

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA9045

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I. BASIC INFORMATION

1. Basic Project Data

Country:	China	Project ID:	P132621
Project Name:	Yunnan Highway Asset Management Project (P132621)		
Task Team Leader:	Xiaoke Zhai		
Estimated Appraisal Date:	27-Oct-2014	Estimated Board Date:	16-Mar-2015
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	Rural and Inter-Urban Roads and Highways (75%), Sub-national government administration (25%)		
Theme(s):	Infrastructure services for private sector development (65%), Managing for development results (25%), Natural disaster management (1 0%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	281.00	Total Bank Financing:	150.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			131.00
International Bank for Reconstruction and Development			150.00
Total			281.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

Improve the efficiency and cost-effectiveness of highway in Yunnan.

3. Project Description

Component A – Highway Asset Management Improvement. This component will improve asset

management decisions by establishing and operating an integrated highway asset management system, it includes three sub-components:

(a) Sub-Component A1 – Establishing an Integrated Management Information System. This sub-component will finance the establishment of an integrated management information system and the related IT infrastructures and hardware for the system, including: (i) a data management center; (ii) data exchange platform; (iii) road asset management system; (iv) road network monitoring and emergency command center with related system and equipment; (v) upgrade of existing databases and management systems and their incorporation into an integrated management information system; and (vi) improving and expanding the existing IT infrastructure and connections to operate the integrated management information system.

(b) Sub-Component A2 – Supporting Data Collection for Management System Operation. This sub-component will fund equipment and instruments for data collection, including: (i) upgrade of two existing vehicles and adding a new vehicle for pavement condition data collection and an automatic deflector meter; (ii) 9 bridge and 8 tunnel inspection vehicles; (iii) 63 permanent automatic traffic recording stations and 80 portable counting sets; (iv) 33 sets of instruments and related software for monitoring large landslides, key bridges and extreme large tunnels; and (v) 35 sets of portable maintenance inspection equipment (patrol vehicles equipped with relevant software and hardware for data collection and information transmission to control center).

(c) Sub-Component A3 – Adoption of Asset Management Approach. This sub-component will provide technical assistance to YHB in adopting the asset management approach, making necessary process changes for operating the asset management system, applying asset management principles into business processes, and using the system outputs into decision making and performance evaluation.

Component B – Maintenance and Emergency Response Capacities Enhancement. This component, comprising two sub-components, will improve performance evaluation and enhance YHB's capacity to carry out maintenance works and emergency rescue activities:

(a) Sub-component B1 – Improving Performance Evaluation System and Indicators. This sub-component will provide technical support to YHB to improve its performance management and objectively measure efficiency and effectiveness of maintenance delivery. It will focus on: identifying new and improved management objectives with enhanced management strategies, tools and facilities; updating YHB's evaluation system and indicators; enhancing performance monitoring and feedback mechanism; and increasing accountability.

(b) Sub-component B2 – Providing Equipment and Facilities to Maintenance Stations and Emergency Centers. This sub-component will enhance staff maintenance delivery and emergency response capacity through: (i) provision of adequate equipment for routine and minor maintenance as well as emergency response at Maintenance and Emergency Response Centers and Stations; and (ii) expansion/construction of equipment shelters, administration and production buildings, and staff dormitories at the Centers and Stations.

Component C – Pilot of Cost-Effective Maintenance Technologies. This component will support the reduction of life-cycle maintenance costs by piloting cost-effective maintenance techniques, including cold recycling of asphalt pavement for base course, modified asphalt chip seals, asphalt slurry seals, and micro-surfacing, at 7 typical and suitable road segments with a total length of 290

km.

Component D — Strengthening Institutional Capacities. This component will enhance the capacities of YHB’s management and staff through four sub-components:

(a) Sub-component D1 — Highway Asset Evaluation Manual and Highway Asset Accounting Guideline. This sub-component will provide technical assistance to review domestic and international road asset valuation practices and accounting policies, develop highway asset valuation manual and accounting guideline in compliance with acceptable accounting standards, evaluate highway assets, and record asset values in YHB’s balance sheet.

(b) Sub-component D2 — Highway Maintenance Manual. This sub-component will provide technical assistance to develop a highway maintenance manual contextualized to the specific Yunnan geographic and highway conditions.

