



Project Summary Information

Date of Document Preparation: 14/Apr/23	
Project Name	Ningbo Green and Low-Carbon Port Development Project
Project Number	P000666
AIIB member	China
Sector/Subsector	Transport
Alignment with AIIB's thematic priorities	Green infrastructure; Connectivity and Regional Cooperation; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	To promote regional and cross-border trade through the continuous development of multimodal logistics facilities and to facilitate low-carbon and smart container terminal development in the Ningbo-Zhoushan Port (NBZP) area.
Project Description	<p>The Ningbo Green and Low-Carbon Port Development Project (Project) is to provide long-term sovereign-backed financing to support the green and low-carbon development of NBZP area. Located midway along the coastal line of the China mainland, Ningbo serves as the economic center and logistic hub for the southern Yangtze River Delta. The Project will support the sustainable development of NBZP and its surrounding areas to realize its full economic potential through improved intermodal transport efficiency, increased logistics capacity, and technology-enabled low-carbon port operation activities.</p> <p>The Project currently consists of the following components:</p> <ol style="list-style-type: none"> 1. Expansion of existing Beilun Railway with a total length of 16.5 kilometers to enhance intermodal transport capacity; 2. Construction of Meishan Railway with a total length of 8.9 kilometers to provide sea-rail logistics connectivity; 3. Upgrade of the Mount Beilun Multipurpose Terminal for handling container operations and procurement of smart equipment for efficiency improvement.
Expected Results¹	<ul style="list-style-type: none"> • Sea-to-rail: Increase in sea-to-rail ratio for Ningbo-Zhoushan Port • Efficiency: Travel time savings for freight transportation through Ningbo-Zhoushan Port • Carbon emission reduction: Annual greenhouse gas (GHG) emission reduction

¹ To be further refined with SPB.

Environmental and Social Category	A
Environmental and Social Information	<p>Environmental and Social Policy and Categorization. The Project is being prepared consistent with AIIB's Environmental and Social Policy (ESP), including the applicable Environmental and Social Standard (ESS) 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement), and Environmental and Social Exclusion List. Application of ESS 3 (Indigenous Peoples), though not anticipated, will be confirmed during project preparation. The Project is assigned Category A as the Environmental and Social (E&S) impacts of the project may be substantial due to significant noise, vibration and potential biodiversity impact, land acquisition, potential physical displacements and resettlement, and disturbance to communities.</p> <p>An Environmental Impact Assessment (EIA) report and a Social Stability Risk Assessment chapter under Feasibility Study Report (FSR) have been prepared by the Project Implementation Entities (PIEs) for Component 1 and Component 3 respectively, while for Component 2 they will be prepared according to domestic regulations. The PIEs have agreed to update the EIAs into Environmental and Social Impact Assessments (ESIAs) including Environmental and Social Management Plans (ESMPs), to be consistent with AIIB's ESP. A Resettlement Plan (RP) for Component 1 and 2 respectively, as well as a Stakeholders Engagement Plan (SEP) for the overall project, will be prepared.</p> <p>Environmental and Climate Aspects. Most of the adverse environmental impacts during the construction phase are localized, including noise and vibration, dust and air emissions, water contamination, solid wastes, soil erosion, and material source consumption. Special attention will be paid to vibration impacts of tunneling on sensitive receptors including the cultural heritage. The potential risks to community health and safety and Occupational Health and Safety (OHS) will also be assessed in the ESIA. During the operational phase, the main impacts of the Project will include noise and vibration of the railway. The incremental and cumulative noise and vibration impacts will be assessed against applicable standards considering Chinese standards, Zhejiang provincial regulations on railway noise and those in World Bank Group Environmental, Health and Safety Guidelines.</p> <p>Although there are two Key Biodiversity Area (KBA) and two Alliance of Zero Extinction (AZE) sites in the radius of 50km of the Project, they are more than 10km away from the Project sites and unlikely to be inside the area of impacts of the components. The due diligence and ESIA will further evaluate if the KBA and AZE sites would be affected.</p> <p>The Project is Paris Agreement (PA) aligned on Mitigation side, given rail and port projects are considered universally aligned with PA's Mitigation Goals. The Project will have significant GHG emission reduction benefits, particularly from</p>

Component 1 and 2 as trucks are replaced by rail. A Climate Risk and Adaptation Assessment will be carried out and appropriate adaptation measures will be integrated in the design.

