



Project Summary Information

August 2021	
Project Name	FOSUN COVID-19 Vaccine Project
Project Number	000534
AIIB member	People's Republic of China
Sector/Subsector	Health/Pharmaceutical
Status of Financing	Under preparation
Project Description	<p>The Project involves Shanghai Fosun Pharmaceutical (Group) Co., Limited's (Fosun Pharma) investments and capital expenditures related to COVID-19 products (including COVID-19 Vaccine). The loan proceeds are expected to finance: (i) specific capital expenditure items of the COVID-19 Vaccine supply plan, including set-up of cold chain logistics infrastructure, expansion and upgrade of manufacturing facilities for fill-finish and production of the COVID-19 Vaccine; (ii) expansion of manufacturing facilities for COVID-19 related products (e.g., test kits); and (iii) working capital needs related to items (i) and (ii). The distribution and manufacturing of the COVID-19 Vaccine, based on a licensing agreement with BioNTech, will be implemented in 3 stages: (i) Fosun Pharma will distribute in China, the vaccine products imported from BioNTech through a network of provincial and local level cold chain warehousing and distribution facilities to vaccination points; (ii) Fosun Pharma will refine bulk vaccine materials from BioNTech into the final vaccine product at the existing Fosun Pharma manufacturing facility locations in China, then distribute them to vaccination points; and (iii) Fosun Pharma will form a joint venture with BioNTech to manufacture COVID-19 bulk materials and refine them into vaccine products in China and will distribute them to vaccination points.</p>
Objective	The Project aims to support an emergency response to the health threat posed by COVID-19 pandemic and to help saving lives threatened by the severe acute respiratory syndrome Coronavirus 2 (SARS-CoV-2) through investing in production and distribution of COVID-19 Vaccine and test kits.
Expected Results	The project is expected to (i) increase availability of COVID-19 vaccine; (ii) diversify COVID-19 vaccine technology and products in China; and (iii) improve supply chain performance.
Environmental and Social Category	Category B

<p>Environmental and Social Information</p>	<p>Environmental and Social Policy (including Standards) and Categorization. The proposed project is co-financed with IFC and has been prepared in accordance with IFC Sustainability Framework comprising of the Policy on Environmental and Social Sustainability, Performance Standards (PSs), and Access to Information Policy. To ensure a harmonized approach to addressing the environmental and social (ES) risks and impacts of the Project, and as permitted under AIIB's Environmental and Social Policy (ESP), IFC's PSs are applicable for this Project in lieu of AIIB's ESP. AIIB has reviewed IFC PSs and is satisfied that: (i) it is consistent with AIIB's Articles of Agreement and is materially consistent with AIIB's ESP, including the Environmental and Social Exclusion List and relevant Environmental and Social Standards; and (ii) the monitoring procedures that are in place are appropriate for the Project. The Project has been assigned Category "B" in accordance with IFC PSs, which is equivalent to Category B if AIIB's ESP were applicable, due to the potentially limited adverse ES risks and impacts, as well as Fosun Pharma's robust ES management system.</p> <p>Stakeholder Engagement, Consultation, and Information Disclosure. As per local regulatory requirements, all Fosun Pharma facilities during Environmental Impact Assessment (EIA) preparations, duly undertake public consultation activities to solicit and document potential stakeholder opinions about draft EIA reports and proposed mitigations. Fosun Pharma has been regularly publishing annual Corporate Social Responsibility reports as a key means to publicly disclose detailed ES performance information. An Environmental and Social Review Summary is disclosed on May 25, 2021, on IFC website¹.</p> <p>Project-level Grievance Redress Mechanism (GRM). Local communities and other stakeholders can lodge grievances if any to each subsidiary, or through a hotline set up by Fosun Pharma, or directly to the relevant local EHS regulatory body and to the city mayor hotline: as publicly communicated through their website. During facility construction and operation, security entry points at greenfield facility front gates will be the key public interfaces to receive external communications including grievances from the public if any. Fosun Pharma has developed and implemented standard operating procedures on receiving, documenting, and addressing any potential stakeholder grievances, and this includes maintenance of a log of all grievances received and addressed. Fosun Pharma will extend its existing stakeholder engagement and grievance redress mechanism procedures and requirements to all future COVID-19 vaccine and test-kit related activities – with a goal of ensuring effective channels for stakeholders to submit potential grievances and effective</p>
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1. <https://disclosures.ifc.org/project-detail/ESRS/45021/fosun-pharma-ghp>

	resolution of grievances in a timely manner.		
Cost and Financing Plan	IFC Loan	200	
	AIIB Loan	100	
	Internal Cash Generation	175	
	Total Financing Plan	475	
Borrower/Investee Company/Counterparty/Guaranteed entity	Sponsor: Fosun International Limited Borrower: Fosun Industrial Co., Limited Parent Company/Guarantor: Shanghai Fosun Pharmaceutical (Group) Co., Limited		
Implementing Entity/Sponsor	Sponsor as listed above		
Estimated date of last disbursement (NSBF)	June 2022		
Contact Points:	AIIB	IFC	Fosun Pharma
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Date of Concept Decision	August 2021		
Date of Appraisal Decision/Estimated Date of Appraisal Decision	August 2021		
Estimated Date of Financing Approval	August 2021		

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 the Project-level GRM or the AIIB Management's processes. For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html
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