



Project Summary Information

Date of Document Preparation/Updating: 05/17/23 4:59 PM	
Project Name	Shaanxi Ankang Green and Low-Carbon Demonstration Urban Development Project
Project Number	P000696
AIIB member	China
Sector/Subsector	Urban
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	To develop a low-carbon and resilient New District in Ankang City, by planning, designing, and developing urban infrastructures with added-on, and robustly modeled, climate resilience features.
Project Description	<p>Ankang City, located along the Han Jiang River and in Qin-ba Mountains, was classified as one of the national level poverty areas of China. Overly crowded urban area and frequent flood disasters have been the two core challenges impeding Ankang City's economic growth and development. The Project aims to support the Ankang City's sustainable development of East City New District (the "New District") to serve as a demonstration on the planning, design and implementation of green and low-carbon urban district. The Project will finance the key infrastructure of the New District with climate resilience features, including:</p> <ul style="list-style-type: none"> □ Component 1 – Climate Resilient Urban Infrastructure Improvement. □ Component 2 – Multi-purpose Green Corridors. □ Component 3 – City Management and Data Center (Building a green low-carbon city operation system). □ Component 4 – Project Management Support.
Expected Results	The Project is expected to develop a New District in Ankang City and expand its urban area following low-carbon and

	<p>resilient as well as green principles. The main expected results include:</p> <ul style="list-style-type: none"> (a) Building a low-carbon urban district. The New District is designed and developed in the way that can reduce carbon emissions compared to the ordinary urban districts without low-carbon solutions. It is expected that the Project will reduce 21,436 tons of CO2 per year and absorb 5,743 tons of carbon-equivalent per year with increased green lands after completion. (b) Enhance climate resilience. The Project will help Ankang City build up its climate resilience by improving the flood prevention capacity and waterlogging prevention capacity. (c) Develop and promote green building and technology. The project will support the design, development, and promotion of a green building according to Green Building standards – 2 Stars Level.
<p>Environmental and Social Category</p>	<p>A</p>
<p>Environmental and Social Information</p>	<p>Environmental and Social Policy and Categorization. The Bank's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List will apply to this Project. ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) will apply to the Project. Category A has been tentatively assigned to the Project in view of the protentional scale of land acquisition and resettlement/relocation (LAR).</p> <p>Environmental and Social Instruments. An Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) will be prepared together with the associated Environmental and Social Management Plan (ESMP) to address project-related environmental and social (E&S) issues. To address physical and economic displacement, the client will prepare a land acquisition and resettlement plan (LARP). LAR due diligence report (DDR) will be prepared for the project components where land has been acquired prior to project preparation. A Stakeholder Engagement Plan (SEP) will also be developed to support consultation and communication throughout the Project cycle systematically. All E&S documentation including EIA, SIA, ESMP, LARP and LARDDR and SEP will be timely disclosed¹ before Board Approval both in English and Chinese in an appropriate manner following the Bank's policy.</p> <p>Environmental Aspects. The Project will potentially contribute to carbon sequestration and improvement of eco-system services through afforestation, the rehabilitation of the Huang Yang and the Han Jiang Rivers, and wetlands. Based on the preliminary review, no key biodiversity area is within 50 km of the project site, and the Project is not located in any existing or planned protected area, but the Project Team will further review and confirm those during E&S due diligence (ESDD).</p>

¹ All ES instruments will be disclosed before BoD approval following the ES policy. Should the project remain category A in appraisal stage, ES documents will be disclosed 60 days before the BoD.

Other expected impacts are generally localized, and will include dust and emissions from construction vehicles, construction noise, disturbance to the traffic, soil erosion, and wastewater and solid wastes generated during construction. The mitigations for addressing the adverse impacts will be included in the ESMP.