(c) Sub-component D3 — Highway Safety Study. This sub-component will study the road safety situation of the trunk highway system and provide recommendations on road safety policy and management improvements.

(d) Sub-component D4 — Study Tours and Trainings. This sub-component will support training and study tours to help YHB staff to adapt to the new asset management approach and business systems, learn to operate and maintain new equipment, and master innovative maintenance technologies.

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

The proposed Project is located in Yunnan Province in southwestern China. The province has an area of 394,000 km², about 94% of which is mountainous and vulnerable to landslides, floods and earthquakes. The eastern part of the province has an average altitude of 2000m, called Yunnan Plateau; the western part is Hengduan Mountain characterized by great mountains and valleys. The province has a rich water resource, including more than 600 rivers, and 37 lakes that are larger than 1km². The province, given its unique topography and location, has various climatic patterns, including low-latitude plateau zone climate, north tropical zone climate and north temperate zone climate. In general, it has a rainy season during May-October and dry sea during November-April. Annual precipitation is about 1500mm, of which 80% takes place in rain season.

5. Environmental and Social Safeguards Specialists

Songling Yao (GSURR)

Ning Yang (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	Category B ECOPs prepared Public consultation and information disclosure carried out. OP4.01 policy is triggered. Considering the nature of the construction activities, and the fact that the anticipated impacts are site-specific, and

		<p>limited in scale, it is proposed to assign category B to the project. An environmental code of practice (ECOP) is suggested as the EA instrument for the project. The ECOP will cover both construction and operational stage, and shall include effective measures to prevent and mitigate potential negative impacts.</p> <p>During preparation of the ECOP, at least one of public consultation and information disclosure shall be carried out. The full draft ECOP shall be disclosed prior to appraisal.</p>
Natural Habitats OP/BP 4.04	Yes	<p>Four Section-level management stations and one city-level emergency center are located in environmental sensitive areas are included in the project, which will involve the experimental zone of national level natural reserve, Class III protection zone of the stone forest natural heritage reserve etc. The construction activities will take place within existing facilities, with no land acquisition. The ECOPs includes appropriate mitigation measures during design phase, construction phase and operation phase respectively to avoid, reduce or eliminate the potential adverse impacts on the reserves. Therefore, the project will not result in significant degradation or conversion of natural habitats.</p>
Forests OP/BP 4.36	No	<p>The project will not involve in any forests. The policy is not triggered.</p>
Pest Management OP 4.09	No	<p>The project will not result in procurement or use of pesticides. The policy is not triggered.</p>
Physical Cultural Resources OP/BP 4.11	No	<p>The project will not involve any known PCR. Chance-find procedure is included in the ECOPs. The policy is not triggered.</p>
Indigenous Peoples OP/BP 4.10	Yes	<p>Yunnan is well known as a multiracial province with 51 ethnic minorities. The project is provincial-wide, implementing activities in all the 16 cities/prefecture areas of the province. Therefore the project will affect ethnic minority people and trigger the policy.</p>
Involuntary Resettlement OP/BP 4.12	Yes	<p>The project will build or extend maintenance management and emergency response centers and stations, and restore or rehabilitate some sections of pilot road, which need land acquisition. So the policy is triggered.</p>

Safety of Dams OP/BP 4.37	No	The project will not involve in any dams. The policy is not triggered.
Projects on International Waterways OP/BP 7.50	No	The project will not involve in any international waterways. The policy is not triggered.
Projects in Disputed Areas OP/BP 7.60	No	The project will not involve in any disputed areas. The policy is not triggered.

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Environment

OP4.01 Environmental Assessment

Physical activities of the project include improvement or construction of equipment shelters, administration and production buildings, and workers dormitories at the road management and emergency response centers and stations(Component B1); and road pavement maintenance pilots (component C).

The Component B1 involves 15 city/prefecture-level emergency response centers, 63 county-level emergency centers, and 225 maintenance stations. Most physical activities will take place within existing sites with no expansion or land acquisition needed.

The Component C involves 8 locations covering 280km roads, with no road alignment change or permanent land acquisition involved.

