



Project Summary Information

Date of Document: July 2, 2024	
Project Name	Kokshetau PPP Hospital Project
Project Number	P000762
AIIB member	Kazakhstan
Sector	Health Infrastructure
Status of Financing	Approved
Project Description	The Project, under a Public-Private Partnership (PPP) agreement, is to design, build, finance, and maintain a 630-bed multi-specialty hospital in Kokshetau, Kazakhstan. The Government of Kazakhstan (GoK), represented by the Ministry of Health (MoH), acts as the Administration for the Project. The Project's PPP agreement period spans seven years, encompassing a two-year construction phase followed by a five-year operational phase.
Objective	To enhance access to quality medical care infrastructure and services in Kokshetau, Akmola Region, Kazakhstan.
Expected Results	The Project will make available high-quality, energy-efficient hospital infrastructure with general and specialty health services. This will allow the rendering of previously unavailable advanced medical interventions and increase the accessibility of critical medical services in cardiology, gastroenterology, and others. The Project will create employment opportunities for both men and women, during the construction and operation stages. The Project will cater to the healthcare needs of residents of the Akmola Region, covering ten cities and 203 rural districts, benefiting over 733,000 people.
Environmental and Social Category	B
Environmental and Social Information	Applicable Policy and Categorization. The Project is co-financed with the European Bank for Reconstruction and Development (EBRD). To harmonize the approach to addressing the environmental and social (ES) aspects of the Project, and as permitted by the AIIB's Environmental and Social Policy (ESP), the EBRD's ESP and the relevant Performance Requirements (PRs) will apply to this Project in lieu of the AIIB's ESP. AIIB has reviewed the EBRD's ESP and PRs and is satisfied that: (a) the EBRD's ESP and PRs are consistent with the AIIB's Articles of Agreement and materially consistent with the provisions of the AIIB's ESP, including the AIIB's Environmental and Social Exclusion List (ESEL) and the relevant Environmental and Social Standards (ESSs); and (b) the monitoring procedures of EBRD in place are appropriate for the Project. EBRD has categorized ES risks of the Project as Category B (which is equivalent to Category B if the AIIB's ESP

were to be applied). The ES risks and impacts, as assessed, are limited, reversible, localized, and will mainly occur during the construction phase.

Environmental and Social Instruments. An initial environmental assessment (IEE) for the Project was completed in November 2021 under the Environmental Code of the Republic of Kazakhstan. The Lenders' ES consultant has conducted the Environmental and Social Due Diligence (ESDD), reviewed the Project against the applicable ES performance standards (PS) of EBRD, and proposed an Environmental and Social Action Plan (ESAP). Based on the ESDD findings and the agreed ESAP to address the identified ES risks and impacts, a Non-Technical Summary (NTS) and a Stakeholder Engagement Plan (SEP) have been prepared and reviewed by Lenders.

Environmental Aspects. Project construction will generate dust, noise, wastewater, solid waste and have occupational health and safety-related risks and impacts, which includes hazards associated with working at height, movement of heavy machinery and equipment, lifting operation, traffic safety, and exposure to hazardous material. The operational stage environmental impact includes air emissions from the boiler, healthcare waste, wastewater discharge, and occupational health and safety-related impacts. These impacts will be mitigated through the implementation of the ESAP. For certain type of wastewater, pre-treatment will be done within the hospital boundary including use of neutralization tanks before discharge into the municipal sewage network. Based on the agreed ESAP in the commitment register, TURAR, the industry operator (sub-institution of the MoH) responsible for administration of hospital during the operation phase, will identify and assign a licensed medical waste disposal company to implement the medical waste management plan. This plan will be prepared prior to operational phase, aligning with the EBRD PR requirements.

Climate Change Risks and Opportunities. Based on the AIIB Paris Alignment methodology, this Project is considered aligned with the mitigation goals of the Paris Agreement as the Project operation type is included in the joint Multilateral Development Banks universally aligned list. With respect to climate adaptation, detailed designs are prepared to mitigate the plausible wildfire and flood risks. A robust ES Management Plan is prepared as well to address the related risks. The commitment of the Project to Leadership in Energy and Environmental Design (LEED) Silver certification will make the Project consistent with the national adaptation plans. The Project is therefore considered aligned with the adaptation goals of the Paris Agreement.

