



# **Yantai Higher Vocational School Project**

## **Environmental and Social Action Plan**

**June 2024**

**China Education Group Holdings Limited**



# Yantai Higher Vocational School Project Environmental and Social Action Plan

China Education Group Holdings Limited (CEG) is a leading PRC vocational education group with footprints in China, Australia, and the United Kingdom (UK). During the academic year 2022-2023, the Group's school network consisted of 12 schools in China, an accredited higher education institute in Sydney, Australia, and a school in the UK, with a total enrolment of over 319,000 students.

CEG intends to secure a corporate loan from the Asian Infrastructure Investment Bank (AIIB) to part finance phase I construction and operation of the new campus of Yantai IST (Yantai Higher Vocational School Project or the Project). The new campus will be located within the Yantai Economic and Technological Development Zone, 20 kilometers southeast of the existing Yantai school. It will cover an area spanning 225,817.5 square meters. It will include main facilities, roads, sports facilities, lawns, and reserved areas for future expansion. Up to 140kwp of solar photovoltaic power will also be installed at various locations within the phase I complex. The land was acquired from the local government in July 2023. The construction and civil engineering work for phase I commenced in July 2023 with a target completion before the student matriculation by September 2024.

Yantai IST, previously known as Quancheng College before 2021, is located in Penglai District, Yantai City, Shandong Province, People's Republic of China (PRC). Quancheng College was an independent college approved by the Ministry of Education in 2005 and operated by Shandong Dazhong Cultural in collaboration with Jinan University. Quancheng College moved to its current location in 2011 and was acquired by CEG in 2019. With the approval of the Ministry of Education, the school was transformed into an independent private undergraduate college and renamed Yantai University of Science and Technology in May 2021.

Since December 2023, Stantec Environmental Engineering (Shanghai) Co., Ltd. (Stantec) was assigned to conduct an audit of corporate environmental and social management system and environmental and social (E&S) compliance of existing facilities against AIIB's requirements. During December 2023, Stantec conducted the Environmental and Social Compliance Audit (ESCA) for the Project.

The ESCA carried out by Stantec identified gaps in the implementation. To the extent actions to address gaps are necessary for the CEG's system to be materially consistent with the objectives of the AIIB's Environmental and Social Policy (ESP) and relevant Environmental and Social Standards (ESSs), this environmental and social action plan (ESAP) has been prepared by CEG to address the E&S gaps during the further implementation stage and operational stage. The ESAP, as presented in Table 1, has been agreed upon by the Bank.

ESAP sets out: (a) commitments to implement corrective actions to address the gaps identified following an appropriate time-bound action plan, in conformity with the ESP, Environmental and Social Exclusion List (ESEL), and applicable ESSs; (b) estimates of the resources required; (c) responsibilities for implementation of the actions, and (d) monitoring approach.

**Table 1: ESAP for Yantai Higher Vocational School Project**

| No. | Action/Measure   | Resources (Responsibility & Budget)   | Timeframe/ Target Date  | Performance Indicator /Monitoring Requirement  |
|-----|--|---|---|--|
| 1.  | <p><u>E&amp;S Management Plans and Procedures</u></p> <p>a. Develop the following E&amp;S management procedures for the new Yantai IST campus, in addition to utilizing the E&amp;S documents employed at the current Yantai campus.</p> <ul style="list-style-type: none"> <li>• Conduct ESIA</li> <li>• Screening and Categorization Procedure of new project opportunities.</li> <li>• Ethnic Minorities Management Measures.</li> <li>• Monitoring Procedure including wastewater, cooking fume, boundary noise, and the solar PV procurement.</li> <li>• Solid Waste Management Procedure.</li> <li>• Chemical Management Procedure.</li> <li>• Rooftop Solar Equipment Management Procedure.</li> <li>• ESMS Awareness Training Procedure.</li> </ul> <p>b. Enhance the Firefighting Inspection Procedures of Yantai ISTs to include firefighting inspection prior to the use of any newly constructed facilities.</p> <p>c. Roll out of ESMS to concerned personnel at the new Yantai campus.</p> | <p>ESMS Manager, /ESMS coordinator of Yantai IST,</p> <p>Management Time cost</p>                     | <p>ESIA shall be completed by 1 September 2024.</p> <p>The progress will be reported Annually in the Safeguards and Social Monitoring Report (SSMR) (Indicator b)</p> <p>The ESMS will be rolled out Prior to the operations of new Yantai Campus (Indicator c)</p> | <p>a. CEG to develop TOR to hire consultant to carry out ESIA. CEG to get TOR vetted by AIIB.</p> <p>b. Consultants to submit Management Procedures and ESIA report acceptable to CEG for onward transmission to AIIB.</p> <p>c. CEG to ensure Enhanced Firefighting Inspection Procedures.</p> <p>d. CEG to submit Evidence of rollout of management approved ESMS to concerned personnel at the new Yantai Campus.</p> |
| 2.  | <p><u>EHS Management Practices</u></p> <p>a. Obtain the approval for soil and water conservation from local government before August 2024.</p> <p>b. Implement the following measures to rectify or address issues observed at the construction sites:</p> <ul style="list-style-type: none"> <li>• Reinforce the securing of dust-proof nets and regularly inspect their integrity.</li> </ul>  | <p>Yantai IST new campus project team</p> <p>Management Time cost</p> <p>30,000 CNY (Indicator b)</p> | <p>The approval will be obtained by August 2024 (Indicator a)</p> <p>Prior to first disbursement (Indicator b)</p>  | <p>a. Approval letter for Soil and Water Conservation will be shared with AIIB.</p> <p>b. Report confirming satisfactory completion of immediate corrective actions will be shared with AIIB.</p>  |

