equal work. 	PIU, Contractor

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
ESS 1	Health and Safety of Contractor's Workers	Construction period	Risks of mechanical/equipment operation accidents, road safety risks of transportation vehicles, risks of dust and odors during indoor decoration, risks of accidental injuries on construction sites and infectious disease transmission.	<ul style="list-style-type: none"> - Strengthen the road traffic safety training and management of drivers for transport vehicles, and improve safety awareness to avoid and reduce the occurrence of traffic accidents. - Vehicle transportation shall be arranged reasonably according to the local actual situation and the suggestions of local residents, and the transportation time shall not be the peak traffic period. - Strengthen the training and management of construction personnel on safe and standardized construction. - Construction workers shall be provided with Sufficient labor protection and safety protection articles free of charge, such as safety helmets, safety ropes, anti-skid shoes, gloves, and dust masks. - Formulate a complete emergency plan and assign responsibilities for specific personnel. - To control and prevent infectious diseases, relevant measures shall be implemented under the guidance of the District Health Commission, such as rodent control on the construction site. Additionally, it is essential to organize site personnel and construction workers to receive training on infectious disease prevention and control practices, along with the distribution of informational pamphlets on infectious disease prevention and control. - Monitor and evaluate labor management performance and make continuous improvement of LMP. 	Contractor . The PIU is responsible for supervision and verification.

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
				<ul style="list-style-type: none"> - Establish and adopt a documented Grievance Redress Mechanism (GRM), and feed back the results to the complainant in time. 	
ESS 1	Terms of Employment and Working Conditions for Workers	Construction period	There may be incomplete management of labor contracts for workers, such as failure to sign labor agreements with temporary workers, and missing necessary information in labor contracts.	<ul style="list-style-type: none"> - Implement the labor management requirements for contractors and major supplier in the bidding procurement documents and incorporate them into the contract terms; specify remedial measures for non-compliance in the contract, and establish the procedures for third-party performance management and monitoring; for temporary workers, also ensure that labor contracts/agreements are signed and third-party companies purchase accident insurance for them; 	Contractor . The PIU is responsible for supervision and verification.

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
		Construction period	Risks in the employment and working conditions of supplier workers	<ul style="list-style-type: none"> - Implement the labor management requirements of suppliers in the bidding and procurement documents, and include them in the contract terms. In addition, the contract shall also specify: ① corresponding remedial measures for non-compliance and establish procedures for managing and monitoring third-party performance; ② Submit the manufacturer's due diligence report on labor management, including information on contract management, child labor, equal pay for equal work, gender discrimination, forced labor, and other aspects of the manufacturer's employment of workers. 	Suppliers. The PIU is responsible for supervision and verification.
ESS 1	Community health and safety	Construction period	The disturbance of construction activities to surrounding residents, the impact of construction vehicles on road traffic safety, and migrant workers on surrounding communities	<ul style="list-style-type: none"> - Optimize and improve the construction organization plan, reasonably arrange the construction process and construction period, and minimize the impact on the communities; - The operations after 9 p.m. shall be avoided as far as possible, especially the startup or operation of mechanical equipment, so as to avoid the noise impact on community residents at night. - Standardize driver and vehicle management, optimize transportation routes and driving speeds, require drivers to follow prescribed routes, limit speed on socially sensitive areas, and minimize the impact on the community as much as possible; - Carry out safety education for local residents (including women, children, the elderly, etc.). 	PIU, Contractor

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
				<ul style="list-style-type: none"> - Conduct public awareness campaigns on infectious disease prevention and control for local residents and distribute informational pamphlets. - Carry out publicity and implementation or free knowledge training on flood and other natural disaster prevention and emergency avoidance for local residents. - Establish and adopt a written grievance response mechanism (GRM) to actively handle the community complaints and suggestions, and timely feed back the handling results to the claimants. 	
		Operation period	Potential road safety and extreme weather impacts after the delivery and use of roads and facilities	<ul style="list-style-type: none"> - Bold safety warning signs or markings and speed bumps shall be set up in critical sections of community traffic. - For the subprojects along the Hanjiang River and Huangyang River, flood season management measures or contingency plans will be established. These measures include issuing warnings during extreme weather conditions and making provisions for early closure or restricted access to public facilities such as parks. 	Project PIU and Operator

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
ESS 1	Stakeholder engagement	Construction period and operation period	Inadequate stakeholder engagement	<ul style="list-style-type: none"> - The optimization design plan shall fully include the opinions and suggestions of surrounding community residents; Project land acquisition, demolition and resettlement, land use rights transfer, etc. shall be disclosed to community residents and relevant opinions and suggestions should be solicited; - The implementation will be in accordance with the Stakeholder Engagement Plan (SEP) and the determined Grievance Redress Mechanism (GRM) and sufficient resources will be provided to ensure the effective operation of the relevant mechanism; - Improve the public engagement rate of vulnerable groups and women, and fully consider their opinions and suggestions; - Environmental and social monitoring information in the operation process will be released to communities in a timely manner. 	Project PIU and Operator
ESS 2	Involuntary resettlement	Construction period	Risks related to land acquisition and demolition	<ul style="list-style-type: none"> - Develop a separate resettlement plan and implement land acquisition and demolition in accordance with the plan. - During the implementation of the resettlement plan, a third-party external monitoring unit will be hired to regularly monitor the implementation of the resettlement plan, and an external monitoring report will be submitted every six months for review by the AIIB. - Monitor the resolution of remaining issues in the due diligence report on resettlement and include them in the external monitoring report issued every six months. 	PIU, third-party external social monitoring unit

Relevant ESSs	Focus	Stage	Potential Social Impacts and Risks	Mitigation measures	Responsible subject
	Land transfer	Construction period	Management of land use rights transfer	<ul style="list-style-type: none"> - Follow the land use rights transfer framework to ensure that the land use rights transfer process is voluntary, fair, and not coerced. 	

6 Stakeholder Engagement

With the assistance of SIA consulting experts, the PMO has developed an independent stakeholder engagement plan (SEP) for the Project. The SEP records the process and results of comprehensive information disclosure and public consultation activities, and lists detailed plans by activity to promote stakeholder engagement. The Social Impact Assessment (SIA) does not duplicate many details in the SEP and its attachments. The survey results are summarized in the baseline section (Section 2.4). This section references the key points of completed stakeholder engagement activities, providing information for SIA and mitigation measures, as well as the main arrangements for further stakeholder engagement.

For more detailed information on stakeholder engagement, please refer to the project's independent stakeholder engagement plan.

6.1 Undertaken Stakeholder Engagements

As of project pre-assessment, undertaken stakeholder engagements include: (a) joint determination of subproject contents and site selection by the PMO and relevant government departments; (b) intra-government coordination meetings, in which key issues related to project design and planning (such as coordination of project land) were addressed; (c) a series of information disclosure and public consultation activities carried out by the SIA unit, EIA unit, and feasibility study unit during the preparation of all subprojects.

In the preparation stage of the Project, the SIA unit made a series of public consultations on the content and possible environmental and social impacts and risks of the Project through FGDs, key informant interviews, field surveys, and questionnaire surveys. They also timely communicated with the EIA unit and feasibility study unit on relevant findings, thus providing support for the optimization of the project design. The target audience for public engagement mainly includes: project activities involving village/community cadres and residents, surrounding communities and residents, sensitive facilities, affected persons of land acquisition, PMO and relocation unit leaders, key government functional departments, township governments, as well as environmental impact assessment, feasibility study and other institutions of the project. During the period, 31 workshops/consultation meetings were held, 200 interviews were conducted and 760 questionnaires were collected.

Among completed activities, the communication and coordination of the competent functional departments of the government, the information disclosure and public engagement in the EIA process of the Project and the

preliminary preparation stage of land acquisition and house demolition were carried out according to Chinese procedures.

According to the requirements of ESF, the SIA unit of the Project, under the coordination of PMOs at all levels, has extended and expanded the engagement activities of stakeholders in the project from breadth and depth, covering more stakeholders in various stages of project construction and operation, and more clearly identifying the affected parties (especially vulnerable groups) and key government functional departments of the project, and targeted measures have been taken for more diversified means of information disclosure and engagement based on the characteristics, needs, and influence of different stakeholders, providing a more comprehensive understanding of their attitudes, needs, and suggestions towards the project, in order to better improve the project design and management measures for different impacts and risks, and systematically develop appropriate action plans to guide the subsequent implementation of information disclosure, public consultation, community communication, and grievance handling for different types of activities in the project.

Table 6-1 Statistics of Stakeholder Engagement

Survey respondents	Number of personnel	Number of females
Relevant PMO personnel	12	4
Land Acquisition and Demolition Office of Zhangtan Town	6	2
Village Committee/Neighborhood Committee	48	11
Surrounding villagers	263	107
Merchants along the line	19	6
Interviews with key government departments/public institutions/social organizations	53	21
Including: Natural Resources Bureau	7	2
Forestry Bureau	3	1
Water Conservancy Bureau	2	1
Fishery station	4	1
Human Resources and Social Security Bureau	7	4
Housing and Urban-Rural Development Bureau	3	1
Environmental Protection Bureau	3	1
Health and Hygiene Bureau	5	2

Survey respondents	Number of personnel	Number of females
Civil Affairs Bureau	2	1
Agriculture and Rural Bureau	5	1
Immigration and Development Bureau of Hanbin District	2	0
Wangwan Water Plant	4	0
Hanbin District Urban Investment Company	3	1
Women's Federation	3	3
Feasibility study unit	6	1
EIA unit	5	4
Questionnaire	760	298

6.2 Identification of Stakeholders

The main affected people/groups involved in each subproject and the organizations and departments with significant influence on the Project (especially for key approvals) shall be mainly identified to better guide the preparation, design, implementation, and operation of subprojects.

The affected parties in the Project:

- a) Community and residents, including sensitive communities and residents around the project;
- b) Village collectives and villagers affected by land acquisition.
- c) Project labors, including:
 - Contractors' contract workers for facility construction and equipment installation in the construction period;
 - Staff employed after the Project is completed and put into use.
 - Supplier worker

The vulnerable groups under the project are mainly the 16 low-income families whose land has been expropriated due to the project, as well as low-income families in the affected villages who are not affected by the relocation.

Other stakeholders mainly include government departments at all levels, township governments, village/neighborhood committees, social organizations, local media, design and consultation units, and contractors in charge of project implementation and approvals. The Project identified key government

departments responsible for various approvals and supervision of project construction, including the Planning and Resources Bureau responsible for land use approval, and the Forestry Bureau responsible for forest land acquisition and occupation approval.

