



Project Summary Information

Date of Document Preparation: April 5, 2024

Project Name	China - Guizhou Liupanshui Smart Urban Transformation Demonstration Project
Project Number	P000735
AIIB member	China
Sector/Subsector	Urban
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	To improve urban mobility and build resilience in the Liupanshui City through the upgrading of urban infrastructure in the transport and water sector with a focus on the improvement in smart, green, and resilient features.
Project Description	<p>The Project will support the key urban infrastructure upgrading of Liupanshui.</p> <p>In the transport sector, it includes piloting the smart city concept in the city's transport management system; improvement and decarbonization of the bus system of the city; and construction of the key missing links in city transport network.</p> <p>The water sector components include the improvement of drainage and sewage systems in downtown area; strengthening the water resources management system; and provision of accessibility and reliability of urban services to remote county areas.</p> <p>The Project will also support the implementation and institutional capacity building, particularly, to support Liupanshui city to further develop and refine its urban transformation plan, with the focus on the integration with the city's decarbonization roadmap and consideration and piloting of just transition concept. It is expected to generate demonstration effect to other city transformations in China.</p>
Expected Results	<p>The Project is expected to support the smart and green transformation of Liupanshui City through integrated urban infrastructure development and capacity building. The following are some indicative result indicators to be measured and monitored, which will be further discussed and determined at the Appraisal stage:</p> <p>(1). Growth in public transportation mode;</p>

	<p>(2). Increase of energy-efficient or clean energy buses operating;</p> <p>(3). Reduction of traffic offence cases;</p> <p>(4). Mitigation of traffic congestion levels in the city center;</p> <p>(5). Number of integrated traffic monitoring center/ big data center/ real-time traffic center established;</p> <p>(6). Reduction of time spent in multimodal transportation at the transport hub;</p> <p>(7). Increase accessibility to improved urban infrastructure (water supply, sanitation services and secondary paved roads);</p> <p>(8). Increase of public satisfaction rates on intervened urban infrastructure services (to be defined);</p> <p>(9). Integration of the to be developed City's decarbonization roadmap to the urban transformation plan.</p>
<p>Environmental and Social Category</p>	<p>A</p>
<p>Environmental and Social Information</p>	<p>Applicable Environmental and Social Policy. The Bank's Environmental and Social Policy (ESP) including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL) will be applicable to the Project. ESS1 – Environmental and Social Assessment and Management, ESS2 – Land Acquisition and Involuntary Resettlement, and ESS3 – Indigenous Peoples are considered applicable.</p> <p>Environmental and Social Categorization and Instrument. As per the Bank's ESP, the Project is currently proposed as Category A, considering significant land acquisition required for new construction. Based on the current environmental and social (ES) impacts screening results, the Project Implementation Agency (PIA) will prepare an Environmental and Social Impact Assessment (ESIA) with an Environmental and Social Management Plan (ESMP); a due diligence on completed land acquisition and resettlement activities, and a Resettlement Plan (RP) for newly added resettlement activities by the Project in compliance with ESS2 requirements; and an Indigenous Peoples Plan (IPP) or Ethnic Minorities Development Plan (EMDP) which needs to be confirmed by the results of the social impacts assessment. The required ES instruments will be further assessed during Project preparation.</p> <p>Environmental Aspects. The Project's adverse environmental impacts are mainly during the construction phase, including dust and air emissions; soil erosion; surface water, groundwater and soil pollution; noise and vibration; hazardous materials/chemicals; disposal of spoil soil, solid wastes and dredged sludge; vegetation clearance for the Right of Way (RoW); disturbance to habitat and species; impacts on river's hydrological characteristics from</p>

construction, etc. Based on an initial screening, the majority of Project activities is located in urban or suburban areas substantially modified by human activities, and therefore unlikely to cause significant adverse impacts to natural habitat or biodiversity. The proposed road from Liuzhi to Huangguoshu, however, will be in the vicinity of a national forest park (Huangguoshu Pubuyuan). Potential impact on the flora and fauna of the park will be assessed and to inform the route selection. If needed, a Biodiversity Management Plan (BMP) will be prepared for impact mitigation. Operation phase related environmental impacts will mainly include air emissions and noise from vehicles, road safety, sludge and effluent from wastewater treatment plant, waste electric vehicle (EV) batteries recycling or disposal, and waste from agricultural processing. The raw water quality and safety of the existing dam for the water supply subproject will be analyzed during Project preparation.

