



Project Summary Information

Date of Document Preparation: December 16, 2022	
Project Name	Lionbridge Leasing EV Transport Green Transition Facility
Project Number	P000662
AIIB member	China
Sector/Subsector	Transport
Alignment with AIIB's thematic priorities	Green infrastructure
Status of Financing	Approved
Objective	This Project's objective is to contribute to the decarbonization of logistic vehicles' transportation in China and to support Lionbridge Leasing's Paris -aligned net-zero ambition.
Project Description	<p>This Non-sovereign backed Project will provide a USD60 million equivalent CNY, senior unsecured loan to Lionbridge Leasing to acquire 3,000 to 3,200 logistics electric vehicles (EVs) for financial leasing to the lessees that are mainly self-employed truck drivers in a sale-lease back modality.</p> <p>Through this Project, AIIB will help Lionbridge Leasing to develop a credible Paris-aligned Net-Zero transition plan which will enable Lionbridge Leasing's business activities to transition from carbon-heavy to carbon neutrality by 2050.</p>
Expected Results	<p>The expected results will be based on the following indicators:</p> <ul style="list-style-type: none"> (a) Utilization rate of the loan. (b) Number of logistics EVs purchased. (c) Logistics EVs penetration rate increased measured by percentage of EV lease portfolio in the total lease portfolio. (d) A public commitment made by Lionbridge Leasing of setting up a net-zero emission target. (e) A transition plan is developed and published.
Environmental and Social Category	C

Environmental and Social Information	<p>AIIB's Environmental, Social Policy (ESP) including Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL) is applicable to the project. The proposed investment will support Lionbridge Leasing to provide logistic EV finance. Lionbridge Leasing is not responsible for the maintenance and operation of the vehicles, and the vehicles' ownership will be transferred to the client after two-year maturity of the finance service, therefore the ES risks and impacts are low or minimal and thus the Project is categorized as Category C.</p> <p>Lionbridge Leasing's Environmental, Social, and Governance Management System as its ESMS has been developed with reference to IFC Performance Standards. It includes procedures to (i) screen investments against the Environmental, Social, and Governance Exclusion List; (ii) Environmental, Social, and Governance due diligence questionnaire focused on the vehicle service activities; (iii) GRM for contracted employee and external stakeholders; (iv) monitor E&S risks and impacts of investments; (v) report to its management and investors and (vi) train new staff (vii) policy on cybersecurity. Overview of the ESMS and annual ESG report in Chinese at least will be disclosed at Lionbridge official website.</p> <p>Lionbridge Leasing's ESMS includes provisions for the Grievance Redress Mechanism (GRM). The client has a designated department to response internal and external Grievance. Internal and external grievance can be filed through designated contact email published on the official website (狮桥集团 (shiqiao.com)). During Project administration, AIIB will receive and review annual E&S reports from Lionbridge Leasing in an agreed format.</p> <p>As of year-end 2021, 60 percent of Lionbridge Leasing's short-distance logistics vehicles are EVs. Although AIIB fund will only support EVs, Diesel-fueled trucks are still dominating Lionbridge Leasing's portfolio of long-distance logistics vehicles. To achieve greater climate impact, this project will further support Lionbridge to develop Paris-aligned climate transition plan, with credible, science based near-term (2030) and long-term (2050) climate targets.</p>
Cost and Financing Plan	USD60 million equivalent CNY senior unsecured loan
Borrower/Investee Company/Counterparty/Guaranteed entity	Lionbridge Financing Leasing (China) Co., Ltd.

Estimated date of first disbursement	March 2023	
Contact Points:	AIIB	Borrower
Name	Ming Hao	Kairun Xiang
Title	Investment Officer - Financial Institutions	General Manager – Finance Department
Email Address	ming.hao@aiib.org	xiangkairun@shiqiao.com
Date of Concept Decision	31 August, 2022	
Date of Final Review Decision	29 November, 2022	
Date of Financing Approval	16 December, 2022	

Independent Accountability Mechanism	<p>The Policy on the Project-affected People’s Mechanism (PPM) applies to the project. The PPM has been established by the Bank 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 ECM or the processes of AIIB’s Management. Information on the PPM is available at:</p> <p>Policy on the Project-affected People’s Mechanism – Operational Policies and Directives – AIIB.</p> <p>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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