6.3 Key Findings from Completed Stakeholder Engagements

The SIA unit fully communicated with stakeholders to ensure their engagement in preparing subprojects. In terms of project management, it is recommended to include the time requirements for the engagement of stakeholders affected by the Project and stakeholders with significant influence in the project implementation plan.

- **Stakeholder engagement shall be made as early as possible and throughout the project cycle.** The LA and relocation activities of the project need to fully communicate with the affected households to understand their reasonable demands. The information on LA and relocation policies, as well as compensation and resettlement plans, should be disclosed in time. The SIA unit shall design effective mechanisms and procedures for the reference of PMOs, PIUs and the Construction Contractor during subproject activity implementation. A sustainable information disclosure and public engagement mechanism shall be established during the construction and operation of civil works. For sensitive points such as residential areas and schools around the Project, the management of noise, dust, vibration, travel inconvenience and other interference during construction as well as road traffic safety shall be considered as focuses to minimize the impact on surrounding residents.
- **Attention should be paid to the working conditions and occupational health and safety of workers.** PMOs shall improve the implementation of the security system for workers, including signing labor contracts, providing safety training and other training, and purchasing accident insurance for them; improve GRM construction, guide and supervise the Construction Contractor's management of workers. The PMOs shall communicate with local health commissions as soon as possible to understand the relevant requirements and procedures, and consider the relevant requirements in ESF of AIIB, and implement them in the project design, construction and implementation, especially the implementation of the OHS of workers by the Construction Contractor.
- **Vulnerable groups affected by the Project.** For this group, on the basis of respecting their willingness and working ability, they can be first included in

the future construction and operation and provided with proper posts (such as cleaner or other proper posts within their capabilities) through consultation with the community.

6.4 Information Disclosure Activities for Environmental and Social Documents

In the process of preparing the environmental and social documents of the Project, the SIA unit and EIA unit fully communicated with the Hanbin District Government, PMOs and relevant government functional departments on identified risks and impacts, treatment plans, and measures to ensure that the suggestions and findings are better combined with the actual situation of the Project.

According to the relevant time nodes of AIIB's approval of environmental and social documents, it is expected that the Project Office will publicize the specific environmental and social documents of the Project (including environmental impact assessment, social impact assessment, stakeholder engagement plan, resettlement plan, resettlement due diligence report, and environmental and social management plan) through the official website of Hanbin District Government by the end of November 2023.

6.5 SEP for Future Implementation

Based on the identification and analysis of stakeholders in each subproject, the Project specified the responsibilities and resource arrangements of the Hanbin District Government, PMO, and relevant units at all levels in terms of stakeholder engagement. Detailed information disclosure and consultation plans were developed for different categories and stages of implementation.

The information disclosure and consultation plan first focus on the issues found in the social impact assessment mainly, including land acquisition and demolition, possible inconsistencies between the employment terms and working conditions of workers and domestic laws and regulations, and the health and safety of communities and workers. Fully communicate with workers, relevant communities and relevant government authorities (including the planning and natural resources bureau, the health commission, and township governments) during the project preparation stage, propose reasonable solutions as early as possible and disclose relevant assessment documents and Grievance Redress Mechanisms of workers and communities.

During project construction and operation, information disclosure and public engagement will be continuously made for two major target groups, namely labors and community residents, mainly including:

- For labors, disclose the contents related to labor management in the social management plan of the Project in the early stage of project construction and operation, and optimize GRM through meaningful consultation.
- For villager around the subprojects and community resident, it is necessary to fully consult and discuss with them during design and before construction;
- For households affected by land acquisition and demolition, the compensation and resettlement policies for land acquisition and demolition shall be publicized before land acquisition, and meaningful consultations shall be held with them to fully understand their views and reasonable demands.
- Particularly, specific information disclosure and consultation plans have been developed for vulnerable groups considering their vulnerability characteristics and special requirements.

The detailed plan, including the content, target group, time, place of, and responsible organization for engagement, can refer to the stakeholder engagement plan of subprojects (SEP) .

7 Social Management Plan

Based on the results of various public engagement activities during social audit and evaluation, analyzed the risk management measures that the project owner has taken in the actual management and design process of the project, evaluated social performance and potential gaps; Then, according to the requirements of corresponding environmental and social standards (ESSs), the SIA unit proposed corresponding mitigation measures.

In order to ensure the smooth construction and operation of the project, the SIA unit also developed a detailed stakeholder engagement plan to guide information disclosure, public engagement, community communication, and complaint handling throughout the entire project period.

The mitigation measures proposed for social impacts and risks will be turned into a social management plan, including implementation time, implementation units and monitoring arrangements. The social management action plan can be realized in stages. The management level can be lower in the first three to five years of the project, but needs to be continuously improved in the later periods, as shown in Table 7-1.

Table 7-1 Social Management Plan

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
Women's engagement	<p>Strengthen the engagement rate of female public consultation and negotiation activities.</p> <p>Provide skill training opportunities for women priority.</p> <p>Provide suitable job opportunity for women priority.</p>	Project construction and operation period	PIU	<p>For public activities, female engagement rate shall be no less than 35% in relevant village/community training activities, with a female proportion of no less than 50%.</p> <p>For light physical labor positions, there should be no less than 40% in female positions</p>	Project implementation period (2024~2029), semi-annually
Health and Safety of Contractor's Workers	<p>Strengthen road traffic safety training and management for transport vehicle drivers.</p> <p>Strengthen the training and management of construction personnel on safe and standardized construction.</p> <p>Provide sufficient labor protection and safety protection equipment for construction workers free of charge.</p> <p>Develop complete emergency plans, and assign responsibilities to individuals.</p> <p>Relevant measures for the prevention and control of infectious diseases shall be implemented under the guidance of the District Health Commission. Additionally, it is</p>	Project construction period	Contractor, Supervisor Supervision on PIU	<p>Training frequency and number of road safety training for transport vehicle drivers, at least once a month.</p> <p>Number of construction personnel receiving on-the-job and pre-job training; The frequency and number of work safety and standardized operation training for construction workers, at least once a month.</p> <p>Distribution and use of PPE for workers</p> <p>Contractors shall prepare corresponding emergency plans before starting work.</p> <p>Implementation of preventive measures for infectious diseases; Times and number of training on</p>	Project implementation period (2024~2029), semi-annually

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
	<p>essential to organize site personnel and construction workers to receive training on infectious disease prevention and control practices, along with the distribution of informational pamphlets on infectious disease prevention and control.</p> <p>Implement measures in the GBV risk management framework.</p> <p>Monitor and evaluate the management performance of workers.</p> <p>Establish and adopt a written grievance response mechanism (GRM), and provide timely feedback on the handling results to the complainant.</p>			<p>infectious disease prevention and control knowledge; quantity of information brochures distributed.</p> <p>Number of GBV training and advocacy sessions, number of participants, and GBV complaints and resolutions.</p> <p>Improvement and implementation of labor management procedure</p> <p>Worker complaints and resolution</p>	
<p>Terms of Employment and Working Conditions for Workers</p>	<p>Incorporate labor-management requirements for contractors in the bidding and procurement documents, such as contract management, equal pay for equal work between genders, etc., and include them in the contract terms.; specify remedial measures for non-compliance in the contract, and establish the procedures for third-party performance</p>	<p>Project construction and operation period</p>	<p>Contractor. Supervision on PIU</p>	<p>Minimum labor wage level and wage distribution; Labor working hours; Minimum labor age; Improvement and implementation of labor management procedures, including labor agreements and accident insurance for all workers and the wages of male and female workers.</p>	<p>Project implementation period (2024~2029), semi-annually</p>

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
	management and monitoring; for temporary workers, also ensure that labor contracts/agreements are signed and third-party companies purchase accident insurance for them;				
	Implement the labor management requirements of suppliers in the bidding and procurement documents, and include them in the contract terms. In addition, the contract shall also specify: ① corresponding remedial measures for non-compliance and establish procedures for managing and monitoring third-party performance; ② The Supplier shall submit the manufacturer's due diligence report on labor management, including information on contract management, child labor, equal pay for equal work, gender discrimination, forced labor, and other aspects of the manufacturer's employment of workers.	Project construction period	Suppliers. Supervision on PIU	Improvement and implementation of labor management procedure; The Supplier shall submit due diligence reports from production manufacturers.	Project implementation period (2024~2029), semi-annually

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
<p>Community health and safety</p>	<ul style="list-style-type: none"> o Improve the construction organization plan, reasonably arrange the construction process and schedule, and minimize the impact on the community caused by the construction; o Construction shall try to avoid operations after 9 pm, especially starting or operating mechanical equipment to avoid the noise impact on community residents at night. o Standardize driver and vehicle management, optimize transportation routes and driving speeds, require drivers to follow prescribed routes, limit speed on socially sensitive areas, and minimize the impact on the community as much as possible; o Conduct public awareness campaigns on infectious disease prevention and control for local residents and distribute informational pamphlets. o Provide safety education to local residents (including women, children, elderly, etc.). o Carry out publicity and implementation or free knowledge 	<p>Project construction period</p>	<p>PIU, Contractor and Supervisor</p>	<p>Contractors' expenses for community health and safety activities; Frequency and losses of community safety accidents; Frequency and number of people involved in public and community health and safety promotion and education;</p> <p>Frequency and participation numbers of the infectious disease prevention and control education sessions; the quantity of informational pamphlets distributed;</p> <p>The number of publicity or free knowledge training and the number of participants on flood and other natural disaster prevention and emergency avoidance.</p> <p>Frequency and resolution of complaints and appeals.</p>	<p>Project implementation period (2024~2029), semi-annually</p>

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
	<p>training on flood and other natural disaster prevention and emergency avoidance for local residents.</p> <p>Establish and adopt a written grievance response mechanism (GRM) to actively handle the community complaints and suggestions, and timely feed back the handling results to the claimants.</p>				
	<p>o Bold safety warning signs or markings and speed bumps shall be set up in critical sections of community traffic.</p> <p>o For subprojects along the Hanjiang River and Huangyang River, flood season management measures or emergency plans shall be formulated, such as early warning in case of extreme weather, early closure of public facilities such as parks, or limited visits. During the flood season, professional departments or designated personnel should be assigned to be responsible for on-site safety management.</p>	<p>Project operation period</p>	<p>PIU, Contractor</p>	<p>Number of safety warning signs and speed bumps. Preparation of flood season management system or contingency plan.</p>	<p>Project implementation period (2024~2029), semi-annually</p>

