



## China, People's Republic of: Yunnan Lincang Border Economic Cooperation Zone Development Project

Project Name	Yunnan Lincang Border Economic Cooperation Zone Development Project
Project Number	49310-002
Country	China, People's Republic of
Project Status	Proposed
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	<b>Loan: Yunnan Lincang Border Economic Cooperation Zone Development Project</b> Ordinary capital resources US\$ 250.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration
Drivers of Change	Governance and capacity development
Sector / Subsector	<b>Education</b> - Pre-primary and primary <b>Health</b> - Health system development <b>Water and other urban infrastructure and services</b> - Other urban services - Urban flood protection - Urban sanitation - Urban solid waste management
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	
Project Rationale and Linkage to Country/Regional Strategy	
Impact	Economic growth potential for LBECZ and border areas of Myanmar enhanced; benefits of regional cooperation and integration in LBECZ and border areas of Myanmar realized; and living conditions and public health of residents of LBECZ and border areas of Myanmar improved
Outcome	Competitiveness of urban centers, logistics and industrial parks, and land ports in project counties and LBECZ enhanced
Outputs	Cross-border trade capacity improved Integrated urban environment infrastructure in Mengding and Qingshuihe National Port areas improved Social infrastructure and services improved Institutional capacity of involved agencies improved
Geographical Location	

### Safeguard Categories

Environment	A
Involuntary Resettlement	B
Indigenous Peoples	B

### Summary of Environmental and Social Aspects

Environmental Aspects	The categorization was based on the project having numerous multisector components and potential accumulative impacts to the project area. An environmental impact assessment (EIA), including an environmental management plan (EMP) was finalized in compliance with the Asian Development Bank's (ADB) Safeguard Policy Statement and disclosed on ADB's website on 25 May 2018. The EIA incorporates findings of the domestic feasibility studies, domestic EIAs, climate risk and vulnerability assessment, and technical reports conducted. The domestic EIAs were approved by the local environmental protection bureau in March 2018. The EMP complies with the People's Republic of China's environmental laws and ADB's Safeguard Policy Statement. An external monitoring entity will be recruited by the project management office to perform evaluation and assessment of the implementation and compliance with the EMP during all stages of the project. During project preparation, two rounds of meaningful consultations have been conducted with all relevant stakeholders and the findings have been incorporated in the project design. Any potential environmental disputes will be handled in accordance with the grievance redress mechanism established for the project. The potential impacts during construction include excavation, movement of soil, and treatment of sediments associated with river rehabilitation works, causing air, soil, and water pollution. Earthworks are required for construction of river embankments; roads, bridges, and culverts; and water and wastewater installations with temporary impacts on soil, surface water, air, and community and occupational safety. During operations, mitigation measures identified in the EMP require environmental compliance for air pollution, water treatment, municipal solid waste, and hospital and industrial wastes. An assessment to determine the significance of project impacts and risks on biodiversity and natural resources has been conducted; and adequate measures to mitigate potential impacts and risks have been included in the EMP.
Involuntary Resettlement	There are 145 households (766 persons) who will be affected by the acquisition of collective farmland (1,038.37 mu) in the Mengding subproject. There are 28 households (110 persons) who belong to the Wa and Yi ethnic groups. The impacts are found to be insignificant since loss of land per household is less than 5% of their total landholdings and households have other sources of income. For the Cangyuan subproject, the impacts are found to be marginal where four households (20 persons) will lose about 7.65 mu of cultivated land while one household (4 persons) will be affected by house demolition. These five households are from the Wa and Dai ethnic group. Impacts are also found to be marginal for the Zhenkang subproject where an estimated 38.24 mu of collective land will be affecting nine households (41 persons) from the De'ang ethnic group. An estimated 125 mu unallocated state-owned rubber forest land in Mengding and a 39.53 mu state-owned construction land owned by a real estate company in Cangyuan will be required. For Zhenkang, where 85.26 mu of state-owned construction land was acquired in the past, due diligence indicated that there are no outstanding issue. There are three resettlement plans that have been prepared in consultation with the affected people and various stakeholders to address land acquisition and resettlement issues. Key information in the resettlement plans have been disclosed to the affected persons.
Indigenous Peoples	The ethnic population makes up of 42.8% of project beneficiaries. Among ethnic minority beneficiaries, Dai, De'ang, Wa, and Yi minorities comprise 83.57% of the total. Ethnic people will benefit from improved municipal infrastructure and social services, and additional business and job opportunities. With the exception of one household (4 persons) whose house will be totally affected and will be required to relocate, none of the 41 ethnic minority households (171 people) will be marginally affected by acquisition of their farmland. An ethnic minority development plan has been prepared and endorsed by the project management office.

### Stakeholder Communication, Participation, and Consultation

During Project Design	Meaningful consultations have been conducted with all relevant stakeholders and the findings have been incorporated in the project design.
During Project Implementation	This includes policy dialogue with the executing agency, information gathering and sharing with civil society organizations, and participation of neighborhood and village committees and the Women's Federation in project activities during the GAP and EMDP implementation.

### Business Opportunities

Consulting Services	Consulting services will be undertaken in accordance with ADB's Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).

Responsible ADB Officer	Ressano Garcia, Antonio
Responsible ADB Department	East Asia Department
Responsible ADB Division	Urban and Social Sectors Division, EARD
Executing Agencies	<i>Lincang Municipal Government No. 350, Shiji Road, Fengxiang Sub-district, Linxiang District, Lincang City, Yunnan Province</i>

### Timetable

Concept Clearance	22 Sep 2017
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Fact Finding	18 Apr 2018 to 27 Apr 2018
MRM	18 Sep 2018
Approval	-
Last Review Mission	-
Last PDS Update	27 Sep 2018

Project Page	<a href="https://www.adb.org/projects/49310-002/main">https://www.adb.org/projects/49310-002/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=49310-002">http://www.adb.org/forms/request-information-form?subject=49310-002</a>
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