



Project Summary Information

Date of Document Preparation: March 28, 2023

Project Name	Hunan Inland Waterway Green Port Project
Project Number	P000668
AIIB member	China
Sector/Subsector	Transport/Inland Waterway Port
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	The objective is to improve the efficiency of the waterfront resource and support a sustainable and comprehensive Low-Carbon transport infrastructure along the Yangtze River and its tributary in Hunan province by promoting good practices of the green port concept.
Project Description	<p>The project will construct three new inland port terminals in Hunan province to improve the efficiency of waterfront resources utilization of Yangtze River and its tributary. The work scope of terminal construction includes both hydraulic structures and land-side logistic infrastructure and ancillary equipment and facilities. The project will promote the Green Port concept and the Climate risk resilience and adaptation measures during the design and construction. The project will also provide technical assistance in Infratech components and institutional capacity building. The physical components funded by AIIB loan will comprise:</p> <ul style="list-style-type: none"> • Component 1: Daorenji Universal Terminal on Yangtze River, construction of six berths, associated port facilities and handling equipment. • Component 2: Songyanghu Universal Terminal on Yangtze River, construction of six berths, associated port facilities and handling equipment. • Component 3: Songmu Universal Terminal on Xiangshui River, construction of three berths, associated port facilities and handling equipment • Component 4: Technical assistance to support the Infratech components and institutional capacity building.
Expected Results	<ol style="list-style-type: none"> a) Increased water transportation capacity at the key node of Yangtze River and its main tributaries; b) Increased portion of water-water transition shipment of cargo at Yueyang port; c) Reduced volume of offshore lighterage;

	<p>d) Green port related indicators, such as use of shore power, sewage treatment, electrification;</p> <p>e) Port service satisfaction of the relevant stakeholders, including the customers, residents in the surrounding area and employees.</p>
<p>Environmental and Social Category</p>	<p>Category A</p>
<p>Environmental and Social Information</p>	<p>Environmental and Social (ES) Policy and Standards. AIB's Environmental and Social Policy (ESP), including the ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement), and Environmental and Social Exclusion List is applicable for this Project. Application of ESS 3 (Indigenous Peoples), though not anticipated, will be confirmed during project preparation.</p> <p>Environmental and Social Instruments. An Environmental and Social Impact Assessment (ESIA) including an Environmental and Social Management Plan (ESMP), a Land Use Due Diligence Report (LUDDR) are under preparation covering both Component 1 and 2 consistent with AIB's ESP while a separate ESIA, a Resettlement Plan (RP)/LUDDR will be prepared for Component 3. In addition, a project-specific Stakeholder Engagement Plan (SEP) will be prepared to set out the strategy and program regarding stakeholder engagement activities during the project preparation and implementation. The ESIA including the ESMP, SEP, LUDDRs/ RP in English and Chinese languages will be disclosed in an appropriate manner to PAPs and identified stakeholders and made available for download at the Client's website and AIB website. In addition, detail arrangement of ES monitoring and reporting on the implementation of ESMP will be discussed and determined with the client during the appraisal stage.</p> <p>Environmental and Climate Change Aspects. Most environmental impacts during the construction phase will be temporary and reversible including contamination of surface water due to small scale of dredging, pier works and wastewater discharge, noise, wastes including dredged materials, construction debris and other solid wastes, soil erosion and dust and emissions from construction vehicles and equipment. The ESIA will also evaluate the biodiversity impacts of the terminals. Air emissions from vessels will be among the key environmental impacts during the Operations and Maintenance (O&M) of the terminals. The ESIA will also include a Risk Assessment of pier operation especially for oil spill accident. It will also evaluate the impacts and risks to community health and safety. Other potential adverse impacts during O&M phase will include wastewater and wastes generated from ships and the pier area, noise and traffic congestion. The integration of Green Port Concept into the design will be able to mitigate those impacts. The project is assessed as being exposed to a high climate risk, particularly to precipitation increase, flood and wind speed increase. A Climate Change Risk Assessment will be carried out and adaptation measures will be recommended to the design.</p>

	<p>Social aspects. Key social risks associated with the project are related to land acquisition. It is estimated by the Design Institute that Daorenji Terminal, Sonyanghu Terminal and Songmu Terminal will use around 185mu¹, 376mu, and 150 mu of land respectively. The parcels of land belong either to the state or to the village collective. Most of land was acquired in line with national regulations in 2015 or 2018, which will be reviewed, or due diligence activated for any outstanding legacy issues during the appraisal. If additional land requirement is needed for the components, land acquisition and resettlement impacts will be evaluated and appropriate mitigation measures to restore and/or improve the livelihoods of Project-affected people (PAP) will be proposed. An Entitlement Matrix will be prepared and an approximate budget and schedule for Resettlement and Rehabilitation will be worked out. An RP will be disclosed and consulted with PAPs prior to its implementation.</p> <p>Gender. The potential impact of the Project activities on women in the community will be analyzed and reflected accordingly in the Environmental and Social documents including the identification of measures to prevent and/or address potential negative impacts caused by the labour influx on the community including gender-based violence (GBV), sexual exploitation and abuse (SEA), sexual harassment (SH) risks. The assessment will also use gender disaggregated data and analysis and consider enhancing the design of the Project to promote equality of opportunity and women’s socioeconomic empowerment, particularly with respect to provision of services and employment.</p> <p>Grievance Redress Mechanism (GRM). The Project will require two separate GRMs to be implemented, one for internal parties, i.e., construction and commissioning personnel, workers, project staff (including sub-contractors’ staff and visitors); and the other for external parties- project-affected people (PAP), making anonymous complaints eligible. All relevant complaints from PAPs will be accepted by the GRMs including those in relation to GBV/SEA/SH, conflicts between project employees and community members. The information of GRMs including contact details and AIIB’s PAPs Mechanism in local languages will be distributed timely to local communities and PAPs in an appropriate manner.</p>
Cost and Financing Plan	<p>Financing Plan: AIIB Loan: USD 200 million (38%) Government of China: USD 320 million (62%)</p>
Borrower/Investee Company/Counterparty/ Guaranteed entity	<p>People’s Republic of China</p>

¹ “mu” is the unit measuring land area in China. One mu equals 666.67 m².

Implementing Entity	Hunan Provincial Government		
Estimated date of loan closing	December 2026		
Contact Points:	AIIB	Borrower	Implementation Organization
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Date of Concept Decision	March 8, 2023		
Estimated Date of Appraisal Decision	2023 Q3		
Estimated Date of Financing Approval	2023 Q4		

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 AIIB Management's processes. Information on AIIB's PPM is available at: Policy on the Project-affected People's Mechanism - Operational Policies & Directives - AIIB
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