



### Project Summary Information

21<sup>st</sup> December 2022

<b>Project Name</b>	Chongho Bridge Green Facility
<b>Project Number</b>	P000608
<b>AIIB member</b>	China
<b>Sector/Subsector</b>	Energy; Renewable energy generation-solar
<b>Alignment with AIIB's thematic priorities</b>	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization
<b>Status of Financing</b>	Under Preparation
<b>Objective</b>	The objective of the Project is to increase penetration of rooftop solar power generation in rural China and to support rural revitalization in China.
<b>Project Description</b>	The project is a non-sovereign backed loan facility to Chongho Bridge Management Limited (“Chongho Bridge”, the “Borrower” or the “Company”) to support its rooftop solar distributed generation business in rural China (the “Project”). The Company aims to reach total installed capacity of 100MW by end of 2023 and 500MW in 2025.
<b>Expected Results</b>	The expected results may be measured by the following indicators: 1) Renewable Energy Capacity Installed (MW); 2) Total income received by rural households for leasing out their rooftops (million USD); 3) New jobs created (Number); 4) Greenhouse Gas Emission Avoidance (tons of CO2 equivalent per year); 5) Private Capital Mobilized (million USD); 6) Households benefited from rooftop solar installations (Number); 7) Female household member been consulted (%); 8) Female trained for Operations and Maintenance (Number); 9) Female in senior management of Xiangju and project companies (%); 10) Rooftop Solar Digital Platform is built and operational (%); 11) Feedback from rural communities incorporated into project design and shared in communication materials (%)
<b>Environmental and Social Category</b>	B

<b>Environmental and Social Information</b>	<p><b>Environmental and Social Policy, Standards and Categorization.</b> AIIB's Environmental and Social Policy (ESP) including the Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL) apply to this Project. The Project has been identified as Category B, on the basis that any anticipated E&amp;S risks and impacts will be localized, temporary and can be mitigated through an environmental and social management plan (ESMP). Procedures which are instituted in Chongho Bridge's environmental and social management system (ESMS) will be enhanced to be aligned to AIIB's ESP and include rooftop solar specific E&amp;S considerations. Summary of ESMS both in English and Chinese will be disclosed timely by Chongho Bridge and AIIB in an appropriate manner.</p> <p><b>Environmental Characteristics.</b> Rooftop solar installation provides a valuable source of renewable energy in rural areas that help to avoid greenhouse gas (GHG) emissions and contribute to China's overall decarbonization journey. The Project's potential environmental impacts include health and safety on the construction of the physical works, operational maintenance of the solar PVs. Labor and working conditions in supply chains management following AIIB interim guidance will be incorporated in Chongho's ESMS. The client has prepared Environmental and Social Impact Assessment (ESIA) and Stakeholder Engagement Plan (SEP) for Liao II Project and Tianjin Project and disclosed on its official website <a href="http://www.chongho.net">公司动态-行业研究 (chongho.net)</a>.</p> <p><b>Social Characteristics.</b> Chongho Bridge's rooftop solar business follows the rooftop rental (developer-owned) model, where Chongho Bridge is responsible for developing and maintaining the solar facilities, and rural households rent their rooftops to Chongho Bridge. This approach avoids the land acquisition risk for the proposed Project and will bring social benefits to the rural community. With Chongho Bridge responsible for developing, operating, and maintaining the rooftop solar power stations, rural households can enjoy long-term rental income and livelihood improvement.</p> <p><b>Climate Change and Paris Alignment.</b> Solar power generation has significantly lower lifecycle emissions than fossil fuel-based power generation, the project is align with the mitigation goals of Paris Agreement. The Project has considered climate physical risk during the feasibility study stage, ESIA process, and further incorporate climate resilience feature in design. All solar PVs installed are subject to quality test against certain extreme climate condition such as heavy snow, and wind pressure. All SPV facilities are insured for any loss caused by climate and other natural hazard. The Project is considered aligned with the adaptation and resilience goals of Paris Agreement.</p> <p><b>Gender.</b> Chongho Bridge has been promoting gender leadership internally. The solar business unit is led by a woman CEO and aims to maintain a management team with 50% of woman. Women of the rural households participating the Project activities will be fully consulted to ensure they are aware of the Project's benefit to their households. Chongho Bridge will also promote woman participation in the Project's operating and maintenance activities through a gender inclusive training program. To prevent any Gender-based violence during project construction, the Company included Code of Conduct for Contractor's Workers in the bidding documents, with an emphasis on zero tolerance of gender-based violence.</p>
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	<p><b>Labor and Working Conditions.</b> The ESMS includes requirements to identify and mitigate potential health, safety, social and environmental hazards in all project activities that pose a risk to employees and may also have the potential for disruption of site works. In addition, all suppliers and contractors will be advised of the importance of implementing appropriate management measures to identify and address issues related to the environmental and social provisions of the ESMS for the Project, including labor and working conditions and health and safety matters. Compliance with the ESMS is an essential part of the contract document with suppliers and contractors. This compliance as well as representations and warranties to be provided to the Client by suppliers and contractors will be reflected in relevant agreements and contracts.</p> <p><b>Stakeholder Engagement, Consultation, and Information Disclosure.</b> Chongho has developed corporate level stakeholder engagement plan for solar business benchmark AIIB ESS. Different stakeholders have been fully consulted for Liaoning II Project and Tianjin Project to be supported by Tranche 1 of the AIIB loan. The owners of the residential buildings were engaged on the details of the solar PV installation and their consent via the rooftop lease agreement. The Liaoning II Project and Tianjin Project's ESIA and ESMP has been disclosed on Chongho Bridge's corporate website in both Chinese and English, 30 calendar days in advance of AIIB's financing for approval.</p> <p><b>Monitoring and Supervision Arrangements.</b> During project implementation, AIIB will require submission of relevant E&amp;S documentation and E&amp;S performance monitoring reports from Chongho Bridge in an agreed format. AIIB will conduct post-reviews of the implementation of Project as part of its regular supervision, comprising engagement with the Chongho Bridge, potential site visits and detailed review of the E&amp;S documentation.</p> <p><b>Project's Grievance Redress Mechanism (GRM).</b> Chongho Bridge has enhanced its existing GRM for solar PV business. Designated community liaison person will be established at village level at project sites, to timely respond any project related request or grievance. Local people can also make grievance to village head or local government, or to Chongho Bridge via corporate level GRM. The availability for AIIB PPM will be disclosed at the Company's website. The contacts of designated community liaison as well as corporate-level GRM will be disclosed to local communities concerned in a timely and appropriate manner.</p>	
<b>Cost and Financing Plan</b>	AIIB loan: Up to USD50 million equivalent in CNY	
<b>Borrower</b>	Chongho Bridge Management Limited	
<b>Estimated date of last disbursement</b>	2H 2024	
<b>Contact Points:</b>	<b>AIIB</b>	<b>Chongho Bridge Management Limited</b>

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<b>Date of Concept Decision</b>	20 April 2022	
<b>Date of Appraisal Decision</b>	21 December 2022	
<b>Estimated Date of Financing Approval</b>	1H 2023	

<b>Independent Accountability Mechanism</b>	<p>AIIB's Policy on the Project-affected People's Mechanism (PPM) applies to this Project. The PPM has been established by 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 the ESP in situations when their concerns cannot be addressed satisfactorily through the corporate-level GRM or the processes of AIIB's Management. Information on AIIB's PPM is available at: <a href="https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html">https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</a>.</p>
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