Paris Alignment Assessment. Project Component 1 and Component 2 aim to enhance climate resilience and provide nature-based solutions for climate adaptation. The project will prepare climate change risk assessment based on different climate scenarios to better inform project design. The new road and road expansion will greatly alleviate the congestion in Ankang city, with all the low-carbon features mentioned in paragraph 40, it is considered Paris Aligned with mitigation goal. For Component 3, as the building is seeking an equivalent international green building, it is considered as Paris Aligned with mitigation goal.

Biodiversity. The major potential adverse impacts of the project may include biodiversity and eco-system in the project area of influence, especially for components that will be impacted and modified due to project activities, such as eco-system in wetland and river courses. A Biodiversity Baseline Study will be carried out to establish the baseline in the project area. The EIA will further identify the potential risk and propose mitigation measures to avoid any adverse impacts if needed.

Social Aspects. The proposed project is expected to involve significant land acquisition and resettlement due to the new construction of road networks, river embankments, wetlands, public parks, and structures. As a result, the Project is classified as Category A in terms of involuntary resettlement. To address physical and economic displacement, the client will prepare and endorse a LARP that complies with Bank's ESS 2 and applicable laws and regulations of the PRC. Additionally, a LARDDR will be prepared for the project components where land has been acquired prior to project preparation. If there are any outstanding issues or unresolved appeals/complaints related to LAR, the client will develop time-bound corrective actions and incorporate them into the LARP.

Indigenous Peoples. The proposed project is not expected to have any impact on indigenous peoples/ethnic minority groups or communities in the project area as described in Bank's ESS 3. The Project is likely to be Category C for indigenous peoples impacts and this will be confirmed during due diligence.

Gender and Disability Aspects. The proposed project will promote gender equality, disability inclusion, and social diversity throughout the project's lifecycle. The client will conduct a gender analysis and vulnerability assessment in SIA to identify the potential impact of project activities on women, the specific needs, and concerns of different stakeholders, especially women, and vulnerable groups.

Cultural Aspects. The proposed project will identify and protect any cultural heritage sites within the project area to avoid negative impacts on cultural resources. The client will conduct a cultural heritage assessment to identify any cultural

	<p>heritage sites, such as archaeological sites, historical buildings, or other cultural assets that may exist within the project area. The client will develop cultural heritage management measures, as needed, to guide the implementation of appropriate measures and ensure the proper protection and management of cultural heritage resources.</p> <p>Stakeholder Engagement. The proposed project will involve a diverse range of stakeholders, including residents, businesses, industry associations, community organizations, and government agencies. To effectively engage with each stakeholder group, the client will prepare a standalone SEP and conduct meaningful and transparent public consultations and engagement activities. In addition, a semi-annual project progress report will be prepared by the PMO based on agreed format and shared with the Bank for review.</p> <p>Grievance Redress Mechanism (GRM). A project-specific grievance redress mechanism (GRM) will be prepared by the client and incorporated in the SEP to facilitate the address of appeals and complaints on E&S impacts of the proposed project, if any, of affected people and other stakeholders. The information of established project-specific GRM and the Project-affected People's Mechanism (PPM) in Chinese at least will be disclosed timely in an appropriate manner.</p>		
Cost and Financing Plan	Total project cost is around USD 423 million, and AIIB financing is USD 300 million.		
Borrower	People's Republic of China		
Guarantor	People's Republic of China		
Implementing Entity	People's Government of Shaanxi Province / People's Government of Ankang Municipality / People's Government of Hanbin District and Wuli Industrial Zone (East City New District) Management Committee		
Estimated date of loan closing	December, 2028		
Contact Points:	AIIB	Borrower	Implementation Organization
Name	Drazen Kucan	Jikang Wang	Zhijiu Tang
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Date of Concept Decision	May 17, 2023		

Estimated Date of Appraisal Decision	2023 Q4
Estimated Date of Financing Approval	2024 Q3

Independent Accountability Mechanism	<p>AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by the 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 its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRM or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit Policy on the Project-affected People's Mechanism - Operational Policies & Directives - AIIB.</p>
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