

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC3816

Date ISDS Prepared/Updated: 21-Oct-2013

Date ISDS Approved/Disclosed: 23-Oct-2013

I. BASIC INFORMATION

A. Basic Project Data

Country:	China	Project ID:	P133018
Project Name:	Zhejiang Rural Areas and Small Towns Water and Sanitation Improvement Project (P133018)		
Task Team Leader:	Gang Qin		
Estimated Appraisal Date:	03-Apr-2014	Estimated Board Date:	07-Aug-2014
Managing Unit:	EASCS	Lending Instrument:	Investment Project Financing
Sector(s):	Water supply (30%), Wastewater Collection and Transportation (50%), Wastewater Treatment and Disposal (20%)		
Theme(s):	City-wide Infrastructure and Service Delivery (65%), Rural services and infrastructure (35%)		
Financing (In USD Million)			
Total Project Cost:	440.00	Total Bank Financing:	200.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			240.00
International Bank for Reconstruction and Development			200.00
Total			440.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The Proposed Project Development Objective (PDO) is to improve water and sanitation services in selected counties of Zhejiang Province. This will be achieved through the provision of improved water supply and sanitation systems in the selected counties and county level cities.

C. Project Description

Proposed Project Investment. The total indicative project cost estimate is US\$440 million with an IBRD loan of US\$200 million. The project is comprised of three components, being:

- Component 1: Water and Sanitation Improvement in Rural Villages (US\$ 118 million). The sub-sectors covered under this component are water supply and sanitation facilities in rural villages and it is expected that approximately 300 villages will be covered.
- Component 2: Water and Sanitation Improvement in Small Towns (US\$ 317 million). The sub-sectors covered under this component are also water supply and sanitation; however the focus is expected to be on small towns. Approximately, 30 small towns will be covered under this component.
- Component 3: Implementation Support and Capacity Building (US\$ 5 million). Given the weak capacity in rural and small towns, strong support for implementation will be required. In addition, the project will also aim to improve the performance of targeted water companies through the implementation of management information systems, asset management systems, GIS, etc.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

Zhejiang Province, with total population of 54.6 million (2012), is located in the east coast of China with an area of 105,391 km², of which 70.4% is mountainous areas; 23.2% is plains; and the remainder 6.4% is covered by rivers and lakes. Zhejiang has a sub-tropical monsoon climate, with the clear division of four seasons and abundant sunshine. The average annual temperature is 15°C - 18°C and the average annual precipitation is 1,200-1,800 mm. The proposed project counties are mainly in the mountainous and hilly regions of the Province.

Four counties in the Province have been selected to participate in the project. They are: Anji County, which is located in the northwest of the Province; Fuyang City, which is located in Qiantang River Basin, upstream of Hangzhou; Tiantai County, which is located in mountainous area of central Province. The river system in the County is Jiaojiang River system; and Longquan City, which is in south of the Province. The main river is Oujiang River.

E. Borrowers Institutional Capacity for Safeguard Policies

The proposed project will be managed by the Provincial Project Management Office (PPMO), which is affiliated with the Zhejiang Provincial Development and Reform Commission (PDRC). In the province, there is good understanding of the Bank's Safeguards Policies, since several Bank financed projects are currently under implementation. Thus during project identification, training in Bank's safeguards has been provided to clients. In addition experienced environmental and social consultants will be engaged to help the PPMO to prepare safeguards documents. However, few county level Project Implementation Units (PIUs) have prior experience in implementing World Bank financed projects, therefore regular trainings on Bank's Safeguards policies and assistance by the Bank task team will be provided during project's preparation.

F. Environmental and Social Safeguards Specialists on the Team

Chongwu Sun (EASCS)

