



ASIAN INFRASTRUCTURE
INVESTMENT BANK

Policy & Cases of the Asian Infrastructure Investment Bank

CMS Intersessional Working
Group on Linear
Infrastructure

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PHOTO: SEMBCORP

OUTLINE

- 1. AIIB's Environmental and Social Framework
- 2. AIIB's Environmental and Social Standard 1 Related to MS
- 3. Cases in Central Asia Region

ENVIRONMENTAL AND SOCIAL FRAMEWORK

AIIB's Environmental and Social Framework

Approved February 2016; Amended February 2019 and May 2021

ESS 1:
Environmental and
Social Assessment
and Management



ESS 2: Involuntary
Resettlement

Environmental
and Social Policy
Exclusion List

ESS 3:
Indigenous
Peoples



Vision

- **25. Conserving Biodiversity.** The Bank recognizes that protecting and conserving biodiversity, sustainably managing terrestrial and aquatic natural resources and maintaining core ecological functions and services are fundamental to sustainable development. ...Through the Projects it finances, the Bank seeks, where applicable, to:
 - (a) **avoid adverse impacts** on biodiversity and ecosystem services; and
 - (b) assist its Clients in **protecting and conserving biodiversity and promoting the sustainable management** of living natural resources through the adoption of practices that integrate conservation needs and development priorities.
- 26. The Bank recognizes
 - The value of natural infrastructure, such as wetlands, and the importance of enhancing or restoring ecosystem services where feasible.
 - Biodiversity & Indigenous Peoples and women
 - Biodiversity & Climate Change

Environmental and Social Policy

- The ESP sets forth mandatory environmental and social requirements applicable to all Projects. It includes:
 - Environmental and Social Standards:
 - ESS 1: Environmental and Social Assessment and Management: When the Bank has determined, in consultation with the Client, that the Project is likely to have adverse environmental and/or social risks and impacts, it requires the Client to conduct **an environmental and social assessment** relating to these risks and impacts, and design appropriate measures to **avoid, minimize, mitigate, offset or compensate** for them, all as required under ESS 1.
 - ESS 2: Land Acquisition and Involuntary Resettlement; ESS 3: Indigenous Peoples.
 - Environmental and Social Exclusion List.
 - Glossary: definitions of certain terms used in the ESP and ESSs.

ESS 1 RELATED TO MIGRATORY SPECIES

ESS 1 Environmental and Social Assessment and Management

- B Assessment and Management Process
- C Environmental Coverage
 - 29. Biodiversity Consideration. Consider direct, indirect, and cumulative Project-related impacts on biodiversity and ecosystem services, for example, habitat loss, **interference with migratory routes or wildlife movement**, degradation and fragmentation, invasive species, overexploitation, hydrological changes, nutrient loading, pollution and incidental take, as well as projected climate change impacts. Also take into account the differing values attached to biodiversity by affected communities and other relevant stakeholders.
 - 37. **Precautionary Approach**: Use a precautionary approach to anticipate, prevent or minimize adverse Project impacts on the environment, including the development and management of renewable natural resources. Where there is a significant risk of adverse impacts, promptly adopt measures to avoid or minimize such impacts even if full scientific certainty regarding the optimal measures is lacking.

ESS 1 Environmental and Social Assessment and Management

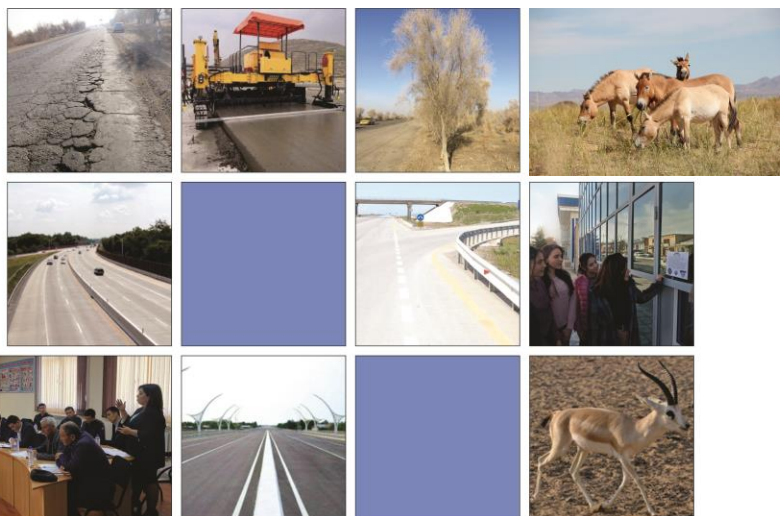
- **Mitigation hierarchy: Avoid -> minimize and restore biodiversity-> as a last resort, biodiversity offsets**
- **Principles of Biodiversity Offsets: no net loss and preferably a net gain of biodiversity. In critical habitats, a net gain is required.**
- When applicable, consider risks associated **with climate change impacts on biodiversity and ecosystems** throughout the Project's design, implementation and operation, and include any measures needed for climate adaptation in the ESMP.
- **Use suitably qualified and experienced biodiversity experts** (assessment, mitigation hierarchy and to verify the implementation of mitigation measures.
- Biodiversity as an element of the ESMP or ESMPF; in the case of critical habitats or other complex situations, prepare a **Biodiversity Management Plan.**