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
Stakeholder engagement	<ul style="list-style-type: none"> o The optimization design plan shall fully solicit the opinions and suggestions of surrounding community residents; o Land acquisition, demolition and resettlement, land use rights transfer, etc. of the project shall be disclosed to community residents and relevant opinions and suggestions shall be solicited; o Provide sufficient resources to ensure the effective operation of relevant mechanisms in accordance with the Stakeholder Engagement Plan (SEP) and the identified Grievance Redress Mechanism (GRM) implementation; o Improve the public engagement rate of vulnerable groups and women, fully considering their opinions and suggestions; Timely release of environmental and social monitoring information during construction and operation to the community. 	Project construction and operation period	PIU, Contractor	<p>Stakeholder engagement in the development and implementation of plans</p> <p>Number of public engagement during project preparation</p> <p>Number of public engagement during project construction and/or operation period</p> <p>Number of participants in public engagement activities; Among them: direct workers (division of labor, gender, etc.); Contract workers (division of labor, gender, etc.); Complaints and handling of surrounding community residents (including women, elderly, vulnerable groups, etc.), including the number of feedback received, the number of complaints received, and the number of complaints processed.</p>	Project implementation period (2024~2029), semi-annually

Potential impact	Specific actions	Implementation date	Implementation units	Monitoring indicators	Time and frequency of monitoring
Involuntary resettlement	<ul style="list-style-type: none"> o Develop a separate resettlement plan and implement land acquisition and demolition in accordance with the plan. o During the implementation of the resettlement plan, a third-party external monitoring unit will be hired to regularly monitor the implementation of the resettlement plan, and an external monitoring report will be submitted every six months for review by the AIIB. 	Project construction period	PIU, SIA unit and third-party external social monitoring unit	The signing status of land acquisition and demolition agreements; Compensation payment situation; Transition and resettlement of relocated households; The training frequency and number of affected households; Number of employees and compensation for employment of affected households; Complaints and handling of land acquisition and relocation, including the number of feedback received, the number of complaints received and processed.	Project implementation period (2024~2029), semi-annually

8 Institution Arrangement and Capacity Building

8.1 Institutional Arrangement

In order to ensure that the environmental and social impacts and risks of the project are properly managed, the following organizations are involved for environmental and social management of the project:

- Leading Agency: People's Government of Ankang City
- PMO: People's Government of Hanbin District, Ankang City (through the PMO)
- PIU: The Administrative Committee of Wuli Industrial Concentration Zone (Ankang Chengdong New Area) in Hanbin District
- Environmental and social expert consultant (in the project management consulting team)
- External Environmental and Social Monitoring and Assessment Agency

The organizational structure of social management of the Project is shown in Figure 7-1.

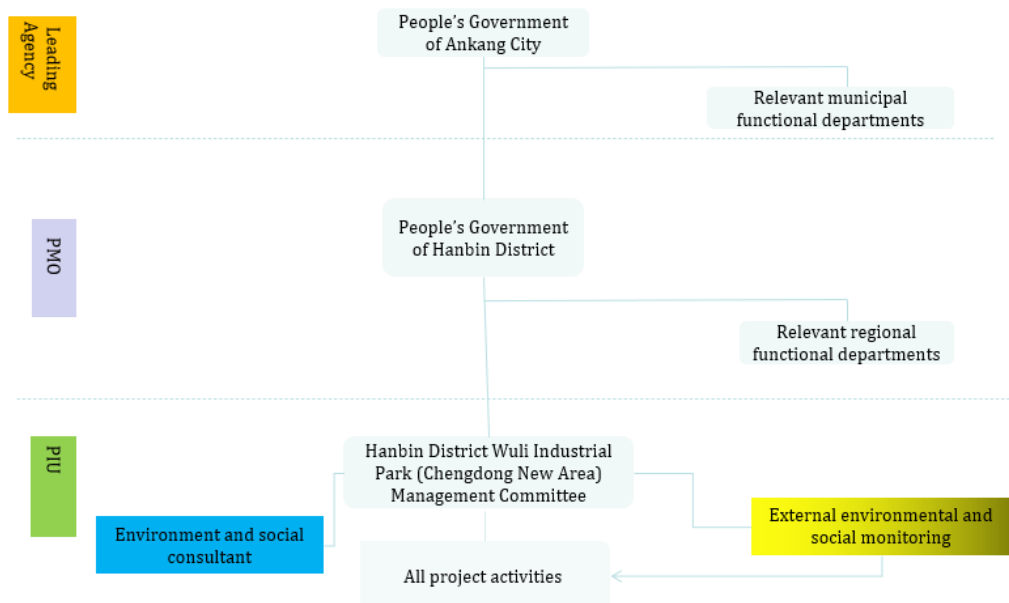


Figure 8-1 Organizational Structure of Project Social Management⁸¹

8.2 Responsibilities of Agencies

The People's Government of Ankang City: As the leading agency of the Project, it is responsible for the decision-making management, external communication and internal coordination of the Project.

PMO: As the project management office , Hanbin District Government have been established PMO for the construction management and fund raising of the Project, including specifically the preliminary work, project implementation management, making decisions on major issues in the construction of the Project, examining and approving the planning and implementation scheme of the Project, approving the fund use plan of the Project, and coordinating and solving problems during the project implementation process.

PIU: The Administrative Committee of Wuli Industrial Concentration Zone (Ankang Chengdong New Area) in Hanbin District (WICMZ) , as the PIU, is responsible for specific implementation work, including:

- 1) Be responsible for the constitution of the environmental management framework, and guide and supervise the subproject implementation units to conduct relevant environmental and social management activities of respective subprojects in accordance with the requirements of this framework.
- 2) Establish at least a full-time social coordinator for the implementation of the ESMP, and keeping in touch with the AIIB's social specialists during implementation;
- 3) Ensure that the requirements of the relevant measures in the Environmental and Social Management Plan (ESMP) are included in the Bidding Documents.
- 4) Screen the environmental and social risk levels of the Project, review the environmental and social security documents, and submit them to the AIIB for review;
- 5) Carry out capacity building on environmental management among project implementation units;
- 6) Supervise the implementation of applicable environmental and social security documents;
- 7) Engage external environmental and social monitoring consultants to conduct external monitoring of the environmental and social management of the project, make external monitoring reports on the environmental and social management performance of the project, and submit to the AIIB every six months;

- 8) Guarantee the funds for capacity training, such as preparation of environmental and social documents and monitoring and evaluation of the Project.

Environmental and social expert consultant:

- 1) The PMO will will engage competent and experienced environmental and social experts in the project management consulting team as external technical consultants to offer technical advice to the PMO;
- 2) Assist the PMO in preparing environmental and social management documents that comply with the requirements of the AIIB and domestic laws and regulations;
- 3) Assist the PMO in implementing the mitigation measures for environmental and social impact risks of the project and managing the implementation.

External Environmental and Social Monitoring and Assessment Agency:

- 1) As entrusted by **PIU**, monitor and evaluate the preparation of environmental and social documents for subprojects in accordance with the requirements of the environmental and social management documents approved by the AIIB;
- 2) Supervise the implementation of environmental and social measures of the Project in accordance with the requirements of the Environmental and Social Management Plan (ESMP);
- 3) Submit external monitoring reports on environmental and social management to Hanbi District PMO/PIU on a regular basis (every six months).

8.3 Capacity Building of Institutions

According to the survey of the social assessment team, there are two international financial loan projects (WB loan project and IFAD loan project) being implemented in Hanbin District, and one project that has been completed (ADB loan project). It is familiar with the original environmental and social security policies of international financial loan projects in the District, with have good experience.

The Project is the first project carried out by the Hanbin District Government and the PIUs under the AIIB's Environmental and Social Framework (ESF), and the social risk of the Project is generally a Class A project risk. Although Hanbin District has previously implemented international financial loan projects and has good security policies in such projects, there is still a process of understanding and adapting to the ESF of AIIB.

In this point, the People's Government of Hanbin District and PIU will put more efforts in training on the ESF and ES Standards of the AIIB to enhance the environmental and social risk management capacity of the district/county PMOs and PIUs involved in the Project. To achieve this purpose, the following environmental and social risk management capacity building plan is developed for the project. See Table 7-1 for details. It mainly includes:

- Strengthen the training for PIU, and entrust social and resettlement experts with experience in the international financial loan projects to give regular trainings to ensure that PIU fully grasp the requirements of the AIIB and relevant national laws and regulations; learn about the category, purpose and content of social management documents of the project; follow the methods and schedules for implementing relevant measures in the social management plan;
- Establish information feedback mechanism from PMO to the PIU, an , and a social risk early warning system. The full-time personnel engaged in social management in the PMO and PIU are required to have strong big-picture thinking and good understanding of policies and be professional and especially experienced in mass work;
- Information disclosure: All project documents related to the environment and society will be disclosed to the masses and the society, and will be subject to the supervision of the masses and social media at all times.
- Establishment of external independent evaluation mechanism: During the implementation of the project, an independent third party with experience in the international financial loan projects will be hired to supervise and evaluate the implementation of the social management plan and resettlement plan of the project.

The environmental and social management capacity project will utilize the construction of the People's Government of Hanbin District and the institutional capacity development funds supported by the AIIB's loan.

Table 8-1 Phased Schedule for Social Management Capacity Building

Trainee	Main training contents	Objectives	Resources/trainers	Number of people (person/time)	Method	Duration (days)	Frequency
Relevant staff of the People's Government of Hanbin District	<ul style="list-style-type: none"> ① AIIB's Environmental and Social Standards and Policies ② Approved RP, SEP and ESMP for the Project ③ Social management plan, monitoring and evaluation of the project ④ Implementation and management of SEP and EMSP ⑤ Requirements of the People's Government of Hanbin District for social resettlement management 	Strengthen the ability of the People's Government of Hanbin District to implement the social management	AIIB experts or employed social and resettlement experts	10	Lectures, workshops and site visits	1	After to the commencement of the project, at least once a year during the implementation of the project
PMO, PIU	<ul style="list-style-type: none"> ① AIIB's Environmental and Social Standards and Policies ② Approved RP, SEP and ESMP for the Project ③ Social management plan, monitoring and evaluation of the project ④ Implementation and management of SEP ⑤ Implementation, monitoring and evaluation of environmental and social measures of the project ⑥ Requirements of PIU for social resettlement management 	Enhance the social management implementation capacity, social management capacity and occupational health and safety management capacity of the PMO, PIU and its social management personnel.	AIIB experts or employed social and resettlement experts	20~30	Lectures, workshops and site visits	1	Prior to the commencement of the project, at least once a year during the implementation of the project

