



Project Summary Information

Date of Document Preparation/Updating: 05/11/26	
Project Name	Project Azure
Project Number	P001035
AIIB member	China
Sector/Subsector	Urban
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization
Status of Financing	Approved
Objective	To support integrated urban development in Zhaoqing New City by improving access to application-oriented higher education and mobilizing private capital.
Project Description	<p>Established in 1989, China Education Group (CEG) is the largest private provider of higher and vocational education services in China. CEG manages 14 schools serving over 300,000 students. With a successful track record spanning over 30 years, CEG has been publicly listed on the Hong Kong Stock Exchange (HKSE) since 2017.</p> <p>In August 2024, AIIB approved a 7-year loan of USD80 million equivalent in CNY to Yantai Institute of Science and Technology (YIST), a wholly owned subsidiary of CEG, to finance the construction of YIST's new campus (P000829 China: Yantai Higher Vocational School Project). The AIIB loan was disbursed fully in October 2025, and the project has been implemented smoothly without any major issues identified.</p> <p>CEG is currently planning offshore financing to fund campus expansion, refinancing existing indebtedness, and working capital and general corporate purposes. AIIB proposes a USD 50 million financing to CEG, with proceeds earmarked for the expansion of Zhaoqing Campus of Guangzhou College of Applied Science and Technology (GCAST). The Project is an integral component of the Zhaoqing New City Development Initiative.</p>

Expected Results	Expected results to be measured include number of students, faculty and staff benefiting from the new campus expansion, graduates' placement rate, amount of private capital mobilization, greenhouse gas emission reduction, number of staff and workers who receive training on gender equality and prevention of sexual harassment under the Project and share of female employees among academic and administrative staff working in campuses supported by the Project.
Environmental and Social Category	B
Environmental and Social Information	<p>Applicable Policy and Categorization. AIIB Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL), Environmental and Social Standard 1 (ESS1: Environmental and Social Assessment and Management), and Environmental and Social Standard 2 (ESS2: Land Acquisition and Involuntary Resettlement), applies to the Project. Environmental and Social Standard 3 (ESS3: Indigenous Peoples) is not applicable as there are no known Indigenous Peoples present in the areas where CEG operates its schools. The Project has been categorized as Category B in accordance with the ESP. The environmental and social (E&S) risks and impacts associated with the Project are expected to be site-specific, limited in scale, generally reversible, and manageable through the implementation of appropriate mitigation measures and good international industry practices.</p> <p>Environmental and Social instruments. An Environmental and Social Management Plan (ESMP), a Social Impact Assessment (SIA), a Land Review, and an Environmental and Social Action Plan (ESAP) have been prepared by a third-party consultant for the Project. These instruments define mitigation measures, monitoring arrangements, and institutional responsibilities for both construction and operation phases. The ESMP will be implemented through EPC and contractor-specific management plans, while the ESAP sets out time-bound actions to address gaps identified during E&S due diligence. These instruments will be implemented within the framework of CEG's Environmental and Social Management System (ESMS), which include established policies and procedures related to environmental management, labor and working conditions, occupational health and safety, stakeholder engagement, grievance redress, and gender equality.</p> <p>Environmental and Social Aspects. Project's environmental risks and impacts arise primarily from construction and operational activities associated with campus expansion. These include, among others, contractor environmental management, construction-related air emissions and noise, solid waste and wastewater management, increased water and energy consumption, and community health and safety risks. Environmental impacts during construction phase will be managed through completion of immediate measures outlined in the ESAP and implementation of contractor-specific ESMPs. Risks during the operation phase will be managed under GCAST's existing procedures, which are aligned with CEG's corporate ESMS. Potential adverse social risks and impacts are expected to be limited and mainly associated with</p>

construction and operational activities. These may include labor and working conditions, occupational and community health and safety risks, and the need for effective stakeholder engagement and grievance management. These risks will be managed through the ESMP, SIA, and ESAP, together with CEG's ESMS. In addition, CEG has established institutional policies and management procedures aimed at promoting gender equality, preventing gender-based discrimination and maintaining a safe and inclusive learning and working environment across its affiliated schools, including procedures for the prevention and control of sexual harassment and gender equality management as well as confidential grievance channels and disciplinary measures when violations are confirmed.

Occupational Health and Safety (OHS), Labor and Employment Conditions. Project activities may generate OHS risks typical of construction and facility operations, such as working at height, operation of machinery and equipment, traffic safety risks, and potential exposure to construction materials and other workplace hazards. Contractors engaged for campus construction activities will be required to comply with CEG's labor management and OHS procedures as well as applicable national regulations. The ESMP will be incorporated into bidding and EPC contractual documents as binding requirements, and contractors will be required to prepare and implement contractor-specific ESMPs. The ESMS will be operationalized at the Project site through these arrangements, supported by regular supervision and reporting.

Stakeholder Engagement and Information Disclosure. CEG has established procedures for stakeholder engagement at both corporate and campus levels, including engagement with students, staff, local communities and other relevant stakeholders. In line with these procedures, the Project will ensure that relevant stakeholders are identified and consulted, as appropriate, regarding Project activities and potential E&S aspects. The ESMS overview, Draft ESMP, SIA and ESAP were disclosed by the [Client](#) and AIIB [website](#) on 10 April 2026 in accordance with AIIB's ESP, and will be updated, as needed. Ongoing stakeholder engagement, including information disclosure and consultation, will continue throughout Project implementation in line with the ESMS and Project-specific instruments.

Project Grievance Redress Mechanism (GRM). GCAST has established a grievance mechanism to receive and address concerns related to the construction and operation of its campuses. This mechanism will be used as the Project-level GRM for the Project. GRM allows stakeholders, including students, workers, contractors and surrounding communities, to submit complaints or suggestions through multiple channels, including verbally, through the hotline, via email and in writing. The information about GRM will be disclosed in an appropriate manner. The GRM aims to resolve grievances in a timely manner, typically within one week where feasible and no later than one month in more complex cases. All grievances, actions taken and resolutions will be documented and monitored. The mechanism also includes follow-up and periodic review of grievance records to improve grievance management and stakeholder engagement practices.

	Monitoring and Reporting Arrangements. CEG will monitor the Project's E&S performance through the implementation of its ESMS, supplemented by the actions agreed under ESAP. CEG will provide annual E&S monitoring reports to AIIB in an agreed format, covering the implementation status of the ESAP, key E&S performance indicators, and any incidents or grievances. AIIB will review these reports and maintain regular engagement with CEG to track progress and provide guidance where needed. AIIB will conduct supervision through a periodic review of E&S documentation and site visits.	
Cost and Financing Plan	The total project cost for GCAST's Zhaoqing campus expansion Phase III and IV is estimated at USD232 million	
Borrower	China Education Group Holdings Limited	
Estimated date of last disbursement	June 2026	
Contact Points:	AIIB	Borrower
Name	Sherry Huaixue Fu	David Xie
Title	Senior Investment Officer	Director of Administration
Email Address	huaixue.fu@aiib.org	david.xie@chinaeducation.hk
Date of Single Review Decision	April 8, 2026	
Date of Financing Approval	May 11, 2026	

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 Project-level GRMs or AIIB Management's processes. 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 to the PPM web page.
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