ESS 1 Environmental and Social Assessment and Management

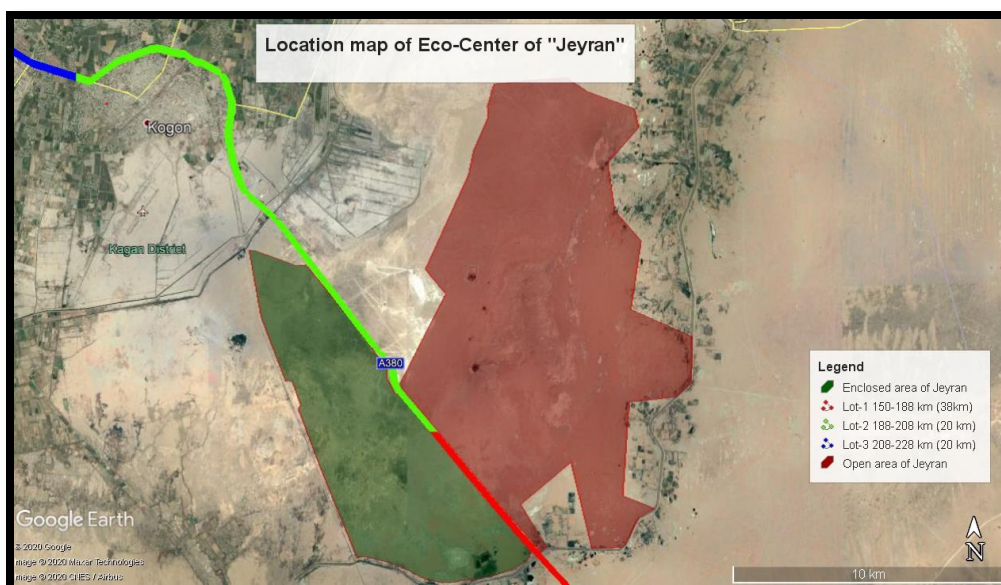
- **31 Critical Habitats.** Project activities in areas of critical habitats are prohibited, unless all of the conditions listed in ESS1 are demonstrated.
 - Five criteria of CH: **(d) habitat supporting globally or nationally significant concentrations of migratory or congregatory species;**
- **33 Natural Habitats.**
 - Refrain from any activity that would result in significant conversion or degradation, and
 - If feasible alternatives are not available, take all measures required so that: (a) the Project's overall benefits substantially outweigh the environmental costs; and (b) any conversion or degradation is appropriately mitigated through measures acceptable to the Bank.
 - The same criteria applicable for potential deforestation or conversion of natural forests and modified habitats of significant conservation value.
- **34 Protected Areas:** legally protected or internationally recognized or designated for protection.
- **35 Ecosystem Services:**
 - Conduct a systematic review to identify and assess priority ecosystem services and consultation with Project-affected communities
 - Avoid, mitigate adverse impacts on priority ecosystem services of relevance to Project-affected communities and on which the Project depends, and implement measures that increase resource efficiency of their operations.