| No. | Action/Measure  | Resources<br>(Responsibility & Budget)  | Timeframe/<br>Target Date  | Performance Indicator<br>/Monitoring Requirement   |
|-----|---|---|--|--|
|     | <ul style="list-style-type: none"> <li>Install an efficient cooking fume purification system for canteen and conduct the maintenance and inspection regularly to ensure the effectiveness.</li> <li>Develop project-level infectious diseases prevention and control program.</li> <li>Provide first aid supplies at the construction site working areas.</li> <li>Properly arrange the workload to confirm worker can rest for at least one day per week.</li> </ul>   |   |  |  |
| 3.  | <p><u>Land Acquisition and Resettlement</u></p> <p>a. Develop a Resettlement Plan against AIIB standard to cover Yantai IST New Campus Phase I land acquisition. The resettlement plan will include:</p> <ul style="list-style-type: none"> <li>Household socio-economic survey to establish baseline socio-economic information of pre-land acquisition stage.</li> <li>A Grievance Redress Mechanism.</li> </ul> <p>b. Semi Annual Monitoring for the compensation disbursement and resettlement activities for land acquisition, and double check the livelihood impacts to the affected households.</p> <p>c. End term Evaluation of compensation disbursement and resettlement activities.</p> <p>d. Monitoring of Phase II land acquisition to see if this conforms with the resettlement plan.</p> | <p>ESMS Manager /ESMS coordinator of Yantai IST, General Administrative Department of Yantai IST</p> <p>200,000 - 300,000 CNY</p> | <p>a. RP will be prepared and implemented Prior to the first disbursement.</p> <p>b. Within six months after disbursement</p> <p>c. 3<sup>rd</sup> year after first disbursement</p> <p>d. After the land acquisition and resettlement of phase II</p> | <p>a. CEG to develop TOR to hire a consultant to prepare a Resettlement Plan. The RP will include social baseline study, monitoring of compensation disbursement and resettlement activities, GRM and relevant audits.</p> <p>b. CEG to share Semiannual monitoring report with AIIB.</p> <p>c. CEG will commission an agency to End term evaluation and report will be shared with AIIB.</p> <p>d. Monitoring report for Phase II land acquisition will also be shared with AIIB.</p> |
| 4.  | <p><u>Stakeholder Engagement and Grievance Redress Mechanism</u></p> <p>a. Prepare a Stakeholder Engagement Plan for the Yantai IST new campus project</p>  | <p>ESMS Manager</p>   | <p>Prior to first disbursement (Indicator a.)</p>  | <p>a. Stakeholder engagement plan will be prepared by the ESIA consultant.</p>   |

