Project Summary Information

	Date of Document Preparation: 09/08/26
Project Name	Dubai Strategic Sewerage Tunnel Package J
Project Number	P001060
AIIB member	UAE
Sector/Subsector	Water
Alignment with AIIB's thematic priorities	Green Infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	The Project aims to strengthen Dubai's wastewater management system through the development of a resilient, efficient and sustainable gravity-driven sewerage tunnel network.
Project Description	The Dubai Strategic Sewerage Tunnel ("DSST") Program comprises the development of a strategic deep-tunnel wastewater conveyance network intended to replace a large portion of the emirate's existing pump-station-based conveyance infrastructure. Specifically, the Project proposes to finance Package J of the overall DSST Program, which includes approximately 60 km of tunnels and associated shafts, the terminal pump station with a capacity of 5,500 million liters per day (MLD), and link sewers and shafts extending across approximately 13 km. The Project is designed to provide long-term wastewater conveyance capacity required to support Dubai's projected population growth, economic expansion and urban development. The Project is expected to improve service reliability, reduce environmental and public health risks, increase operational efficiency and contribute to the emirate's climate resilience, sustainability and resource-efficiency objectives. Through the replacement of energy-intensive pumped conveyance infrastructure with a gravity-driven system, the Project is also expected to generate energy savings and greenhouse-gas emission reductions. The Project is being delivered under a 30-year Build-Own-Operate-Transfer ("BOOT") concession, with Dubai Municipality acting as contracting authority and offtaker supported by Government of Dubai. A special purpose vehicle ("SPV") will be established and will act as the Borrower. Engineering, procurement and construction ("EPC") obligations will be undertaken by a joint venture under a fixed-price, lump-sum turnkey contract, while operations and maintenance will be undertaken by a dedicated O&M joint venture.

Expected Results	Expansion of wastewater conveyance capacity (m^3/day); Expansion of wastewater storage capacity (m^3); Reduction in electricity consumption associated with wastewater conveyance operations (GWh/year); Reduction in greenhouse-gas emissions associated with system operations (tCO_2e/year).
Environmental and Social Category	B
Environmental and Social Information	**Applicable Policy and Categorization.** AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), apply to this Project. The ESS1 (Environmental and Social Assessment and Management) will apply as environmental and social (ES) assessment is required. ESS2 (Land Acquisition and Involuntary Resettlement) and ESS3 (Indigenous People) are not expected to apply. Based on nature, scale and potential ES risks and impacts associated with construction and operation, the Project has been categorized as Category B, since: (i) it has a limited number of potentially adverse ES impacts; and (ii) the impacts are not unprecedented, few if any are irreversible or cumulative, and they are expected to be limited to the Project area. **Environmental and Social Instruments.** An Environmental and Social Impact Assessment (ESIA) has been prepared in accordance with the applicable environmental legislation of the United Arab Emirates and the IFC Performance Standards and Equator Principles. An Environmental and Social Due Diligence (ESDD) will be conducted at the next stage to assess the adequacy of existing ESIA against AIIB's ESP and ESSs, including the ESEL. In addition, an Environmental and Social Action Plan (ESAP) will be prepared to align completed ESIA with the requirements of AIIB's ESP and ESSs for any gaps identified by the ESDD. The hard copies of the E&S documents are located at the Sponsor offices for stakeholder review. **Environmental Aspects.** The Project's environmental risks and impacts are primarily associated with the construction phase and include impacts related to tunnelling and shaft excavation activities including noise, vibration, traffic disruption, spoil generation and disposal, groundwater management etc. During operation, the Project is expected to reduce the risk of uncontrolled discharges to improve the resilience of Dubai's wastewater network. The tunnels are designed to convey raw sewage to the existing sewage treatment plant for treatment. No new wastewater treatment plants, expansion of existing treatment plants or marine sewage outfalls are proposed to be constructed. Odor emissions from operational facilities are expected to be managed through dedicated odor control systems. The extent and scope of associated facilities (if any) will be further assessed during ESDD. **Social and Gender Aspects.** The Project's social risks and impacts are expected to be limited and primarily associated with the construction phase to include temporary disruptions related with large-scale tunnelling and civil works. The Project will be implemented predominantly within existing road reserves, utility corridors and government-owned land, and is not

	expected to directly affect local communities or their socio-economic activities. The proposed above-ground Project components (i.e., shafts) will be mainly located in defined road-side utility corridors that are managed by the municipality. The Project is not expected to have significant gender-differentiated adverse impacts. The environmental and social due diligence (ESDD) will explore opportunities to promote gender-inclusive benefits through employment, skills development, equal employment opportunities, worker welfare measures, and stakeholder engagement activities. The Project will be required to comply with applicable UAE labor laws and non-discrimination requirements. **Occupational Health and Safety (OHS), Labor and Employment Conditions.** Construction activities will involve OHS risks associated with tunnelling, deep excavations, confined space entry, heavy equipment operation, lifting activities, traffic management and contractor workforce management. During appraisal, AIIB will review labor and working conditions, contractor management arrangements, worker accommodation arrangements, emergency preparedness and response, labor influx and worker grievance mechanisms to assess alignment with AIIB ESP requirements and international good industry practice. **Stakeholder Engagement, Consultation and Information Disclosure.** Stakeholder engagement activities have been undertaken during preparation of the ESIA and through the permitting and No Objection Certificate (NOC) processes. Key stakeholders include government authorities, utility providers, nearby residents, commercial and industrial entities, and other affected parties. The ESIA includes a Stakeholder Engagement Plan and Project-level grievance mechanism to facilitate information disclosure, consultation and resolution of stakeholder concerns. ES instruments of the Project will be disclosed in accordance with Bank's ESP requirement. **Project Grievance Redress Mechanism (GRM) and Monitoring Arrangement.** A Project-level GRM will be established and is intended to provide affected stakeholders with accessible and transparent channels to raise concerns. The mechanism will include procedures for receiving, recording, investigating and resolving grievances in a timely manner. A commensurate worker grievance mechanism will also be established for worker complaints and feedback. The information about the established GRMs and Bank's Project-affected People's Mechanism (PPM) will be disclosed in an appropriate manner. More details on ES monitoring and reporting arrangement will be determined during project appraisal and ESDD.
Cost and Financing Plan	Final project cost to be determined. AIIB is considering providing a senior secured loan of up to USD250 million.
Borrower/Investee Company/Counter	Project Company (SPV) to be established for DSST Package J

party/Guaranteed entity			
Implementing Entity/Sponsor	SPV (to be established)		
Estimated date of last disbursement (NSBF)	Q2 2031		
Contact Points:	**AIIB**	**AIIB**	**Sponsor**
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Date of Concept Decision	08/20/26		
Estimated Date of Final Decision	November 2026		
Estimated Date of Financing Approval	December 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