Trainee	Main training contents	Objectives	Resources/trainers	Number of people (person/time)	Method	Duration (days)	Frequency
	⑦ Establishment of complaint and grievance redress mechanism (GRM) for resettlement and society and file management						
Contractor and Supervisor	① Environmental, social, and occupational health and safety management measures and requirements related to the project ② Implementation of the EMSP ③ Implementation of SEP	Learn about the requirements of environmental and social management measures of the project	Experts/PMO staff with experience in AIIB projects, community representatives	20	Lectures, workshops	1	Prior to the commencement of the project, at least once a year during the implementation of the project
PMO, Contractor and Supervisor	① ESMP and Labor Policy ② Occupational health and safety of labor ③ Complaint and grievance redress mechanism (GRM) for labor ④ Implementation and communication mechanism for community safety and health management ⑤ Implementation of stakeholder engagement ⑥ Implementation of the ESMP ⑦ Monitoring and evaluation of environmental and social performance implementation	Impose stricter policies and requirements on the PMO, contractors and the Supervisor with respect to labor management, community health and safety management and other social management aspects.	AIIB experts or employed social and resettlement experts	20~30	Lectures, workshops	1	Prior to the commencement of the project, at least twice a year during the implementation of the project
Relevant streets,	① Relevant environmental protection and social	Learn about the requirements of	Experts/PMO staff with	100	Lectures, workshop	1	Prior to the commencement

Trainee	Main training contents	Objectives	Resources/trainers	Number of people (person/time)	Method	Duration (days)	Frequency
communities and villages	management measures and requirements ② Implementation of SEP ③ Complaint & grievance mechanism	environmental and social management measures of the project, and raise the traffic safety awareness	experience in AIIB projects, community representatives, and village representatives		s		of the project, at least once a year during the implementation of the project

9 Monitoring and Assessment

9.1 External Monitoring

In addition to the daily project management supervision system of the People's Government of Hanbin District (PMO) and WIZMC (PIU) will also hire a third-party independent monitoring agency to conduct monitoring activities in respect of the social action plan during the implementation of the project.

The scope of external social monitoring includes but is not limited to the implementation of the Environmental and Social Management Plan (ESMP), the preparation and implementation of social tools, the improvement of issues found in environmental and social audits, land acquisition and resettlement, worker management, community health and safety, stakeholder engagement activities, the operation of GRM and the environmental and social performance of associated facilities (if involved) and major Project-related facilities.

The external environmental and social monitoring agency will be entrusted by the PMO or PIU to provide third-party comments and reports after monitoring and assessing the actual implementation of social management measures during the implementation of the project. Its primary duties are to:

- a) Review whether the Construction Contractor's labor management, work safety plan, traffic management plan, community and public communication plan and other documents meet the requirements of approved environmental and social documents;
- b) Assist PMO and PIU in conducting training on environmental and social management (including labor management and stakeholder engagement) for the Construction Contractor and the Supervisor;
- c) Assist PMO and PIU in investigating and handling environmental and social emergencies or accidents;
- d) Track and monitor the implementation of social management documents such as social management plans, including consultation and investigation among the affected persons;
- e) Regularly submit monitoring reports to the PMO/PIU.

During the construction and operation of the project, relevant authorities will perform their management and supervision function to conduct regulatory activities.

During the implementation of the project, the AIIB will also conduct special supervision on the environmental and social performance of the project, and provide guidance on ensuring environmental and social compliance.

9.2 Reporting system

The PIU will make the project's social management work report on a regular basis **(every half year)**, check the implementation progress and effectiveness of the social management plan, environmental and social management plan and other related plans (stakeholder engagement plan, etc.), and submit the report to the PMO .

The PMO and PIU is responsible for summarizing the environmental and social performance of the entire project, making an environmental and social management progress report every six months (which can be used as part of the project implementation progress report) and submitting it to the AIIB.

The external environmental and social monitoring agency will submit an external monitoring report to the PMO and PIU every six months according to the contract. After reviewing these reports, the PMO will submit them to the AIIB as attachments with the semi-annual progress report of the project.

Attachment

Attachment 1 Questionnaire

Name		Age		Gender		Number of people in the household		Number of women involved	
Educational level		Township (subdistrict office)				Village (community)			
<p>Hello! This questionnaire is a public attitude survey on the AIIB-funded Demonstration Project for Sustainable Development of Green and Low-carbon Environment in Ankang Chengdong New Area. The main construction items of the project include the construction and reconstruction of 7 roads in Chengdong New Area; riverway restoration and regulation; construction of ecological parks, community parks and sports parks; data center construction; flood control works.</p> <p>Your answers will provide an important reference basis for the design, implementation and operation of the Project, and we hope to get your understanding and support. Therefore, it will take some time for you. This survey does not involve any identifiable personal information. Please fill in the questionnaire according to the real situation. There is no right or wrong answer, so please do not have any concerns. Please fill in the relevant information for the fill-in-the-blank questions, and tick <input type="checkbox"/> for the multiple-choice questions. Thank you for your cooperation!</p>									
<p>1. Do you support or endorse the implementation of the Project?</p> <p>① Yes <input type="checkbox"/> ② No <input type="checkbox"/> ③ Indifferent <input type="checkbox"/></p>									
<p>2. If the project construction needs to occupy your land (land occupation and house demolition are compensated based on the policy), are you willing to provide land or demolish your house for the project?</p> <p>① Yes <input type="checkbox"/> ② No <input type="checkbox"/></p>									
<p>3. If your house needs to be demolished, which of the following resettlement methods will you choose?</p> <p>① By centralized resettlement building <input type="checkbox"/> ② House purchasing after monetary compensation <input type="checkbox"/></p>									
<p>4. Are you familiar with the compensation policy for land acquisition and demolition in Chengdong New Area?</p> <p>① Familiar with <input type="checkbox"/> ② Not familiar with <input type="checkbox"/></p>									
<p>5. If your house may be demolished, selection of demolition and resettlement methods:</p> <p>① Directly decided by the host <input type="checkbox"/> ② Directly decided by the hostess <input type="checkbox"/></p> <p>③ Jointly decided by male and female family members <input type="checkbox"/></p>									

<p>6. If your house may be demolished, the signatory of the Demolition Compensation Agreement is:</p> <p>①Male head of household <input type="checkbox"/> ②Female head of household <input type="checkbox"/> ③Who is at home signs <input type="checkbox"/> ④Male and female members jointly decide who signs the agreement <input type="checkbox"/></p>
<p>7. If you settle in a centralized place or purchase a house by yourself, the family decision-making situation of purchasing a resettlement house (such as floor, location and area) is as follows:</p> <p>①Directly decided by the host <input type="checkbox"/> ②Directly decided by the hostess <input type="checkbox"/> ③Jointly decided by male and female family members <input type="checkbox"/></p>
<p>8. What do you think are the potential social impacts and risks during the project implementation and operation? (Multiple choices allowed)</p> <p>①Impact on traffic safety <input type="checkbox"/> ②Engineering accident <input type="checkbox"/> ③Environmental pollution <input type="checkbox"/> ④Impact on noise and dust <input type="checkbox"/> ⑤Contradiction between external construction personnel and local residents <input type="checkbox"/> ⑥Possible reduction of household income <input type="checkbox"/> ⑦Contradiction caused by land acquisition and demolition <input type="checkbox"/> ⑧Others (please specify) _____</p>
<p>9. Are you or your family members willing to participate in free training provided by relevant government departments?</p> <p>①Yes <input type="checkbox"/> ②No <input type="checkbox"/> ③Depending on the situation <input type="checkbox"/></p>
<p>10. If the project provides free training opportunities, what kind of training do you want? (Multiple choices allowed)</p> <p>①Planting technology <input type="checkbox"/> ②Breeding technology <input type="checkbox"/> ③Vehicle maintenance <input type="checkbox"/> ④Housekeeping service <input type="checkbox"/> ⑤Handicraft making <input type="checkbox"/> ⑥Chef <input type="checkbox"/> ⑦Others (please specify) _____</p>
<p>11. Are you and your family willing to participate in the construction and operation of the Project?</p> <p>①Yes <input type="checkbox"/> ②No <input type="checkbox"/> ③Depending on the situation <input type="checkbox"/></p>
<p>12. Is the owner of your family male or female?</p> <p>①Male <input type="checkbox"/> ②Female <input type="checkbox"/></p>
<p>13. Who decides the major and minor issues in your family?</p> <p>①By the owner's decision <input type="checkbox"/> ②Joint discussion <input type="checkbox"/> ③By joint discussion of major issues and by the owner's decision of minor issues <input type="checkbox"/> ④By the owner's decision of major issues, and the decision of minor issues by yourself <input type="checkbox"/></p>
<p>14. Do women in your family participate in village-level activities?</p> <p>①Yes <input type="checkbox"/> ②No <input type="checkbox"/></p>
<p>15. Do female members of your family have a wage income?</p> <p>①Income from work in community factories/cooperatives <input type="checkbox"/></p>

<p>②Income from migrant work <input type="checkbox"/> ③Income from fixed work in the city <input type="checkbox"/></p> <p>④No work income <input type="checkbox"/></p>
<p>16. Who do you think spends or exercises more time in squares and parks among family members?</p> <p>①Male <input type="checkbox"/> ②Female <input type="checkbox"/></p>
<p>17. What aspects do you think should be strengthened for squares and parks?</p> <p>①Diversified green plants<input type="checkbox"/> ②Setting of disaster avoidance facilities<input type="checkbox"/></p> <p>③Lighting<input type="checkbox"/> ④Setting of mother-and-child room and toilet for the disabled<input type="checkbox"/></p> <p>⑤Setting of access for the disabled <input type="checkbox"/> ⑥Others (please specify) _____</p>
<p>18. If your legitimate rights and interests are infringed, are you clear about the complaint channel?</p> <p>①Clear<input type="checkbox"/> ②Unclear<input type="checkbox"/></p>
<p>19. If your land is expropriated, would you like to participate in the endowment insurance for landless farmers?</p> <p>①Yes<input type="checkbox"/> ②No<input type="checkbox"/></p>
<p>20. Your opinions or suggestions are:</p>
<p>Date of survey: _____ Investigator: _____</p>

Attachment 2 Labor Management Procedure

1. Overview

According to the SIA survey and AIIB's ESF, there are three types of workers involved in the project, including:

Direct workers: Relevant personnel specialized in projects or activities directly hired by the borrower (including the PMO and PIU). For example, project personnel hired by the PIU, municipal maintenance personnel during the operation period, etc.;

Contract workers: refer to personnel hired by third parties to engage works related to the core functions of the project. It mainly includes contractor workers, such as construction workers for civil works.

Main supplier's workers: those hired by suppliers who continuously provide goods or materials crucial to the core functions of the project directly.