Social Aspects. The Project is estimated to involve significant land acquisition and resettlement (LAR) impacts as identified in the Feasibility Study Report (FSR) of Component 1. The scope of Component 2 is not entirely fixed, it is estimated by local design institution that there may also have significant LAR impacts when conducting alignment optimization during FSR preparation. However, this will be clarified once the data become available. As for Component 3, it is now located within Beilun, and consists of equipment purchase and existing terminal upgrades. No LAR impact for this Component. An RP will be prepared to govern any physical and economic displacement of a temporary or permanent nature for Component 1 and Component 2. An Entitlement Matrix will be prepared and an approximate budget and schedule for Resettlement and Rehabilitation will be worked out. Due diligence will be conducted and documented for the associated facilities and existing facilities in the project.

Noise/Vibration Induced Displacement. It is stipulated by Zhejiang provincial regulation that environmentally sensitive buildings outside the Right of Way of the railway but within 30 meters from the middle line of the outer rail shall be acquired and compensated, concerning about noise or vibration impacts. If displacement is inevitable, the impacts on Project-Affected People (PAP) are to be discussed in the RP or Resettlement Planning Framework (RPF) if noise impact could not be determined during the project preparation phase. Comprehensive noise and vibration modeling and impact assessment with alternatives of mitigations will be carried out and included in the ESIA and ESMP.

Gender Aspects. The potential impact of project activities on women in the community will be assessed in the ESIA. A Gender Action Plan will be prepared to mitigate the adverse impacts and promote inclusion/equality for benefit-sharing for the female. In consultation with relevant stakeholders, including Client and community members, measures will be identified to prevent potential negative impacts caused by the influx of migrant workers in the community and the risk of gender-based violence, sexual exploitation and abuse, sexual harassment, and will be included in the management plans.

Stakeholder Engagement, Consultation, Monitoring and Information Disclosure. Meaningful and inclusive stakeholder engagement with affected communities and other stakeholders will be carried out during the preparation of the environmental and social (E&S) documents. A separate Project-specific stakeholder engagement plan (SEP) will be prepared, which will set out the strategy and plan regarding such engagements during the pre-construction, construction, and operational phases. The ESIA's including the ESMPs, the SEP, the RPs in English and Chinese languages will be disclosed in an appropriate manner to (PAP) and identified stakeholders and made available for download at the Project Management Office (PMO)/PIE's website and AIIB website. The PMO will be required to prepare E&S monitoring report and submitting the report to AIIB. AIIB will conduct onsite supervision missions together with the client regularly.

	Project Grievance Redress Mechanism (GRM). The SEP will include the detailed multi-tier GRMs. The Project will require two separate GRMs to be implemented as project-level GRM, one for internal parties, i.e., construction and operational personnel, workers and sub-contractors' staff; and the other for external parties, i.e., affected people, also make anonymous complaints eligible. The information of established GRMs including the Project-Affected People's Mechanism (PPM) in Chinese at least will be disclosed timely to the PAPs in an appropriate manner.		
Cost and Financing Plan	Project cost: USD 1,593.8 million (indicative) Financing Plan: AIIB Loan USD 350 million (22.0%), Counterpart funding: USD 1,243.8 million (78.0%)		
Borrower/Investee Company/Counterparty/Guaranteed entity	People's Republic of China		
Implementing Entity	Ningbo Municipal Government, Ningbo Railway and West Hub Construction Center ² (Components 1 and 2) and Tongda Freight Company (Component 3)		
Estimated date of loan closing	Q4 2027		
Contact Points:	AIIB	Borrower	Implementation Organization/Sponsor
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Date of Concept Decision	March 29, 2023		
Date of Appraisal Decision/Estimated	Q4 2023		

² It is the interim Project Implementation Entity (PIE). A new Special Purpose Vehicle (SPV) is expected to be formed by June 2023, between NBMG and NBZP on an equal basis, to become the ultimate PIE.

Date of Appraisal Decision	
Date of Financing Approval/Estimated Date of Financing Approval	Q1 2024

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the Bank to provide an opportunity for the independent and impartial review of submissions from PAP who believe they have been or are likely to be adversely affected by the Bank's failure to implement its ESP in case when their concerns cannot be addressed satisfactorily through the Project-level GRMs or the processes of the Bank's Management. Information on the PPM, is available at https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html
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