Early Warning System

AIIB-000673

Oman: Support to COVID-19 Response

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Quick Facts

Countries	Oman
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	B
Borrower	The Government of the Sultanate of Oman represented by the Ministry of Finance, Aseel Hassan
Sectors	Education and Health
Investment Amount (USD)	$ 475.00 million
Loan Amount (USD)	$ 500.00 million

Project Description

According to the project disclosure document:

The Project aims to support the Government's effort to meet critical needs in public health and education induced by COVID-19 through the mobilization of private-sector funding.

The proposed partial debt guarantee (PDG) will support, through the Asian Infrastructure Investment Bank (AIIB)'s COVID-19 Crisis Recovery Facility (CRF), the Government of Oman's efforts to contain the spread of the COVID-19 and restore critical education and health systems expenditures undertaken in accordance with the best practices, which are essential for the reopening and normalization of the economy in the post-pandemic era. AIIB will support the Project by providing the PDG to a sovereign term loan facility of up to USD500 million led by an international commercial bank.

AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), is applicable to this Project. The Project is categorized as category B due to moderate environmental and social (ES) risks which are localized, reversible, temporary in nature and can be mitigated using standard procedures and precautionary measures as well as good international practice. Activities that require land acquisition with significant resettlement impact or that are likely to cause major environmental impact, if any, which may cause potential upgrading of Project's ES categorization from Category B to category A, are not eligible for financing with AIIB guaranteed loan proceeds.

The due diligence is ongoing. It is expected that an Environmental and Social Management Planning Framework (ESMPF) will be used to mitigate Project's ES risks and impacts. The ESMPF will include a template for site-specific Environmental and Social Management Plans (ESMP) for the proposed sub-activities. The potential environmental risks may include (i) improper disposal of used chemical reagents and other waste from hospital and medical laboratories; (ii) managing proper disposal of e-waste generated from replacing old computer monitors, old laptops and electronic components of the computer servers; and (iii) the capacity of the end-users to use the purchased medical equipment. The potential social risks under the Project may relate to the inability of marginalized and vulnerable social groups to access health and education facilities and services.

The project's environmental and social risks and impacts will be assessed using ESMPF and good international practice. The application of the ESMPF will be further assessed during project due diligence in order to ensure that the prepared ESMPF will be in line with AIIB's ESP. The ESMPF to be used by the Project, both in Arabic and English, will be disclosed on the Client and AIIB's websites in a timely manner and hard copies will be made available in project areas. To ensure that the Project Implementing Unit (PIU) will be able to effectively implement the ESMPF to mitigate or minimize potential ES impacts, the ES due diligence will review the PIU's existing environmental and social management system (ESMS) and their capacity to implement the ESMPF.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Contact Information

Asian Infrastructure Investment Bank

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The Government of the Sultanate of Oman represented by the Ministry of Finance

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan 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 AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html

Bank Documents

- Project Summary (November 30, 2022) [Original Source]