



Project Summary Information

Date of Document Preparation: December 12, 2019

Project Name	Zhanatas 100 MW Wind Power Plant
Document Code	PD000225-PSI-KAZ
Country	Republic of Kazakhstan
Sector/Subsector	Energy / Renewable Energy
Status of Financing	Approved
Project Description	The project is to develop, construct, and operate a 100 MW wind farm in Southern Kazakhstan, approximately 9 km southwest of Zhanatas in the Zhambyl region.
Objective	Mobilize private capital to promote use of renewable energy by investing in a 100 MW wind power project in Southern Kazakhstan
Expected Results	The project will contribute to the renewable energy development of Kazakhstan, through delivering clean electricity generation of approximately 319 GWh per annum.
Environmental and Social Category	Category B
Environmental and Social Information	AIIB's Environmental and Social Policy (ESP) is applicable to this standalone financing. Environmental and Social Standard (ESS) 1 – Environmental and Social Assessment and Management is also applicable, and the Company commissioned the preparation of an Environmental and Social Impact Assessment (ESIA), an Environmental and Social Management Plan (ESMP), a Stakeholder Engagement Plan (SEP), and a Land Acquisition Audit in accordance with the Bank's ESP – including the ESS 1 and ESS 2 requirements. The Project is placed in Category B given that the number of potentially adverse environmental and social impacts are limited, not unprecedented or irreversible, and can be successfully managed using good practice in an operational setting, as confirmed by the Project Team's field visit and review of the E&S documentation prepared for the Project.

The proposed Project site was undeveloped due to its unsuitability for agriculture, seldom used for cattle grazing due its limited vegetation coverage and lack of water sources, and the presence of only few fauna and flora species was identified. Less than one third of the 233.5 hectares of leased land will be occupied by permanent facilities, while the remaining land will, after temporary disturbance caused by the Project, will again be accessible to herders. The avian migratory corridor nearest to the WPP migration lies 20 kilometers to the north along the Kyzylkol, Sorkol, Akkol lake system that is visited by over 75 species of waterfowl. Only 21 species were observed at the site during the spring and autumn bird surveys, and bird numbers were relatively low. The specialist study concluded that the impacts of the Project on avian fauna will be minimal due to its location, which is largely unsuitable for nesting and rarely crossed by migratory birds, and the low altitude flight patterns – below the 30m to 150m risk zone of the blades' span – of the species observed at site. The avoidance of Greenhouse Gas emissions from renewable energy generation has been calculated to be 265,864tCO₂ equivalent per year.

Six neighboring farms, located over 2km from the nearest installation, were leasing land from the government's State Reserve land that was transferred to the Project as part of the 233.5 hectares allocated to the WPP. These 54 hectares represent less than one percent of the total land leased to community members, and twenty-three percent of the Project's total land lease. These Project-Affected People documented their relinquishment of a small portion of their leased land and in the course of interviews conducted as part of the ESIA confirmed they had no economic or other interest in the area relinquished. Since land acquisition was completed by the time the E&S documentation was prepared, the Company has commissioned a Land Acquisition Audit against ESS 2 requirements, and committed to implement necessary livelihood restoration measures.

An archeological survey of the locations of the initial 51 turbines was conducted in November 2017 by a licensed archaeological company and identified 33 burial mounds, 22 of which are between 20 meters and 120 meters from the turbines. All 33 mounds were included in the list of the cultural heritage, and excavation of cultural materials at the 22 mounds nearest to facilities was completed by a licensed archeologist. Authorization to proceed with construction beyond a 50-meter buffer zone around the remaining 11 mounds was provided by the relevant authorities. The ESIA Consultant identified 4 remaining mounds located less than 50m from the internal roads. Either the road alignments will need to be altered or the mounds excavated by a licensed archeologist under supervision by the relevant authorities. A Chance Find Procedure was prepared to address any further archeological discovery during construction activities, including the construction of the powerline corridors, internal substation and storage areas, which were not covered in the 2017 archeological survey.

	<p>Construction risks such as earthworks, excavations, work in height, heat exertion, and electrical hazards during operation have been assessed in the ESIA and the management measures defined in the ESMP. The influx of workers will be minimal, and they will in their vast majority be housed in the nearby Zhanatas town.</p> <p>Stakeholder consultation took place during the ESIA preparation and confirmed support for the Project and limited concern about its impacts. The Company has disclosed a Non-Technical Summary and its SEP in English and Russian and the Project's environmental and social assessment in English on its website, accessible at: www.cpihzhanatas.kz. AIIB has also disclosed these documents on its site at: https://www.aiib.org/en/projects/proposed/2019/zhanatas-100-MW-wind-power-plant.html. The Company has defined an external GRM in the SEP, and an internal GRM for project workers as part of its HR procedures.</p> <p>On-going monitoring will be conducted by the EPC during construction, while the Company will supervise implementation of all E&S management and mitigation measure and report annually to AIIB on its progress in implementing the ESMP and its E&S performance. Semi-annual bird surveys during the Spring and Autumn migratory periods will be required to be conducted by specialist ornithologists, and all bird strikes will need to be recorded. AIIB will also conduct an annual E&S supervision mission.</p>	
Cost and Financing Plan	Total Project Cost is USD136.2 million, of which AIIB loan is about USD46.7 million and the rest is to be funded by the sponsors and other financial institutions.	
Borrower	Zhanatas Wind-Power Station LLP	
Sponsors	China Power International Holding Limited; Visor Investments Cooperative U.A.	
Estimated date of last disbursement	No later than ✓ August 2020 (for construction capex) ✓ February 2021 (for DSRA and RFRA)	
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Date of Concept Decision	May 28, 2019	
Date of Appraisal Decision	November 13, 2019	

Estimated Date of Financing Approval	December 12, 2019
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Independent Accountability Mechanism	<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 Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/policies-strategies/operational-policies/policy-onthe-project-affected-mechanism.html</p>
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