Social Aspects. The Project is expected to generate largely positive social benefits to the overall population. The preparation of subprojects will involve substantial community interface and potential risks and impacts. Social risks and impacts may include loss of livelihood or from physical or economic displacement due to permanent or temporary land acquisition, impacts on ethnic minorities and vulnerable groups, community health and safety risks, occupational health and safety risks of project workers and risks of land use right transfer, among others. Especially, the Project is expected to involve significant land acquisition and resettlement impacts due to new construction of road networks, like Liuzhi to Huangguoshu Road. The PIA will prepare and endorse a RP that complies with ESS2 and applicable laws and regulations of China. In addition, the Project, especially for the sub-component of Key Infrastructure in City Transport Network, will involve several rural communities where ethnic minorities are concentrated. Therefore, an IPP or EMDP may also need to be prepared in a culturally appropriate manner to avoid or mitigate potential adverse impacts.

Gender Aspects. As far as possible, all the collected data and analysis must be gender disaggregated to identify the specific practices, needs, and issues of women. Based on the results, the PIA should prepare a Gender Action Plan (GAP) and integrate women's opinions and concerns into project design and implementation in order to promote the reduction of gender inequalities in the Project.

Occupational Health and Safety (OHS) and Labor and Working Conditions. The preparation of the ESMP will include 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 ES provisions of the ESMP, including labor and working conditions and health and safety matters. As the potential investments of the Project include renewable energy, the PIA will be required all suppliers and contractors to implement appropriate management measures in respect

	<p>of labor and working conditions in their supply chain operations will be part of ESMP. Compliance with the ESMP 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 Project Implementation Unit (PIU) by suppliers and contractors will be reflected in relevant agreements and contracts.</p> <p>Stakeholder Engagement, Consultation, and Information Disclosure. A Stakeholder Engagement Plan (SEP) will be prepared by the PIA to assess the impacts to and influence by these various stakeholders, formulate differentiated approaches and strategies for engaging with them in a meaningful and culturally appropriate way, and specify the roles and responsibilities of project management and implementation units, designer, and contractors in implementing the SEP throughout the whole process of project preparation and implementation. The ES instruments including ESIA, ESMP and RP in English and Chinese, will be timely disclosed by the Borrower and the Bank on its website respectively at least sixty (60) calendar days prior to consideration of the Bank's financing for approval if the Project is confirmed to be Category A.</p> <p>Grievance Redress Mechanism (GRM). A multi-tier Grievance Redress Mechanism (GRM) will be established at the Project and subproject level to receive and facilitate resolution of the concerns or complaints of the people who believe they have been adversely affected by ES impacts of the Project. In addition to the above GRM for addressing complaints from the local community, a commensurate mechanism will be made available for raising workplace related grievances. The information of established GRMs and the Bank's Project-affected People's Mechanism (PPM) will be timely disseminated to local communities in an appropriate manner. GRMs will be operational before any Project activities.</p> <p>Monitoring and Reporting Arrangement. The PIU will be directly responsible for the overall coordination of project monitoring and reporting. A third-party agency will be hired to perform regular monitoring and reporting work based on an agreed-upon format. The Bank will carry out field-based ES supervision during implementation. During project preparation, a detailed monitoring and reporting arrangement with clearly defined roles and responsibilities and templates for periodic and annual progress reports will be developed and determined.</p>
Cost and Financing Plan	<p>The total cost of the Project is estimated at USD539 million. The Bank is proposed to provide a sovereign backed loan of up to USD400 million. The remaining will be funded by the Liupanshui Municipal Government (GoL). The cost estimation and the security of the counterpart fundings will be further reviewed and assessed.</p> <p>The estimated cost for each component is, respectively, USD337 million for Component 1, USD198 million for Component 2, USD4 million for Component 3.</p>
Borrower	People's Republic of China

Implementing Entity	Government of Guizhou Province, China		
Estimated date of loan closing (SBF)	October 2030		
Contact Points:	AIIB	Borrower	Implementing Entity
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Date of Concept Decision	April 2, 2024		
Estimated Date of Appraisal Decision	August 2024		
Estimated Date of Financing Approval	December 2024		

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 Mechanism (GRM) or AIIB Management’s processes.</p> <p>For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.</p>
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