



Project Summary Information

Date of Document Preparation: July 14, 2023	
Project Name	Guangzhou Smart City Project Phase 1
Project Number	P000657
AIIB member	People's Republic of China
Sector/Subsector	Digital Infrastructure and Technology
Alignment with AIIB's thematic priorities	Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	To improve digital infrastructure available to the municipal government and urban infrastructure operators in Guangzhou. This will result in improved operating performance across government and urban infrastructure services, allow more effective monitoring of environmental conditions and stimulate investment in the technology sector.
Project Description	The Project comprises the construction of a datacenter and smart city-related telecom network components, the implementation of data analysis platforms, and the roll-out of initial smart city solutions.
Expected Results	<p>(1) Expanded Connectivity: the Project will result in increased connectivity that supports urban infrastructure and management;</p> <p>(2) Additional Data Storage and Processing Capacity: through the development of a green datacenter, the Project will add new data storage and processing capacity;</p> <p>(3) Connected Infrastructure: the Project will deploy a large number of Internet of Things (IoT) sensors to infrastructure assets and capture multiple city areas in digital twin models, which enable smart city applications;</p> <p>(4) Emergency services sensing: the Project will result in the ability to detect and identify types of accidents or emergencies (e.g., elevator malfunction, flooding, gas concentration) and based on the identified results notify the nearest corresponding service teams, thereby improving early detection capabilities and reducing response time to accidents.</p>
Environmental and Social Category	Category B

<p>Environmental and Social Information</p>	<p>Application of Bank's ESP and Categorization. The Bank's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List are applicable to this Project. ESS 1 (Environmental and Social Assessment and Management) is triggered to the Project, given the nature of the proposed Project activities. Since the Project will be constructed using existing structures/buildings, ESS2 Land Acquisition and Involuntary Resettlement is not applicable. In addition, the Project components are mainly in the urban areas of Guangzhou Municipality, where no ethnic minority groups are collectively attached to the Project areas. Therefore, ESS 3 Indigenous Peoples is not triggered. The Project is proposed initially as a Category B, considering no land acquisition and the limited scale of civil work, as well as the expectation that the Project's environmental and social (E&S) impacts may be manageable through mitigation measures and management tools.</p> <p>Environmental and Social Instruments. As a Category B Project, an Environmental and Social Impact Assessment (ESIA) and an Environmental and Social Management Plan (ESMP) will be prepared to cover the entire Project in accordance with AIIB's ESP. E&S documentations will be disclosed timely both in English and Chinese by the Client and the Bank in an appropriate manner, at least 30 calendar days prior to Bank's approval.</p> <p>Environmental Aspect. In accordance with China's national environmental policy and requirement, Environmental Impact Assessments (EIA) will be prepared and reviewed by concerned local authorities. The EIA findings will serve as basis for preparation of ESIA and ESMP to meet the Project requirements in accordance with AIIB's ESP requirements. ESIA/ESMP will consider the following aspects to cover the whole cycle of the project, from preparation to implementation: (i) clear baseline information, especially for eco-system in the project area (Area of Influence), which would be impacted and modified due to Project activities; (ii) impact assessment focusing on construction and operational phases, including occupational health and safety matters, and to make recommendation of any measures needed to avoid, minimize, mitigate, or compensate for adverse impacts and improvement of the environmental and social performance of the Project; (iv) stakeholder engagement, especially with project affected peoples (PAPs) who are identified during ESIA/ESMP preparation, and information disclosure in a meaningful manner throughout Project cycle; and (v) institutional arrangement and responsibility of E&S management and monitoring during preparation and implementation, etc.</p> <p>Social Aspects. The proposed Project social impacts and risks should not be significant. However, as per the ESP requirements, the Social Impact Assessment (SIA) will be conducted in ESIA process to consider vulnerable groups, community safety, gender-based violence (GBV), labor influx and labor conditions, traffic safety, stakeholders' engagement, etc. SIA will be used to enhance the Project's design by considering inclusion of gender opportunities and promoting women's socioeconomic empowerment. The Gender Action Plan (GAP) that will be prepared as part of the ESMP for this Project</p>
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	<p>aiming to cover GBV, gender inclusion, and institutional capacity building. Additionally, a land use and property ownership due diligence will be conducted to identify if the previous land acquisition and resettlement have legacy issues.</p> <p>Stakeholder Engagement. Stakeholder engagement through public consultation and communication and Focus Group Discussion will be carried out with various groups of stakeholders including PAPs, women and identified vulnerable groups as part of the preparation of E&S documents and continued throughout the project cycle. The stakeholder engagement aims to meaningfully and in a culturally appropriate manner through engaging PAPs and local communities to disseminate information about the Project, impacts, grievance mechanism and mitigation measures, in order to obtain feedback and suggestion on design related issues and the proposed mitigation measures. The ESMP will include a Stakeholder Engagement Plan (SEP), which will not only analyze the results of the sessions carried out so far but also outline future consultation and communication plan of the Project with various groups of stakeholders.</p> <p>Project Grievance Redress Mechanism (GRM) and the AIIB Project-affected People's Mechanism (PPM). A Project specific GRM in line with AIIB's ESP will be established in the PMO to receive, acknowledge, evaluate and facilitate the resolution to the complaints relating to E&S issues with corrective actions proposed. A separate workers GRM will also be established to manage workplace complaints and concerns. These will be undertaken using understandable and transparent processes that are gender responsive, culturally appropriate and readily accessible to all segments of the affected people. The information of established GRMs including PPM of the Bank in Chinese will be disclosed in a timely manner to the communities and PAPs in an appropriate manner.</p>		
Cost and Financing Plan	Total project cost is approximately USD 417 million of which AIIB would finance USD 200 million.		
Borrower	The People's Republic of China		
Implementing Entity	Guangdong Province Guangzhou Municipality Guangzhou Smart City Investment Operation Co. (GSCIO)		
Estimated date of loan closing	July 2029		
Contact Points:	AIIB	Borrower	Implementation Entity
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Date of Concept Decision	July 12, 2023		
Estimated Date of Appraisal Decision	October, 2023		
Estimated Date of Financing Approval	December, 2023		

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