Table 1 Type of Main Workers in Construction Subprojects

Stage	Type of Workers	Main activities
Preparation stage	Direct workers	Personnel responsible for project preparation, approval, and other related matters in the early stage of the PMO and PIU
Construction period	Contract workers (contractor's workers)	Workers hired by the engineering contractor, who are responsible for civil works, greening, equipment installation, etc. of all sub projects.
	Supplier's workers	Workers hired by goods or material manufacturers to continuously provide critical goods or materials directly to the project
Operation period	Direct worker	Management personnel, municipal maintenance personnel, park staff, cleaning personnel, etc. hired by relevant sections or directly affiliated companies such as municipal and urban management under the PIU for the operation of the project after completion.

2. Potential Risks and Impacts

During the preparation period of the project, SIA survey and extensive stakeholder participation were conducted through data collection, workshops, and interviews with key informants. Based on the nature of social risks and impacts of project activities, the types of work involved, and the different stages of related subprojects and activities, the risks and impacts of activities on different types of workers were identified.

According to the findings of the SIA survey, the PMO/PIU during the construction and operation periods are mainly government departments and

subordinate institutions, which adopt a relatively complete labor management and supervision system. There will be no labor risks related to child labor, forced labor, and recruitment discrimination under the project.

The risks of workers under the project mainly focus on work terms and conditions, occupational health and safety, and other aspects. The following table explains the risks and impacts of each stage separately.

Table 2 Potential Risks and Impacts of Subproject Construction Workers

Stage	Type of Workers	Potential Risks and Impacts
Preparation stage	Direct workers	- Due to relatively complete labor management and supervision system, few risks will occur.
Construction period	Contract workers (contractor's workers)	- Risks of mechanical/equipment operation accidents, road safety risks of transportation vehicles, risks of dust and odors during indoor decoration, and risks of accidental injuries on construction sites; - There may be incomplete management of labor contracts for workers, such as failure to sign labor agreements with temporary workers, and missing necessary information in labor contracts.
	Supplier's workers	- Risk in working conditions for workers
Operation period	Direct workers	Risks in the employment and working conditions of workers

3. An Overview of Labor Legislation in China

3.1 Employment and Conditions

China has established a comprehensive legal and regulatory framework for labor management. As a member of the International Labour Organization (ILO), China has ratified 28 conventions (including 20 in force, as shown in Table 7), covering issues related to equal pay, discrimination, minimum age, child labor, occupational health and safety, forced labor, employment policies, consultation, and the rights of association. The laws and regulations in China and the Shaanxi Province specify wage standards, working hours, labor protection, and labor disputes. They prohibit forced labor and/or child labor while providing special labor protections for female workers and underage workers. This is fully compliant with the relevant requirements of the AIIB ESS2. Table 6 lists the Chinese laws and regulations applicable to the first batch of subprojects.

Labor Contract Management: According to Chinese labor laws and regulations, employers shall sign labor contracts with their employees in written form. The labor contract shall include details such as the contract duration, job description, workplace, working hours and leave

policies, compensation, overtime compensation, social insurance, labor protection, working conditions, and occupational hazard prevention.

Working Hours: According to labor laws, the country follows a working hour system that limits daily work hours to no more than eight hours and the average weekly work hours to no more than forty hours. Employers are required to ensure that employees have at least one day of rest each week. Employers shall also arrange for employee leave during statutory holidays. Public institutions or organizations that cannot implement a standardized work schedule may flexibly arrange their employees' weekly rest days based on the actual circumstances.

Overtime Hours: Employers must strictly adhere to labor quota standards and are prohibited from forcing or indirectly compelling employees to work overtime. When employers schedule overtime work, they must pay overtime wages to employees in accordance with relevant national regulations. Employers, due to production and operational requirements, may extend working hours after negotiating with labor unions and employees. In general, daily extensions should not exceed one hour. In cases of special circumstances requiring extended working hours, the extension should not exceed three hours per day while ensuring the employees' physical health, but it should not exceed thirty-six hours per month.

Remuneration and Benefits: The nation follows a minimum salary guarantee system, with the Chinese labor law stipulating that employers must pay laborers with salary not less than the local minimum salary standard. Salary shall be paid in monetary form on a monthly basis to the workers themselves. Deductions or unjustified delays in the payment of laborer's salaries are prohibited. In the case of statutory holidays, weddings and funerals, etc., the employer shall pay salaries in accordance with the law; the employer and workers must participate in social insurance and pay social insurance premiums in accordance with the law.

AIIB requires employers to establish and implement written LMP applicable to all types of workers involved in the project. This includes providing workers with information and documentation that clearly outlines employment terms and conditions and specifies the rights they are entitled to under national laws and regulations. These rights encompass various aspects such as working hours, wages, overtime, remuneration, and benefits. Employers are also required to make regular salary payments to project workers in accordance with national laws and LMP requirements and to provide sufficient weekly rest day, annual leave, as well as sick leave, maternity leave, and personal leave. For community workers, it is necessary to specify the terms and conditions of employment for

engaging in community labor. This includes details regarding payment amounts and methods (if applicable), working hours, and how to file project-related grievances.

Table 1 Applicable Laws and Regulations on Laborers and Working Conditions

S/N	Name of Laws and Regulations	Year of Implementation
1	"The Labor Law of the People's Republic of China"	1995, revised in 2018
2	"Regulations of the State Council on Working Hours for Employees"	1995
3	"Implementation Regulations of the Labor Contract Law of the People's Republic of China"	2008
4	"The Labor Contract Law of the People's Republic of China"	2008, revised in 2012
5	"Special Provisions on Labor Protection for Female Workers of the People's Republic of China"	2012
6	Measures for the Implementation of the "Work Injury Insurance Regulations" in Shaanxi Province	2004, revised in 2011
7	"Regulations on Minimum Wages in Shaanxi Province"	2006
8	"Measures for the Implementation of Special Provisions on Labor Protection for Female Workers in Shaanxi Province"	2018
9	"Measures for the Development and Management of Public Welfare Positions in Shaanxi Province"	2019
10	"Notice on Carrying out Work Related to the Development and Management of Public Welfare Positions"	2020

Source: Desk work from a social consulting organization.

Table 2 of International Labour Organization Conventions Approved by China (Effective) Part

Conventions ⁹	Date
Core Convention (5)	
C100-1951 "Equal Remuneration Convention" (No. 100)	1990.12.02
C111-1958 "Discrimination (Employment and Occupation) Convention" (No. 111)	2006.01.12
C138-1973 "Minimum Age Convention" (No. 138) - stipulates a minimum age of 16 years	1999.04.28
C155-1981 "Occupational Safety and Health Convention" (No. 155)	2007.01.25
C182-1999 "Convention on Worst Forms of Child Labor" (No. 182)	2002.08.08
Governance (Priority) Convention (2)	

⁹ On August 12, 2022, the Chinese government ratified the Convention on Forced Labour (No.29, 1930) and Convention on Abolition of Forced Labour (No.105, 1957), which were entered into force one year after signing.

Conventions⁹	Date
C122-1964 "Employment Policy Convention" (No. 122)	1997.12.17
C144-1976 "Tripartite Consultation (International Labour Standards) Convention" (No. 144)	1990.11.02
Technical (13)	
C011-1921 "Right of Association (Agriculture) Convention" (No. 11)	1934.04.27
C014-1921 "Weekly Rest (Industry) Convention" (No. 14)	1934.05.17
C019-1925 "Equality of Treatment (Accident Compensation) Convention" (No. 19)	1934.04.27
C026-1928 "Minimum Wage-Fixing Machinery Convention" (No. 26)	1930.05.05
C027-1929 "Marking of Weight (Packages Transported by Vessels) Convention" (No. 27)	1931.06.24
C032-1932 "Protection against Accidents (Dockers) Convention" (Revised), 1932 (No. 32)	1935.11.30
C045-1935 "Underground Work (Women) Convention" (No. 45)	1936.12.02
C080-1946 "Final Articles Revision Convention" (No. 80)	1947.08.04
C150-1978 "Labour Administration Convention" (No. 150)	2002.03.07
C159-1983 "Vocational Rehabilitation and Employment (Disabled Persons) Convention" (No. 159)	1988.02.02
C167-1988 "Safety and Health in Construction Convention" (No. 167)	2002.03.07
C170-1990 "Chemicals Convention" (No. 170)	1995.01.11
The Maritime Labour Convention (MLC), 2006, established in 2006 designates the following social security sectors based on standard A4.5 (2) and (10): medical care, unemployment benefits, pensions, occupational injury benefits, and maternity benefits.	Revised on December 12, 2015, 2016 and 2018

Source: International Labour Organization (ILO) official website, August 2022.

3.2 Occupational Health and Safety

According to incomplete statistics, China has more than 100 occupational safety and disease prevention technical specifications and standards. These technical specifications and standards are developed based on industry best practices or updated according to the requirements of relevant technical regulations/specifications from organizations like the World Health Organization, the European Union, or the United States, as well as international labor conventions. These technical specifications and standards must be applied to the design and operation of facilities. The laws and regulations of China and Shaanxi Province have established provisions for the protection of workers' occupational health and safety, as outlined in Table 9.

Table 3 Applicable Laws and Regulations for Workers' Occupational Health and Safety

S/N	Name of Laws and Regulations	Year of Implementation
------------	-------------------------------------	-------------------------------

S/N	Name of Laws and Regulations	Year of Implementation
1	“Production Safety Law of the People's Republic of China”	Revised in 2021
2	“Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases”	Revised in 2018
3	“Regulations on Labor Protection in Workplaces Using Toxic Substances”	2002
4	“Emergency Response Law of the People’s Republic of China”	2007
5	“Measures for the Supervision and Administration of Employers' Occupational Health Surveillance”	2012
6	“Measures for the Supervision and Administration of ‘Three Simultaneities’ for the Safety Facilities of Construction Projects”	Revised in 2015
7	“Measures for the Supervision and Administration of ‘Three Simultaneities’ of Occupational Disease Prevention Facilities in Construction Projects”	2017
8	“Provisions on the Administration of Occupational Health at Workplaces”	2021,
9	“Regulations on Work. Safety Responsibility of Production and Operation Entities of Shaanxi Province”	2012
10	“Overall Emergency Response Plan for Sudden Incidents in Shaanxi Province”	2021,
11	“Emergency Response Plan for Special Equipment Accidents in Shaanxi Province”	2022
12	“Occupational Disease Prevention and Control Plan in Shaanxi Province (2021-2025)”	2022

Source: Desk work from a social consulting organization.

According to the above relevant laws and regulations, China's main requirements on occupational health and safety include:

(1) Employers must establish and improve labor safety and health systems, strictly adhere to national labor safety and health regulations and standards, provide education on labor safety and health to employees, prevent accidents during work, and reduce occupational hazards.