CASES IN CENTRAL ASIA REGION

Cases- Uzbekistan: Bukhara Road Network Improvement Project



- Rehabilitation of 78km-long existing highway A380; no road widening
- Crossing the Jeyran Eco-center, a national protected area
- Nursery for species:
 - Jeyran (*Gazella subgutturosa*): VU
 - Kulan (*Equus hemionus kulan*): EN
 - Przewalski's horse (*Equus ferus przewalskii*): the Red Book of MCOP, CR
 - Bukhara mountain sheep: VU
- Baseline survey & impact assessment, mitigations during construction & operation
- Consultation with Eco-center Authority and experts



Cases- Turkey: Ispartakule-Cerkezkoy Rail Project



- Co-financing with EBRD; EBRD's ESP & PRs applicable
- 67km green-field railway line
- EBRD & AIIB supported biodiversity surveys in different seasons
- Important Bird Areas
 - Büyükçekmece Lake IBA
- Critical Habitat Assessment according to PR6
 - Plant species: *Centaurea hermannii* and *Lathyrus undulatus* (adverse impacts; net gain required);
 - **White-headed duck**; Küçükçekmece Basin.
- Priority Biodiversity Features
 - Oak-hornbeam woodland; Bats (incl. long-fingered bat); Spur-thighed tortoise; Terkos Basin KBA
 - Eastern imperial eagle (adverse impacts)
 - Büyükçekmece Lake IBA (adverse impacts)
- Development of Biodiversity Management Plan

Cases- Trans Anatolian Natural Gas Pipeline Project (TANAP)

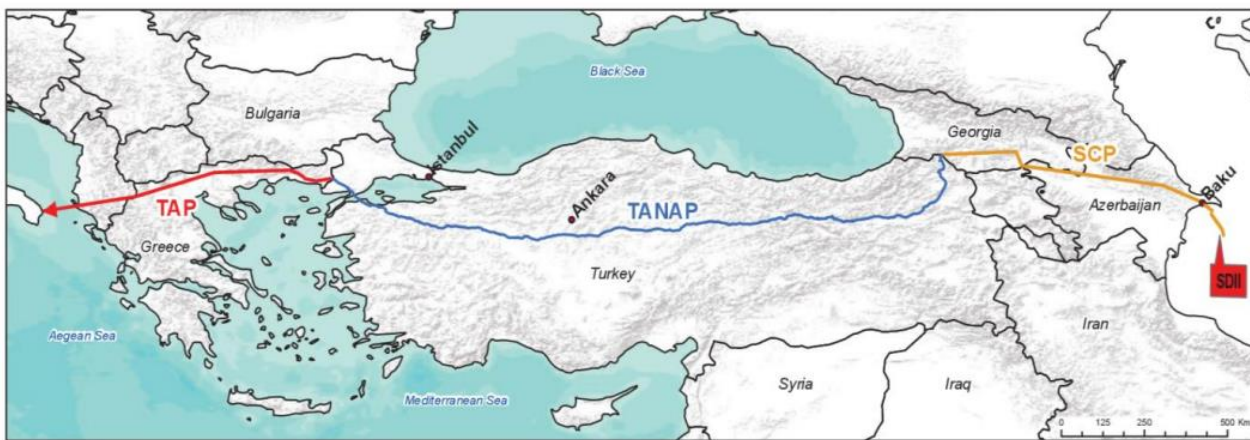


Figure 1. The site location map showing the southern gas corridor the South Caucasus Pipeline (SCP), TANAP and the Trans-Adriatic Pipeline (TAP)

- Co-financing with WB; WB's Safeguards Policies applicable
- 1,850 km underground gas pipeline system in Turkey; project completed
- Widespread presence of species of conservation concern and ecologically sensitive areas along the pipeline route
- A Biodiversity Action Plan (BAP): evaluated designated protected/sensitive sites and also reviewed potential sites for designation under the European Nature Information System (EUNIS), Natura 2000 and internationally recognized important areas.
- Critical Habitat Assessment (IFC PS6 2012): 67 terrestrial & 27 freshwater CH;
- The BAP provides a framework for management actions to conserve biodiversity along the proposed route.



Photo 8 Intersection with Manyas Lake Wetland

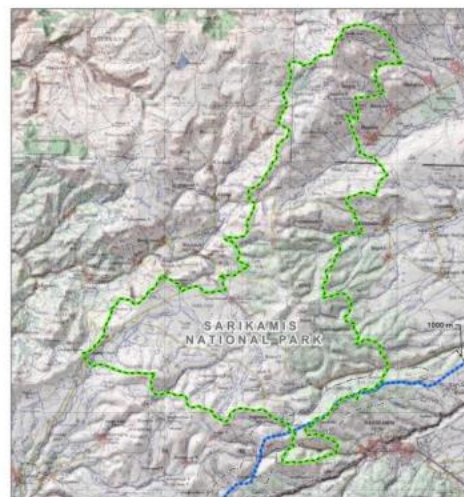


Photo 9 Intersection with Sarikamis Forest



Thank you.

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