Zhefu Liu (EASCS)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<p>Based on the project proposal and preliminary screening and scoping during project identification, this policy is triggered, mainly because of the activities under the component 1 and 2.</p> <p>The project will have significant benefits in terms of providing improved water and wastewater services for villages and the townships in the selected counties of Zhejiang Province. Investments under Component 1 and 2 include civil works for water supply, drainage, wastewater collection, and treatment facilities, etc.</p> <p>Potential negative environmental and social impacts would mainly occur in the construction phase, and they would include soil erosion, noise, dust, and shipping and disposal of construction waste, etc.</p> <p>Category B is proposed mainly because that the impacts are site-specific and few is irreversible, mitigation measures can be designed during project preparation and applied during implementation.</p> <p>The following environmental safeguards instruments are proposed: An environmental impact assessment (EIA) and a standalone environmental management plan (EMP) will be prepared to cover the entire project. Social impact should be designed as part of the EIA. Furthermore, an environmental and social management framework (ESMF) is proposed, as an annex to the EIA, for sub-projects that are not known by appraisal.</p> <p>During the preparation of the proposed instruments, WBG's Environmental, Health and Safety Guideline will be an important reference. A due diligence review will be conducted for existing facilities and projects related to the proposed project.</p> <p>Public consultation and information disclosure</p>

		will be conducted following OP4.01 requirements during EIA preparation. At least two rounds of public consultation will be carried out with potentially affected persons and other relevant stakeholders through various methods, e.g., questionnaire surveys, interviews and public meetings as needed. The full draft EIA will be disclosed locally.
Natural Habitats OP/BP 4.04	TBD	Based on the information provided, there are no significant natural habitats located in the proposed project areas. However, since the project components are located in various places and detailed survey will be conducted in the EA process, the EIA consultant is required to do a detailed screening during the EIA preparation to further determine if this policy is triggered.
Forests OP/BP 4.36	No	Based on current information, the proposed project components are not located in forest areas. Therefore, this policy is not triggered.
Pest Management OP 4.09	No	The proposed project will not procure pesticides nor will it result in the increased use of pesticides.
Physical Cultural Resources OP/ BP 4.11	TBD	Based on current information available, there are no any physical cultural relics found within the proposed project areas. In the EIA process, related information will be checked and confirmed by relevant authorities. In case findings take place during construction, relevant clauses would be included in all construction contracts.
Indigenous Peoples OP/BP 4.10	No	The project will support selected counties in Zhejiang Province. The task team visited the corresponding villages in these areas and had meetings with the municipal departments in charge of the minority affairs. The task team concluded there is no community of the Chinese minorities identified by the Chinese government in the project area. All of the populations in the project areas are Han people who are not identified by China government as minority and also Han does not fall in the definition of ethnic minority identified by Bank OP 4.10. Thus, OP 4.10 is not triggered.
Involuntary Resettlement OP/BP 4.12	Yes	Some collective land will be required at the township level for waste treatment plants and temporarily during waste water collection

		<p>pipeline installation. Hence, Bank Involuntary Resettlement Policy OP 4.12 will be triggered. A Resettlement Action Plan is required to mitigate any negative impacts caused by collective land acquisition and temporary land use in the first two years of the project programs. Based on the project features, avoidance to land acquisition, specific to those valuable cultivated, is prioritized at first. Training courses on how to select the sites of waste water treatment plants and the alignments of the waste water collection pipelines were provided for the PMO staff and the consulting team. The task team will review the analysis of those site selections. The task team also requested the PMO to mobilize a village committee based project volunteer supporting team consisting of the head of the village committee, the head of the Women associated, highly respected elder because of his/her merit and also representative of the villagers. This team will participate into the project preparation process and later on the monitoring work during civil works. Their roles will be documented in the RAP as a way to enhance local institutional capacity. A resettlement policy framework will be prepared to guide the selection of sub-projects. The RAP and RPF will be prepared and disclosed prior to appraisal.</p>
Safety of Dams OP/BP 4.37	TBD	<p>The proposed project will not directly finance construction or rehabilitation of any dams. However, there may be a linkage issue associated with proposed water supply sub-projects in Component 2. Therefore, the task team will check the resources and hire a dam safety expert to carry out a dam safety evaluation during the project's preparation.</p>
Projects on International Waterways OP/BP 7.50	No	Not applicable
Projects in Disputed Areas OP/BP 7.60	No	Not applicable

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 30-Jan-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

The EA consultants have been engaged for preparation of environmental safeguards documentation. The TOR for the EIA will be provided to the Bank task team for review, and it is expected that the draft EIA and EMP will be available for local consultation and information disclosure one month before project appraisal, which is targeted in April 2014.

IV. APPROVALS

Task Team Leader:	Name: Gang Qin	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Peter Leonard (RSA)	Date: 22-Oct-2013
Sector Manager:	Name: Mark R. Lundell (SM)	Date: 23-Oct-2013