



Project Summary Information

Date of Document Preparation/Updated: 03/16/26	
Project Name	Project Azure
Project Number	P001035
AIIB member	China
Sector/Subsector	Education Infrastructure
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	To upgrade employment-focused, technology-enabled, and green education infrastructure
Project Description	<p>Established in 1989, China Education Group (CEG) is the largest private provider of higher and vocational education services in China. CEG manages 14 schools serving over 300,000 students. With a successful track record spanning over 30 years, CEG has been publicly listed on the Hong Kong Stock Exchange (HKSE) since 2017.</p> <p>In August 2024, AIIB approved a 7-year loan of USD80 million equivalent in CNY to Yantai Institute of Science and Technology (YIST), a wholly owned subsidiary of CEG, to finance the construction of YIST's new campus (P000829 China: Yantai Higher Vocational School Project). The AIIB loan was disbursed fully in October 2025, and the project has been implemented smoothly without any major issues identified.</p> <p>CEG is currently planning offshore financing to fund campus expansion, refinancing existing indebtedness, and working capital and general corporate purposes. AIIB proposes a USD 50 million financing to CEG, with proceeds earmarked for the expansion of Zhaoqing Campus of Guangzhou College of Applied Science and Technology (GCAST).</p>
Expected Results	Expected results to be measured include students enrolled, students enrolled (female), graduates' placement rate, and amount of private capital mobilization.

Environmental and Social Category	B
Environmental and Social Information	<p>Applicable Policy and Categorization. The AIIB Environmental and Social Policy (ESP), including Environmental and Social Standard (ESS)1 (Environmental and Social Assessment and Management), ESS 2 (Land Acquisition and Involuntary Resettlement) and the Environmental and Social Exclusion List (ESEL), are expected to apply to the Project. ESS3 (Indigenous Peoples) is also not expected to be applicable as there are no known Indigenous Peoples in the Project area. The Project has been preliminarily classified as Category B because the proposed investment will support campus expansion activities that may involve site-specific environmental and social (ES) risks and impacts which are expected to be limited, generally reversible, and capable of being mitigated through the implementation of good international industry practices and appropriate management measures. The categorization will be confirmed upon completion of ES Due Diligence (ESDD).</p> <p>Environmental and Social instruments. As part of the ESDD, the Bank is reviewing the Client's corporate-level ES management system (ESMS), relevant policies and procedures, and available ES information related to the planned campus expansion activities. The ESDD will also assess the Client's capacity to manage ES risks and impacts associated with the proposed investment and daily operation of its subsidiary schools. Based on the outcome of the ESDD, appropriate ES instruments and actions will be determined. These may include strengthening of the ESMS and preparation or update of site-specific ES management measures where relevant. Any agreed actions will be captured in the Environmental and Social Action Plan (ESAP) to be included in the legal agreements.</p> <p>Environmental and Social Aspects. Based on preliminary information available at this stage, potential environmental risks and impacts are expected to be associated mainly with construction and operation activities related to campus expansion. These may include, but are not limited to, contractor environmental management, construction-related air emissions and noise, waste generation and wastewater management, impacts on water and energy use, and occupational health and safety risks. The detailed scope of environmental impacts, as well as appropriate mitigation measures, will be further assessed during the ESDD. In addition, the Project is expected to support the expansion of education infrastructure and improve access to employment-oriented higher education. Potential social risks and impacts may include labor and working conditions during construction, occupational and community health and safety, stakeholder engagement, and access to grievance mechanisms. Any land-related impacts associated with campus expansion activities will be further reviewed during the ESDD. Gender considerations, including equal access to education opportunities and inclusive campus facilities, will also be assessed as part of the ESDD.</p>

	<p>Occupational Health and Safety, Labor and Employment Conditions. Construction and operational activities may involve occupational health and safety risks to workers and potential community health and safety impacts. These may include risks associated with construction activities, traffic safety, and exposure to hazardous materials or equipment. The Client's existing management procedures and practices related to labor and occupational health and safety will be reviewed during the ESDD, and any required improvements will be incorporated into the ESAP.</p> <p>Stakeholder Engagement and Information Disclosure. Stakeholder engagement arrangements and information disclosure practices of the Client are currently being reviewed as part of the ESDD. The Bank will assess whether appropriate mechanisms are in place to engage relevant stakeholders and to disclose ES information in line with AIIB's requirements. The ESAP and other ES documentation, if necessary, will be disclosed timely in accordance with AIIB's ESP.</p> <p>Project Grievance Redress Mechanism (GRM) and Monitoring Arrangement. The Client's existing GRMs for stakeholders and workers, as well as the site-specific GRM at school level, are being assessed during the ESDD. The information of established GRM and Bank's Project-affected People's Mechanism (PPM) will be timely disclosed in an appropriate manner. Additionally, ES aspects of the Project, including the implementation of agreed actions and mitigation measures, will be monitored by the Client and reported to AIIB based on an agreed format. AIIB will supervise the Project through regular monitoring and engagement with the Client, including review of periodic ES reports. More details will be discussed and determined with the client during the ESDD.</p>	
Cost and Financing Plan	The total project cost for GCAST's Zhaoqing campus expansion Phase III and IV is estimated at USD232 million	
Borrower	China Education Group Holdings Limited	
Estimated date of last disbursement	June 2026	
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Estimated Date of Single Review Decision	April 2026	

Estimated Date of Financing Approval	April / May 2026
Independent Accountability Mechanism	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 ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html to the PPM web page.