(2) Labor safety and health facilities must meet the standards set by the national regulations. Labor safety and health facilities for new construction, renovations, or expansion projects must be designed, constructed, and put into operation simultaneously with the main project.¹⁰

(3) Employers must provide employees with labor safety and health conditions and necessary labor protection equipment as stipulated by national

¹⁰ According to the Measures for the Supervision and Management of “Three Simultaneities” of Facilities for the Prevention and Control of Occupational Diseases of Construction Projects (2017), occupational disease prevention facilities must be designed, constructed, put into production and use at the same time as main works for new construction, reconstruction, expansion and technical transformation and technology introduction projects that may cause occupational hazards.

regulations. Employees engaged in hazardous occupational tasks should undergo regular health check-ups.

(4) Employees engaged in specialized operations must receive specialized training and obtain qualifications for those specialized operations.

(5) Necessary safety training and labor protection equipment must be provided to employees.

(6) Conduct occupational health check-ups for employees before they take up their positions, during their employment, and when they leave their jobs.

(7) Employers should purchase occupational injury insurance for their employees.

(8) Employees must strictly adhere to safety operating procedures during work. They have the right to refuse to follow instructions from management that violate regulations or involve risky operations. They also have the right to criticize, report, or file complaints against actions that endanger their lives or health.

(9) The nation has established a system for reporting and dealing with injury accidents and occupational diseases. The labor administrative departments, relevant departments, and employing units of the people's governments at or above the county level shall, in accordance with the law, make statistics, report on and deal with casualty accidents and occupational diseases of workers occurring in the course of their work.

4. Responsibility Subjects, Responsibilities and Resources

For the PMO and PIU, it is necessary to clarify their respective responsibilities and resource arrangements in labor management. The following analysis is for reference and will be dynamically adjusted based on actual situations in the future.

4.1 Hanbin District Government PMO

The Hanbin District **Government** PMO will be responsible for the specific organization, coordination, supervision, and guidance of the entire project, including coordinating the PMO and PIU to manage the performance of different types of workers, and reporting to the AIIB. The main responsibilities of Hanbin District **Government** PMO in labor management include:

- During the project implementation process, The officer shall regularly organize specialized training on how to implement actions and measures in various labor management procedures for PMO and PIU, contractors, and different types of workers;
- The officer shall provide guidance on the management of contractor contract workers during the construction and operation phase of the project, and incorporate the labor management

requirements of the PIU into relevant agreements during the bidding and procurement process.

4.2 PIU

According to existing information, the PIU is arranged at the Wuli Industrial Concentration Zone Management Committee in Hanbin District, with main responsibilities including:

- Arranging at least 1 environmental specialist and 1 social specialist each, responsible for coordinating and supervising the social risk management of the project (including labor management), and coordinating and arranging relevant personnel and budget.
- Urging each construction and operation PIU in this region to implement the relevant measures and actions in the labor management procedures and environmental and social commitment plans.
- Implementing labor management requirements for contractor contract workers in the bidding and procurement documents and include them in the contract text, and include relevant non compliant remedial clauses in the contract.
- Requiring PIU to conduct monitoring of the implementation of their respective social risk management (including labor management procedures) and regularly report to the PMO .
- Engaging external social consultants to carry out external social monitoring, including monitoring the effectiveness of implementation of relevant measures and actions in LMP and ESMP.
- Assisting in external monitoring of the implementation of social risk management (including worker management performance) in various subprojects, and report to the PMO.

The PIU will establish/designate specific departments to be responsible for the management of workers during the project construction and operation process, including labor terms and conditions (labor contracts, labor remuneration, overtime subsidies, work time arrangements, etc.), occupational health and safety, contractor contract worker management, appeal handling, etc., before the project construction starts. After the corresponding responsible departments and officers are clarified, it will uniformly be reported to PMO/PIU and make it public. And, an adequate budget should be reserved for worker risk management.

5. Labor Policies and Procedures of the PIU

According to the findings of the SIA, evaluate the systems and procedures established by the PIU in terms of employment terms and working conditions, occupational health and safety, and appeal handling, and highlight the systems and procedures that need to be improved and strengthened. The PIU need to improve relevant systems and procedures after the project takes effect and before the start of related subproject construction.

According to relevant Chinese regulations and the requirements of the AIIB's ESF, based on the findings of due diligence, the PIU shall establish and improve the following systems and procedures related to labor management, establish relevant management positions, and designate specialized personnel to be responsible for implementation:

- Improve the management system and procedures for employee employment and working conditions: In accordance with the relevant requirements of China's Labor Law, Labor Contract Law, and the AIIB's ESF, improve labor contracts, especially for temporary workers, ensure that labor remuneration is not lower than the local minimum wage level.
- Improve the management system and procedures for occupational health and safety: In accordance with relevant national regulations, strengthen the management of occupational health and safety in the workplace, including informing workers of occupational disease hazards in the workplace, regularly conducting training on employee occupational health and safety (including infectious disease prevention and control), and providing necessary PPE.
- Establish a system and procedure for managing the performance of contractor workers: In accordance with the relevant requirements of the Chinese Labor Law and the AIIB's ESF, strengthen the management of contractor workers by improving the existing personnel system or designating specialized systems through the corresponding requirements of the bidding documents and contract terms.
- Establish labor management procedure for suppliers. Suppliers shall provide due diligence reports on labor and working conditions from the goods manufacturer during bidding, and the PIU should review the reports and submit them to the AIIB for review;
- Improve the Grievance Redress Mechanism (GRM) for all kinds of workers: According to the requirements of AIIB's ESF, improve the GRM for all kinds of workers in the project, and ensure that the GRM includes multiple channels, written records, open procedures, transparency and appeal procedures when it cannot be solved;

- Establish a monitoring and reporting procedure for labor management performance: Monitor the contractor's labor management performance (including grievance handling), summarize it and regularly report to the PMO and PIU.

6. Age of Employment

China's *Labor Law* (2018) sets the minimum working age at 16, which is more stringent than ESS2 (14 years).

China's *Labor Law* (2018) and *Regulations on the Special Protection of Underage Workers* (1994) both provide specific protection for underage workers (16 to 18 years old). It is prohibited for underage workers to use dangerous machinery, equipment or tools at night in unhealthy, harmful or toxic environments, or to participate in dangerous work such as carrying or transporting heavy objects.

The PMO/PIU and its contractors and major suppliers will verify the identity and age of all workers to ensure that child labor is not employed or used in subprojects. This will require workers to provide official documents, including birth certificates or identity cards.

The Project shall strictly abide by the prohibition of child labor (under 16 years old) and any form of forced labor. If a child under the minimum age is found working on the Project, measures will be taken to terminate the employment or engagement of that child immediately and responsibly, taking into account the best interests of the child.

The PMO/PIU shall not employ or engage underage workers, if any, under any specific conditions prohibited by law and ESS2 (paragraphs 18-19). All underage workers must be registered with the local labor and social security department. Health examination shall be carried out for underage workers before they enter the post, and shall be carried out regularly every six months until they reach the age of 18.

7. Direct Worker

For direct workers, the PMO and PIU have basically established and implemented relatively complete provisions on terms and conditions of labor contracts, and their staff have better working conditions.

8. Contractor Management

This section briefly describes the contractors that may be involved during project construction and operation based on the findings of the social assessment and explains the requirements for contractor management.

In general, workers employed in similar works are exposed to similar risks and impacts. For the PMO and PIU during the project construction period and

operation period, it is necessary to clarify their responsibilities and resource arrangement in contractor selection, management and performance monitoring.

(1) Responsibility Requirements for the Contractor

The Contractor and its subcontractors (if any) shall bear the following responsibilities (but not limited to):

- Develop and implement project-specific labor management procedures in accordance with the ESF, including non-discrimination principles in recruitment and employee orientation (see template Code of Conduct below); these procedures and plans will be submitted to the PIU for approval;
- Maintain records of the recruitment and employment of contract workers;
- Clearly inform contract workers of job descriptions and working conditions;
- Develop and implement a GRM for laborers to address the grievances of contract workers;
- Implement specific prevention and control measures for infectious diseases according to the contract requirements;
- Monitor, supervise and report on health and safety issues related to infectious diseases;
- Strengthen worker awareness and training to prevent and reduce the risk of transmission of infectious diseases;
- Strengthen worker awareness and training to prevent and reduce sexual violence and harassment;
- Establish a regular review and reporting system for workers' occupational safety and health performance;
- Conduct regular induction (including social induction) and health and safety education training for workers;
- Ensure that all workers employed by the Contractor are made aware of and sign the [documentation of] work requirements [of which they are aware] before commencing work;
- Update the labor management procedures if required.

The Contractor shall report the labor management performance of the contract workers to the PIU on a quarterly basis.

(2) Management of the Contractor by PMO and PIU

The PMO will review the qualifications of contractors and require all contractors for the Project to operate in a manner that meets the specific requirements set out in AIIB's ESF and the *Environmental and Social Management Plan*.

Qualification examination

As part of the selection process for hiring contractors, the **PMO and PIU** will review the following information:

- Business license, industrial and commercial registration, relevant permits and approvals;
- Institutional documents related to labor management, including OHS issues such as the LMP and Code of Conduct (see the template of Code of Conduct below), including non-discrimination principles, provisions for preventing SEA/SH in the workplace, and accommodation management for workers in the local community;
- Review the information of workers or departments responsible for labor management, occupational safety and health, including qualifications and certificates;
- Worker's contract template;
- Wage records of workers, including hours worked and wages received;
- Records of welfare payments to workers;
- Certificates, permits and training necessary for the performance of the work by the workers;
- Records of safety and health violations, as well as responses;
- Records of accidents and fatalities and notification to relevant authorities;
- Public record information, such as company registration materials and public documents related to violations of existing labor laws, including reports from labor inspection agencies and other law enforcement agencies;
- Copies of previous contracts with contractors and suppliers indicating that they contain provisions and terms reflecting ESS2.

In particular, any contractor who uses or has ever used child labor shall not be eligible to participate in the bidding.