| No. | Action/Measure  | Resources<br>(Responsibility & Budget)  | Timeframe/<br>Target Date   | Performance Indicator<br>/Monitoring Requirement  |
|-----|---|---|---|---|
|     | <p>covering both construction and operation stage.</p> <p>b. Record received internal and external grievances through a GRM database.</p>   | <p>Management<br/>Time cost</p>   | <p>Annually in<br/>SSMR<br/>(Indicator b)</p>   | <p>b. CEG ESMS manager and Yantai IST ESMS coordinator will conduct regular review of the grievance records confirming that the grievance channel is workable and grievances are addressed according to CEG GRM. The review reports will be shared with AIB.</p>  |
| 5.  | <p><u>Labor and Working Conditions</u></p> <p>a. Develop a working time policy to indicate a proper arrangement against PRC labor law.</p> <p>b. Re-arrange working time and allow construction workers to take rest at least one day each week and be in compliant with PRC labor law requirements.</p>  | <p>Yantai IST<br/>new campus<br/>project team</p> <p>Management<br/>Time cost</p> | <p>Prior to first<br/>disbursement</p>  | <p>CEG will Report confirming satisfactory completion of immediate corrective actions (will be reported with item 2.b above)</p> <p>a. Working time policy, indicating the requirements of rest at least one day per week</p> <p>b. Three-month attendance record for review</p>  |
| 6.  | <p><u>Training Requirement</u></p> <p>a. Enhance training to onsite construction workers to raise their awareness on fall protection / work at height, electricity safety, and chemical management to observations from the compliance audit.</p> <p>b. Provide Trainings to project management team for the improvement of their capability and awareness of following and implementing corporate ESMS.</p> <p>c. Provide specific training to the community grievance officer of the new campus project to improve his/her capability of managing potential community grievances.</p> | <p>Yantai IST<br/>new campus<br/>project team</p> <p>3,000 CNY<br/>per year</p>   | <p>Prior to first<br/>disbursement<br/>(training<br/>plans)</p> <p>Annually in<br/>the ` (training<br/>records)</p> | <p>a. CEG will prepare a Training plan for onsite construction workers focused on fall protection, electricity safety, and chemical management (with proposed dates) in a manner accepted by AIB and will as part of the report also share related training records.</p> <p>b. Training plan for project management team of Yantai IST new campus focused on land acquisition and resettlement (with proposed dates) will be shared with AIB along with the related training records.</p> <p>c. Training plan for community grievance officer about potential community grievance</p> |

| No. | Action/Measure   | Resources<br>(Responsibility & Budget)  | Timeframe/<br>Target Date   | Performance Indicator<br>/Monitoring Requirement   |
|-----|--|---|---|--|
|     |  |   |   | management (with proposed dates) will be shared with AIIB along with the related training records.   |
| 7.  | <p><u>Actions to be Conducted at Operation Stage</u></p> <p>a. Obtain the following Environment &amp; Social (E&amp;S) permits for the new campus during its operation stage.</p> <ul style="list-style-type: none"> <li>• Construction completion acceptance inspection approval.</li> <li>• Fire protection completion acceptance inspection approval or registration record.</li> <li>• Special equipment certificates for elevators.</li> <li>• Food business license for canteens.</li> <li>• Wastewater discharge permit (if required).</li> </ul> <p>b. Assign qualified persons, including a designated Environment and Social Management System (ESMS) Coordinator, to be responsible for the E&amp;S management of the new campus.</p> <p>c. Update the existing Yantai IST's health and safety management procedures and emergency response plans</p> <p>d. Develop and implement an indoor air quality monitoring plan for the new campus.</p> | <p>Yantai IST new campus project team and ESMS coordinator of Yantai IST,</p> <p>Management<br/>Time cost</p> | <p>Prior to the end of 2024 (Construction completion acceptance inspection approval)</p> <p>Prior to operation of the new campus (Remaining indicators)</p> | <p>CEG will share with AIIB, the following:</p> <p>a. E&amp;S permits of the new campus as listed in the gap analysis report.</p> <p>b. CEG will hire qualified persons and will provide Evidence of designated ESMS Coordinator and E&amp;S management team of the new campus.</p> <p>e. An Updated health and safety management procedures and emergency response plans will be prepared and shared with AIIB. The plan will include an emergency exit plan in accordance with actual situation of the new campus.</p> <p>c. An Indoor air quality monitoring plan will be prepared by ESMS team once on board and relevant monitoring records will be shared with AIIB.</p> |