Gender Aspects. A Gender Action Plan (GAP) for the Project has been developed by the Project company. The GAP sets out actions to be taken by the Project company to ensure a safe environment and present equal opportunities to women at the workplace. It also covers the Gender-Based Violence and Harassment (GBVH) risks and mitigation plan, with required resources, investment needs and responsible parties, as well as an implementation timetable. The TURAR has committed to implement the GBVH procedure during the Project operation stage, include trainings to the relevant staff provided by a third-party gender expert.

Occupational Health and Safety, Labor and Employment Conditions. It was assessed during the ESDD that about 2,300 jobs will be created during construction and it has been proposed in the ESAP to establish an ES management system at the engineering, procurement and construction (EPC) contractor level. During the operation stage, the Project company will hire around 60 staff for building maintenance and repair services and information management services. The ESDD also identified potential relocation of existing 1,492 healthcare staff affected by the new hospital operation. Based on the commitment register, TURAR will prepare and implement a relocation plan that complies with the national labor law and the EBRD's PR2 requirement.

Stakeholder Engagement and Information Disclosure. A stakeholder engagement plan (SEP) has been prepared to effectively engage with stakeholders throughout the lifecycle of the Project. The NTS reflects the key findings of the ESDD and agreed ESAP to mitigate the ES risks has been prepared for the Project. The NTS and SEP documents in English, Kazakh, and Russian languages have been disclosed at Project company website¹ and made available for download. EBRD has also disclosed its ES review [Kokshetau Hospital PPP \(ebrd.com\)](https://www.ebrd.com/~/media/Files/ES/Kokshetau_Hospital_PPP_ebrd.com).

Project Grievance Redress Mechanism (GRM). During the Project construction, a GRM for local communities and other external stakeholders including a GRM for construction workers will also be established. The hospital operator will implement a GRM for affected communities and other stakeholders during hospital operations. The information of established GRMs along with the information of EBRD's Independent Project Accountability Mechanism (IPAM) will be timely disclosed in an appropriate manner.

Monitoring and Supervision Arrangements. The lenders will require independent monitoring including reporting based on agreed format during the Project construction on a quarterly basis. Implementation of the commitment register will also be monitored through regular ES reports. AIIB will take part in lenders' supervision missions as and when needed.

¹ [KOKSHETAU HOSPITAL \(kokshetauppphospital.com\)](https://www.kokshetauppphospital.com)

Cost and Financing Plan	Total Project cost: EUR453.8 million. AIIB's non-sovereign backed loan: up to USD113.9 million in EUR.		
Borrower	RenEII Kokshetau LLP		
Sponsor	Rönesans Sağlık Yatırım A.Ş.		
Estimated date of first disbursement	Q3 2024		
Contact Points:	AIIB	Borrower	Sponsor
Name	Mohd Sharib Khan	Serkan Altuntop	Sabri Can Bozkurt Sertaç Sönmez
Title	Investment Officer	CFO	Business Development Director Project Analyst
Email Address	sharib.khan@aiib.org	serkan.altuntop@ronesans.com	can.bozkurt@ronesans.com sertac.sonmez@ronesans.com
Date of Concept Decision	May 17, 2023		
Date of Appraisal Decision	January 23, 2024		
Date of Financing Approval	June 24, 2024		
Independent Accountability Mechanism	Pursuant to AIIB's agreement with EBRD, EBRD's independent accountability mechanism, the Independent Project Accountability Mechanism, will review, in accordance with the EBRD Project Accountability Policy, all requests regarding ES issues that may arise under the Project. Consequently, in accordance with AIIB's Policy on PPM, submissions to the PPM under the Project will not be eligible for consideration by the PPM. Information on EBRD's IPAM is available at https://www.ebrd.com/project-finance/ipam.html .		