<p>Title: Code of Conduct Template</p> <p>Contractor's Code of Conduct (Template) Message from Top Management</p>	<p>Contains information</p>
---	-----------------------------

<p><i>For example: Who does it apply to? Does this code also apply to contractors and workers of major suppliers?</i></p>	<p>about the importance of contractor ethical commitments and code of conduct.</p> <p>Introduction Provides information on how to use the code of conduct.</p>
<p>Ethical Principles and Core Values</p> <p><i>For example: Honesty Integrity Reliability Respect for others Accountability Law-abiding Empathy Team Collaboration</i></p>	<p>Explains the contractor's core beliefs and values.</p>
<p>Grievance Redress Mechanism (GRM)</p> <p><i>Reporting issues: Communicating with management Website: E-mail: Tel.: Address: Other specific effective channels</i></p>	<p>This section includes not only clear contact phone numbers and communication channels but also GRM for works, such as:</p>
<p><i>For example: Workers who report issues in good faith should not face any adverse employment actions, including: Unfairly terminating their employment or suspending them Unfairly denying their promotion or access to other employment benefits Offline or online bullying and harassment</i></p> <p>Discriminating others</p>	<p>Outline the company's non-retaliation policy and the commitment to ensuring that anyone reporting any issues will not face retaliation. Explain the company's stance on penalties for retaliatory behavior. Ensure a clear definition of retaliation is provided.</p>

Outline the contractor's commitment to protecting workers from discrimination and ensuring equal opportunities.

For example:

The employment of project workers will be based on the principles of equal opportunity and fair treatment.

There will be no discrimination in any aspect of the employment relationship, including recruitment and hiring, salaries and benefits, working conditions and terms of employment, access to training, job assignments, promotions, termination of employment or retirement, or disciplinary actions.

Sexual exploitation and abuse (SEA)/ sexual harassment (SH)

This explains the contractor's zero-tolerance policy for workplace SEA/SA.

For example:

Always treat all colleagues, clients, business partners, and other stakeholders with dignity and respect.

Any form of harassment, including physical, sexual, verbal, or other harassment, is prohibited, and harassers will face disciplinary actions, which may include termination.

Harassment may involve actions, language, text, or objects that create a hostile or intimidating work environment, such as:

- Shouting or humiliating someone*
- Physical violence or intimidation*
- Sexual teasing, advances, or comments that are offensive*
- Physical behaviors, including hitting or unwelcome touching*
- Minimizing noise, disruptions, and inconveniences to residents*
- Respecting and responding appropriately to the culture of residents;*

Community Health and Safety

An overview of the contractor's commitment to protecting the health and safety of the surrounding community

For example:

The site's operational procedures should not cause any harm to the community's health and safety. You should always take the following actions:

- Disclose project information, GRM, and regular monitoring reports;*
- Engage in negotiations with residents, including vulnerable residents;*
- Maintain politeness and humility at all times;*

You must not:

- Use offensive language or engage in loud or disruptive behavior;*
- Comment on real estate, residents, or their lifestyles;*
- Disturb or abuse residents' animals or pets;*
- Block or obstruct private or public lanes, pathways, intersections, resident parking areas, or vehicles without prior permission and for more than necessary time;*
- Enter or stay in places where people live or use without residents' prior permission and in their absence;*
- Properly cover hazardous items such as wires;*
- Remain calm and polite in disputed situations. If you have any issues, please contact us.*
- Please call...*

Occupational Health and Safety

An overview of the company's commitment to providing employees with a safe and healthy workplace.

For example:

The company operates in compliance with applicable health and safety requirements that meet both domestic and ESS2 standards. It is committed to continuously improving its health and safety policies and procedures.

All employees are expected to adhere to relevant health and safety laws, regulations, policies, and procedures and apply safe working practices at all locations.

Applicable safety and health requirements must be communicated to any visitors or contractors at the company's premises.

Employees are required to immediately report workplace injuries, illnesses, or unsafe conditions.

E&S risk management

An overview of the company's commitment to minimizing the impact of all its activities on the E&S.

For example:

The company is committed to operating in an environmentally responsible manner, including activities related to waste transport, waste transfer and disposal, and supplier selection.

The company adheres to all applicable environmental laws and regulations, as well as its commitment to sustainable practices and environmental protection

Forced Labor: All employees employed by the company and its suppliers must do so voluntarily, and no one shall be subjected to forced labor.

Child Labor: The company shall not employ individuals below the minimum legal working age of their respective country (which, in this case, is 16 years).

Acknowledgment of Code of Conduct

By verifying the company's Code of Conduct, you acknowledge that:

For example:

You have read the Code of Conduct in its entirety and understand the associated responsibilities.

You have the opportunity to ask questions to clarify any unclear aspects of the guidelines.

You agree to abide by its provisions.

You agree to report any violations of these guidelines to the company.

You agree to cooperate with any investigations related to violations of these guidelines.

Note: The PMO/PIU may adapt relevant elements to suit the specific context and requirements of particular subprojects or activities.

Procurement and Contract Management

Contracts with selected contractors will include provisions on labor and occupational health and safety in the *Environmental and Social Standards* and regulations of China.

The **PMO** will guide the PIU to prepare relevant labor management provisions in the bidding and procurement documents. For example, according to the requirements of AIIB's ESF, the above-mentioned responsibilities of contractors in contract worker management shall be implemented in the bidding and procurement documents, including labor employment terms and working conditions, occupational health and safety (including infectious disease prevention and control measures) and grievance redress mechanism, and relevant provisions shall be incorporated into contract management (including remedial measures for non-conformities). In the case of subcontracting, the

Borrower will require third parties to include equivalent requirements and remedies for non-conformities in their contract agreements with subcontractors.

Monitoring

The contractor's labor management performance, including the construction and implementation of grievance redress mechanism, is included in the internal monitoring of PIU and external monitoring of PMO.

The concerned PMO will manage and supervise the contractor's performance, focusing on the contractor's compliance with its contract agreements. This may include periodic audits, inspections, spot checks of project locations or work sites, and/or labor management records and reports prepared by the contractor. The contractor's labor management performance shall be included as part of the project implementation progress report to the AIIB.

The contents and reports of the contractor's labor management monitoring may include (but are not limited to):

- A representative sample of labor contracts or agreements between contractors and contract workers;
- Wage payment records;
- Arrangement of rest days;
- Distribution records of labor protection appliances;
- Records of relevant training provided to contract workers, in particular on labor and working conditions as well as occupational health and safety;
- Records of grievances received and their resolution (including appropriate disposition of SEA/SH allegations);
- Reports related to safety inspection, including fatalities and accidents and implementation of rectification measures.
- Records of training provided.

9. Supplier worker management

This section briefly describes the suppliers that may be involved during project construction and explains the requirements for supply management based on the findings of social assessment.

(1) Responsibilities and requirements of suppliers

The supplier shall undertake the following responsibilities (but not limited to):

- When bidding, the supplier shall submit the due diligence report for the workers of goods manufacturers to PIU, which shall include: ① Institutional documents related to labor management, including OHS issues, including the principle of non-discrimination, regulations on prevention of SEA/SH in workplaces, etc.; ② The worker's contract template; ③ The minimum age of workers; ④ Whether the manufacturer provides any work involuntarily by workers; ⑤ Working hours and wage level; ⑥ Public record information, such as company registration materials and public documents related to violations of existing labor laws, including reports from labor inspectorates and other law enforcement agencies;
- Ensure that all workers employed by the supplier are made aware of and sign the [documentation of] work requirements [of which they are aware] before commencing work;
- Update the labor management procedures if required.

(2) Management of the Contractor by PMO and PIU

The PMO will review the qualifications of contractors and require all contractors for the Project to operate in a manner that meets the specific requirements set out in AIIB's ESF and the *Environmental and Social Management Plan*.

Qualification examination

As part of the selection process for hiring suppliers, the **PMO and PIU** will review the following information:

- Business license, industrial and commercial registration, relevant permits and approvals;
- Review the labor due diligence reports submitted by suppliers on manufacturers of goods and submit them to AIIB for review;
- Copies of previous contracts with suppliers indicate that they contain relevant provisions and terms reflecting AIIB.

Special attention shall be paid to that any supplier or manufacturer who uses or has ever used child labor and involuntary labor of any kind shall not be eligible to supply goods for the Project.

10. Grievance redress mechanism

According to the AIIB's ESF, the scope, size and type of grievance redress mechanism shall be appropriate to the nature and scale of potential risks and impacts of the project. It shall include elements such as different channels, written records and filing, open procedures, transparent decision-making, and

appeal procedures when resolution cannot be achieved. When designing the grievance redress mechanism, the existing grievance redress mechanism can be used and improved on this basis. As the specific details of subsequent batches of construction projects have not been determined yet, this framework only determines the principle requirements. Once the construction project is determined, each PIU shall establish and implement a systematic and effective grievance redress mechanism in accordance with the following principles. The grievance redress mechanism shall be designed in accordance with the nature and scale of potential project impacts and risks, including grievance channels, written records, procedural disclosures, transparency of decision-making, appeal procedures, etc. Meanwhile, it is required to respect the principles of confidentiality, data privacy and transparency. The final design of the grievance redress mechanism will be negotiated with relevant stakeholders during the project implementation, verified and adjusted as needed to ensure its relevance and ease of use.

The grievance redress mechanism at the project worker level shall include all types of workers involved in the project, including direct, contract and supplier workers.

The grievance redress mechanism shall include two channels through which project workers can report either or both of the following.

1) Internal grievance channels

The PIU shall improve the internal grievance redress mechanism for different types of workers based on its existing grievance redress mechanism, determine special departments and personnel to handle employees' grievances, and require written records and filing.

For direct workers, based on the existing grievance redress mechanism of PIU, it is extended to higher authorities.

For contract workers, the contractor is required to establish a grievance redress mechanism for contract workers, such as level-by-level reporting system or direct reporting to the person in charge of the site assigned by the contractor, and contact with the grievance redress department of PIU.

2) External grievance channels

External grievance redress mechanisms may include channels such as local human resources and social security departments, women's federations and federation of trade unions. Grievance methods include telephone hotline, online platform, petition and other forms. After receiving complaints related to the

project, government departments will feed back them to the construction subproject PIU.

All kinds of grievance channels will be published on the official websites of various government departments, construction subproject PIU and contractors, and publicized through internal staff meetings to ensure the transparency of grievance procedures and decision-making; different grievance methods shall be provided, including submission in person, by mobile phone, SMS, letter, e-mail or via websites.

Each organization shall arrange full-time personnel to record, form a grievance log and conduct investigation. Once the investigation is completed, the complainant shall be informed of the decision/resolution/action in writing/by telephone/SMS. The grievance log shall include the date on which the grievance was received, the name of the complainant, a short description of the grievance, measures taken (including remedial measures/resolution/outcome) and the final resolution date for the grievance. All records and resulting resolutions will be reflected in the annual environmental and social monitoring report.

The project workers can also use the conciliation procedure stipulated in the Labor Law, and its basic procedures are as follows:

- Stage 1: The party initiating arbitration shall submit a written application to the Labor Dispute Arbitration Committee within 60 days from the date of labor dispute. In general, the Arbitration Committee shall render an award within 60 days of receipt of the application. If the parties have no objection to the arbitration award, the arbitration award shall be enforced. The Labor Dispute Arbitration Committee shall consist of representatives of the labor administrative department, trade unions at the same level and employers. The chairman of the Committee shall be a representative of the labor administrative department.
- Stage 2: If any party to the labor dispute has any objection to the arbitration award, it may bring a lawsuit to the people's court within 15 days after receiving the award.