## ESAP for Existing Operational Campus of Yantai IST

| No. | Action/Measure  | Resources<br>(Responsibility<br>& Budget)   | Timeframe/<br>Target Date  | Performance Indicator<br>/Monitoring Requirement  |
|-----|---|---|--|---|
| 1.  | <p><u>E&amp;S Management Policy and Procedures</u></p> <p>a. Develop the following E&amp;S management procedures for the existing operational campus of Yantai IST:</p> <ul style="list-style-type: none"> <li>• Screening and Categorization Procedure of new project opportunities.</li> <li>• Environmental Monitoring Procedure during operation stage, including wastewater, cooking fume and boundary noise.</li> <li>• Solid Waste Management Procedure.</li> <li>• ESMS Awareness Training Procedure.</li> <li>• Chemical Management Procedure.</li> </ul> <p>b. Update the inspection procedures.</p> <p>c. Roll out of ESMS to concerned personnel at the existing Yantai campus.</p> | <p>ESMS<br/>Coordinator of<br/>Yantai IST</p> <p>2,000 CNY per<br/>year</p>                                 | <p>Prior to first<br/>disbursement</p>   | <p>a. CEG will develop an E&amp;S Management Procedures detailing out the gap identified by the audit report and share the same with AIIB.</p> <p>b. CEG will Update the Firefighting Inspection Procedure to include firefighting inspection prior to the use of any newly constructed facilities.</p> <p>c. CEG will provide training to the relevant staff on ESMS and same will be repeated with every new recruitment. Training reports and photo evidence to be shared with AIIB.</p> |
| 2.  | <p><u>EHS Management Practices</u></p> <p>a. Conduct quarterly boundary noise level monitoring and annual wastewater and air emission monitoring in accordance with the environmental monitoring procedure at the existing operational campus of Yantai IST.</p>  | <p>ESMS<br/>Coordinator of<br/>Yantai IST,</p> <p>2,000 CNY per<br/>year</p>                                | <p>Every quarter<br/>and Annually<br/>in the SSMR</p>  | <p>To comply with, CEG will conduct Quarterly boundary noise level monitoring and report the same to AIIB along with the annual wastewater and air emission report.</p>   |
| 3.  | <p><u>Land Acquisition and Resettlement</u></p> <p>a. Provide trainings to make the relevant department in Yantai IST apply CEG's ESMS regarding land acquisition and resettlement, which should be the guidance for future land acquisition/purchase activities.</p>   | <p>ESMS<br/>Coordinator of<br/>Yantai IST /<br/>General<br/>Administrative<br/>Department<br/>Director,</p> | <p>Prior to first<br/>disbursement<br/>(training<br/>plan)</p> <p>Annually in<br/>the SSMR</p> | <p>To comply with, CEG will prepare a:</p> <p>a. Training plan of ESMS application regarding land acquisition and resettlement and training records. The plan will be rolled out for the relevant staff and</p>   |

| No. | Action/Measure   | Resources<br>(Responsibility<br>& Budget)                                 | Timeframe/<br>Target Date   | Performance Indicator<br>/Monitoring Requirement   |
|-----|--|---|---|--|
|     |  | Management<br>Time  | (training<br>records)   | same will be reported in<br>the annual SSMR.   |
| 4.  | <p><u>Stakeholder Engagement and<br/>Grievance Redress Mechanism</u></p> <p>a. Prepare a Stakeholder<br/>Engagement Plan for the existing<br/>operational campus.</p> <p>b. Develop GRM procedures for<br/>suppliers and communities<br/>covering the operation stage of<br/>the new campus.</p> | <p>ESMS<br/>Coordinator of<br/>Yantai IST,</p> <p>Management<br/>Time</p> | <p>Prior to first<br/>disbursement</p>  | <p>CEG will prepare a:</p> <p>a. Stakeholder<br/>Engagement Plan for<br/>the existing operational<br/>campus will be prepared<br/>as part of ESIA and will<br/>be implemented as<br/>required in the plan.</p> <p>b. GRM Procedures for<br/>Suppliers and<br/>Communities will be<br/>established.<br/>Both will be reported in<br/>annual SSMR.</p> |
| 5.  | <p><u>Labor and Gender Management</u></p> <p>a. Provide trainings of labor<br/>management policies and<br/>procedure to service providers<br/>and subcontractors (e.g., food<br/>provider, clean supplier, and<br/>security service).</p>  | <p>HR Section<br/>Chief</p> <p>Management<br/>time</p>                    | <p>Prior to first<br/>disbursement<br/>(training<br/>plan)</p> <p>Annually in<br/>the SSMR<br/>(training<br/>records)</p> | <p>a. Training plan for service<br/>providers and<br/>subcontractors about<br/>labor management<br/>policies and procedure<br/>will be prepared and<br/>implemented by the<br/>ESMS team of CEG and<br/>training records will be<br/>shared with AIIB in<br/>annual SSMR.</p>  |