



Project Summary Information

Date of Document: June 27, 2024	
Project Name	Yantai Higher Vocational School Project
Project Number	P000829
AIIB member	China
Sector/Subsector	Education Infrastructure
Status of Financing	Under Preparation
Project Description	The Project will finance the construction of Phase 1 of the new campus of the Yantai Institute of Science and Technology (YIST) at Yantai, Shandong Province, China. The new campus will be used to facilitate educational activities, including the launch of new courses in the areas of engineering, computer and software, art and design, and international education. The total construction area of Phase 1 is about 276,000 m ² , covering five learning facilities, student accommodations, a theatre, a stadium, international exchange centers, and other related amenities.
Objective	To supply job-ready professionals by increasing the capacity of employment-oriented education infrastructure.
Expected Results	The Project will increase the supply of employed graduates by enhancing access to high-quality, employment-oriented, and affordable education for over 14,000 students, including about 84 percent from local Shandong province. In addition, the Project will generate additional employment opportunities for teachers and other supporting staff in the new campus. The Project will also benefit local enterprises by providing with access to technically trained talents.
Environmental and Social (ES) Category	B
Environmental and Social Information	<p>Applicable Policy and Categorization. The AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standard 1 (ES Assessment and Management) and 2 (Involuntary Resettlement), and the Environmental and Social Exclusion List, applies to the Project. Since there is no indigenous community in the Project vicinity, ESS 3 (Indigenous People) is not applicable. The Project has been classified as category B because the scale of land acquisition, transfer, and physical relocation is small, and the environmental impacts of the Project assessed to be short-term, local, reversible, and of low significance.</p> <p>Environmental and Social instruments: As part of Environmental and Social Due Diligence (ESDD), an environmental and social (ES) compliance audit was performed to identify gaps in the current YIST's ES Management System (ESMS),</p>

construction works, existing campus operations, environmental management, land acquisition, and resettlement. A corrective action plan (CAP) has been developed and reflected in the Environmental and Social Action Plan (ESAP). Additional ES instruments include an Environmental and Social Impact Assessment (ESIA), an Environmental and Social Management Plan (ESMP), and a Resettlement Action Plan (RAP) and/or Livelihood Restoration Plan (LRP), which will be prepared and implemented.

Environmental Aspects. The ESDD concluded that this Project is expected to have minimum impacts and risks associated with construction and operation activities. The risks and impacts during construction include, but are not limited to, contractors' ES management, air and noise pollution, impacts on water resources, waste generation, labor and working conditions, health and safety, and increased traffic. The construction contractor has prepared mitigation measures to manage environmental impacts during the construction phase, which are currently under implementation. The risks and impacts during the operation stage include the impact on water use, solid waste, labor and working conditions, and health and safety. The ESDD has highlighted the gaps in the current ES management practices. The proposed gap filling measures that are included in the ESAP will be implemented, including the ESMP.

Social Aspects. The Project has acquired land for the construction of the new campus, affecting 49 households, 11 small businesses, and one state-owned company. All affected households have been compensated, while only one household physically displaced is currently in the transitional phase, as the replacement housing will be completed by December 2024. The gaps identified as part of the ESDD will be addressed through the ESAP, which includes a social impact assessment, resettlement plan, stakeholder engagement, and monitoring plan will be prepared and implemented. A female management procedure has been established by the Project, which covers gender equality, security assurance, promotion, and training. The female management procedure contains a clear description of female labor rights to provide a safe and fair environment in the workplace. The ESIA will include an analysis of the potential impacts of the Project on women and recommend actions to mitigate the impacts, including the concerns related to gender-based violence (GBV). A gender action plan (GAP) will be prepared accordingly.

Occupational Health and Safety, Labor and Employment Conditions. The ESDD assessed health and safety risks to the Project workers and the Project-affected communities and suggested measures to prevent accidents, injuries, and diseases. The measures include a site-specific labor influx management plan, a workers' camp management plan, a traffic management plan, and an occupational, health and safety plan for both construction and operational phases.

Stakeholder Engagement, Information Disclosure and Project Grievance Redress Mechanism (GRM). The Project has undertaken consultation with the host community and affected persons. YIST will continuously engage and consult with

	<p>various stakeholders, including women, throughout the Project cycle by implementing a Stakeholder Engagement Plan (SEP) to be outlined in the Resettlement Plan. The ES instruments including ESAP will be disclosed on both the Client's and AIIB's websites. A Project-specific GRM will be established that will receive, acknowledge, evaluate, and facilitate resolutions of complaints related to the ES issues along with the proposed corrective actions. The YIST already has a functional GRM for workers, and therefore, a new GRM for workers is not required. The information of established GRM and Bank's Project-affected People's Mechanism (PPM) will be timely disclosed in an appropriate manner.</p> <p>Climate Change. 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, a climate risk assessment as part of ES assessment was conducted by a third party hired by the client. Based on the assessment, climate hazards, including heavy rainfalls, lower temperatures in winter, and extreme heat in summer, were identified. Adaptation measures, such as incorporating the sponge city measures to mitigate impact caused by potentially increasing precipitation in future due to climate change, were included in the project design in response to these risks. In addition, the project is consistent with climate resilience policies of China. The Project is therefore considered aligned with the adaptation goals of the Paris Agreement.</p> <p>Monitoring and Supervision Arrangements. Monitoring on the Project ES management, including implementation of the ES instruments, will be carried out by a qualified and experienced third-party agency. This third-party agency will prepare a biannual ES monitoring report for the first two years based on agreed format and annual till the final maturity date. AIIB will conduct regular site supervision.</p>	
Cost and Financing Plan	The total estimated cost for the new campus is USD296.6 million, covering two phases. AIIB's proposed non-sovereign backed loan up to USD95.0 million in Chinese Yuan, is to finance Phase 1 of the new campus, the Project. The balance financing for the Project is proposed to be from the YIST, Asian Development Bank and other commercial lenders.	
Borrower	The Yantai Institute of Science and Technology	
Estimated date of first disbursement	Q3 2024	
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Date of Concept Decision	Jan. 19, 2024	
Date of Appraisal Decision	Jun. 27, 2024	
Estimated Date of Financing Approval	Q3 2024	

Independent Accountability Mechanism (IAM)	<p>The Project-affected People's Mechanism (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 Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level GRM or AIIB Management's processes. Information on AIIB's PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html.</p>
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