For grievances related to SEA/SH: the PMO/PIU will ensure that there are specific procedures in the grievance redress mechanism for anonymizing grievances and handling them confidentially. PIU will assign one male and one female staff to handle such grievances, and the employees may choose one of them to deal with their problems.

The PMO/PIU and contractors are committed to protecting the confidentiality of workers' grievances, they will take the following measures to ensure that the confidentiality of data is properly protected, namely:

- Establish a data confidentiality mechanism at all levels from the community to the PMO to ensure data security.
- Provide appropriate data protection training for employees who have long-term or frequent exposure to relevant data.
- Establish a reward and punishment mechanism for data protection.

Direct workers, contract workers and community workers who believe they have been adversely affected by the project may lodge complaints with a project-level grievance authority to address relevant project issues. All categories of workers may also submit complaints to the independent inspection team.

Hanbin District PMO/PIU shall monitor all grievances to verify the process. Semi-annual environmental and social monitoring reports will be prepared to track all grievances submitted. PIU will conduct internal grievance monitoring and report to the PMO on a quarterly basis, which shall include analysis of the following indicators:

- Number of grievances received per month (by channel, sex, age);
- Type of grievances received;
- Number of grievances resolved;
- Number of unresolved complaints;
- Time frame for responding to or resolving complaints, etc.

Attachment 3 GBV/SH Risk Prevention Measures Framework

1. Project Area GBV/SEA/SH Risk Analysis

The proposed activities of this project include road construction, green building projects, ecological restoration projects, flood control projects, etc. The construction phase involves a large labor force, posing a potential risk of gender-based violence (GBV) to female workers and women in the surrounding communities.

The Chinese and Shaanxi provincial governments have already established comprehensive regulations to prevent the risk of SEA/SH, with local authorities increasing law enforcement efforts continually. According to the data provided by Hanbin District Women's Federation, Hanbin District accepted 35 complaints from women in 2022, all of which were cases involving marriage and family conflicts. There were no incidents of sexual exploitation and abuse/harassment in the Zhangtan Town area. Moreover, Hanbin District has healthcare service institutions (community hospitals, maternal and child healthcare hospitals), judicial service agencies (community police stations, public security bureaus, district courts), and social service providers (district legal aid centers, district women's federations, community female cadres). These institutions can support the project in addressing potential cases of SEA/SH and assist in preventing such incidents. Therefore, the risk of SEA/SH for the project is assessed as low.

2. Legal Framework

China and Shaanxi Province have specific laws and regulations to protect women's labor rights, including the prohibition of SH. Local governments have developed corresponding action plans and require government agencies, enterprises, and institutions within their jurisdiction to strictly adhere to these regulations.

Policy level	Laws and Regulations	Effective year
PRC	Law of the People's Republic of China on the Protection of Rights and Interests of Women	Revised in 2018
	Special Rules on Labor Protection of Female Employees	2017
	Law of the People's Republic of China on the Protection of Minors	Revised in 2020
Shaanxi Province	Measures of Shaanxi Province for the Implementation of the Law of the People's Republic of China on the Protection of Rights and Interests of Women	Implemented from January 1, 2007
	Special Rules on Labor Protection of Female Employees of Shaanxi Province (Order No.209 of the Shaanxi Provincial Government on January 12, 2018)	Effective from March 1, 2018
City/District Level	Ankang City Women and Children Development Plan (2021-2030)	2022

3. Mitigation Measures

Considering the potential GBV risks associated with the project's affected population, even though these risks are low, to prevent and address the impact of such risks, this framework will establish corresponding mitigation measures, such as raising awareness among the community and other stakeholders and strengthening institutional capacity.

Table 1 GBV /SH Risk Management Plan

S/ N	Specific Actions	Budget (in ten thousand yuan)	Implementation Time	Responsible Entity	Monitoring Indicators	Monitoring Time and Frequency
1	Organize GBV/SEA/SH risk training to enhance the sensitivity of PMO and PIU in this regard.	5	Before and during project implementation	PMO and PIU, social advisors/gender advisors	Relevant personnel of PMO and PIU are aware of GBV/SEA/SH risk factors in the project area and have received training on how to prevent and respond to GBV/SEA/SH. Frequency of training sessions and the number of participants.	During the project implementation period (2024-2029), training sessions will be conducted semi-annually.
2	Collaborate with the local Women's Federation to establish a GBV/SEA/SH complaint handling mechanism specific to the project to address potential GBV/SEA/SH incidents during project implementation. Provide training for personnel responsible for complaint handling, including appropriate documentation of complaint registration and management, as well as maintaining the confidentiality of SEA/SH complainant information.	4	Before project implementation	PMO and PIU, social advisors/gender advisors	Personnel responsible for complaint handling are in place; GBV/SEA/SH complaint records; frequency of training sessions and the number of participants.	During the project implementation period (2024-2029), training sessions will be conducted semi-annually.

S/ N	Specific Actions	Budget (in ten thousand yuan)	Implementation Time	Responsible Entity	Monitoring Indicators	Monitoring Time and Frequency
3	Construction contractors shall develop a GBV/SEA/SH Behavior Management Policy and ensure that construction workers clearly understand the requirements outlined in the policy.	2	Prior to contractor mobilization	Contractors	Number of management personnel and workers who have received training or awareness campaigns on the management policy.	During the project implementation period (2024-2029), training sessions will be conducted semi-annually.
4	Commit to complying with GBV/SEA/SH requirements in the tender documents. Include GBV/SEA/SH clauses in the construction contract, specifying detailed requirements and penalties.	\	During the procurement and contract signing	PMOs and PIUs, contractors	Relevant GBV/SEA/SH requirements or clauses are included in the tender documents and construction contracts.	During the project implementation period (2024-2029), training sessions will be conducted semi-annually.
5	The execution of GBV/SEA/SH related actions will be included in external M&E	8	Project implementation period	PMOs, PIUs and external monitoring agencies	Submitted semi-annual external monitoring report	During the project implementation period (2024-2029), training sessions will be conducted semi-annually.

Attachment 4 Social Investigation Record

Site participation of public from affected villages	
 <p>09:37 2023-03-24 星期五 7°C 安康市·汉滨区中医院 经纬度: 32.707422°N, 109.078772°E 备注: 亚投行汉滨项目</p>	 <p>11:39 2023-03-23 星期四 多云 10°C 安康市·岚皋新村村民委员会 备注: 亚投行汉滨项目</p>
<p>Carry out public consultation meetings and questionnaire surveys in Lishi Village to understand the situation of the village, land acquisition and opinions and suggestions on the Project.</p>	<p>Carry out public consultation meetings and questionnaire surveys in Dian'an Village to understand the situation of the village, land acquisition and opinions and suggestions on the Project.</p>
	
<p>Carry out public consultation meetings and questionnaire surveys in Zoupo Village to understand the situation of the village, land acquisition and opinions and suggestions on the Project.</p>	<p>Carry out public consultation meetings and questionnaire surveys in Langou Village to understand the situation of the village, land acquisition and opinions and suggestions on the Project.</p>
	 <p>15:01 2023-03-24 星期五 多云 10°C 安康市·石梯汉江大桥 经纬度: 32.757398°N, 109.110874°E 备注: 亚投行汉滨项目</p>
<p>Carry out household interviews and questionnaire surveys in Shuangjing Village to understand the family life, land acquisition, as well as opinions and suggestions on the Project.</p>	<p>Carry out interviews and questionnaire surveys with villagers in Shuangcun Village, Shiti Town to understand the family life of villagers and their opinions and suggestions on the Project.</p>



Carry out household interviews and questionnaire surveys in Wangwan Village to understand the family life, land acquisition, as well as opinions and suggestions on the Project.

Carry out household interviews and questionnaire surveys in Houyan Village to understand the family life, land acquisition, as well as opinions and suggestions on the Project.



Conduct interviews and visits in Dian'an Village to understand the situation of vulnerable families and land acquisition.

Carry out interviews and visits in Wangwan Village to understand the situation of merchants' families and land acquisition.



Understand the operation and land acquisition of kindergartens, as well as opinions and suggestions on the Project.

Carry out household interviews and questionnaire surveys in Zhangtan Community to understand the family life, land acquisition, as well as opinions and suggestions on the Project.



Carry out interviews and visits in Shuangjing Village to understand the situation of merchants' families and land acquisition.



Carry out public consultation meetings in Langou Village to understand the situation of vulnerable groups, land acquisition and opinions and suggestions on the Project.



Carry out interviews in Jiutiaogou Village to understand the scope of land, village conditions and opinions and suggestions.



Have a symposium in Dashuling Village to understand the village situation and willingness for land use rights transfer.

Institutional interviews



Interviews with the Civil Affairs Bureau to learn about the identification criteria of the rural subsistence allowance system and the implementation of the assistance policies for vulnerable groups.



Interviews with the Human Resources and Social Security Bureau to learn about the pension policies of land-expropriated farmers, labor security policies and supervision.



Interviews with the District Health and Hygiene Bureau to learn about the



Interviews with the District Forestry Bureau to learn about the procedures for forest land

<p>occupational health and safety of workers, as well as relevant policies and supervision on the prevention and control of infectious diseases.</p>	<p>acquisition and occupation and the approval process.</p>
	
<p>Interviews with the Housing and Urban-Rural Development Bureau of Hanbin District to learn about the procedures and relevant policies to be handled for construction projects.</p>	<p>Interviews with the Natural Resources Bureau of Hanbin District to learn about land use approval, land planning and relevant policies and procedures.</p>
	
<p>Interviews with the District Water Conservancy Bureau to understand the requirements of the Water Conservancy Bureau for the relevant construction of the project.</p>	<p>Interviews with the Land Acquisition and Demolition Office of Zhangtan Town to learn about the current situation of land acquisition and demolition, compensation criteria and resettlement plan.</p>
	
<p>Interview with district agricultural economic management station to understand relevant regulations and policy requirements such as basic farmland management and land use rights transfer management.</p>	<p>Interview with the District Natural Resources Bureau to understand the procedures and requirements for pre-examination of project land use, land approval, etc.</p>

Comprehensive (feasibility study, environmental impact assessment, etc.)



The PMO, the SIA unit, the feasibility study unit and the environmental impact assessment unit inspected the project site



The PMO, the SIA unit, the feasibility study unit and the environmental impact assessment unit visited the project site.