Overall, the project is anticipated to bring positive impacts through lowering emissions from vehicles on well-maintained roads, reducing risks and damages from natural disasters, and reusing of pavement materials. Potential environmental impacts are mainly associated with construction activities, such as dust and noise, construction wastewater, social disturbance, materials processing. At operational stage, main environmental impacts resulted from domestic waste management and maintenance material processing within these facilities and on the roads.

Considering the nature of the construction activities, and the fact that the anticipated impacts are site-specific, and limited in scale, the project is category B for environmental purpose per OP4.01. Comprehensive Environmental Code of Practices (ECOPs) was prepared by accredited EIA Consultant. The ECOPs covers institutional arrangement, each type of typical physical activities, environmental monitoring and supervision, capacity building, and training plan. The ECOPs was reviewed by the Bank team and found satisfactory to the Bank safeguards requirements.

OP4.04 Natural Habitats

There are four segment-level management stations and one city-level emergency center that are located in environmentally sensitive areas included in the project. These are existing facilities that are responsible for road maintenance under their jurisdictions. Proposed activities will not result in expansion of the current facilities or land acquisition. The ECOPs includes appropriate mitigation

measures during design phase, construction phase and operation phase respectively to avoid, reduce or eliminate the potential adverse impacts on the sensitive areas. The impacts are rather local, temporary, very limited and are not anticipated to affect natural habitats in their vicinity. Therefore, the project will not result in significant degradation or conversion of natural habitats.

Social aspects

OP 4.12, Involuntary Resettlement

The project Component B and C, triggering physical activity construction, will use land. Under Component B, the construction or extension of the emergency centers, maintenance and management centers will use land owned by the transportation authorities, and will not permanently acquire land, except for four country level emergency centers in Yuxi City where there is still potential permanent land acquisition after project design. Further the Component C probably needs temporary land use for the construction or rehabilitation of some sections of the pilot roads.

OP 4.10, Indigenous People

Yunnan is well known as a multiracial province with 51 ethnic minorities. The project is provincial-wide, implementing activities in all the 16 cities/prefecture areas of the province. Therefore the project will affect ethnic minority people.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

N.A.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

N.A.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The project owner engaged accredited EIA consultant to prepare the ECOPs. The ECOPs includes how to manage the implementation of ECOPs such as institutional arrangement, responsibilities and roles of each implementation stakeholders, specific code of practices for each type of activities, etc. It also covers cross-cutting issues such as soil erosion control, social disturbance management, wastewater treatment, management of cultural relics, health and safety, and solid waste management..

During project preparation, the ECOPs were shared and discussed with relevant project management staff and design engineer to ensure proper incorporation of the ECOPs into engineering design. The ECOPs will be included in the bidding document and civil works contract to be followed by the contractors.

A Resettlement Policy Framework (RPF) was prepared for the project to manage the potential land use under Component B and C to be clearly determined in the implementation stage. At the primary stage of the project preparation, 18 stations/centers at prefecture and county levels need permanent land acquisition, and then a RP was required. However, as the project planning moving forward, 6 county stations/centers dropped out due to project scope adjustment; the other 12 ones at prefecture and county levels changed locations to utilize existing land owned by road authorities, avoiding permanent land acquisition. Therefore, the RP was canceled because of no

permanent land acquisition based on the present project design. On the existing land owned by road authorities, a due diligence review has been carried out and is integrated into the RPF as an Annex, which concluded that there is no pending resettlement issue. Any temporary land acquisition, not very clear at this stage, will be covered in the RPF. The RPF clearly determined, among others, the procedures, timeframe and responsible agencies for resettlement planning in project detailed design, and stated that any RP if needed should be prepared by PMO, and reviewed and cleared by the Bank, prior to commencement of any related construction.

The EMDP was prepared in line with a free, prior and informed consultation and a thorough social assessment, including 26 meetings with county minority commissions, 30 group discussion in ethnic villages, 68 questionnaires for minority people, by which the ethnic minority express their broad support to the project. The project impacts on the ethnic minority are mainly expected positive in improving transportation condition and tourism industry, and the major adverse impacts relate to temporary land use and construction-related disturbance locally. The EMDP identified all the potential positive and adverse impacts and developed measures to enhance the positive impacts and mitigate the adverse impacts, with tabulated budget for each measures and responsible agencies to implement the measures. Further the EMDP will be implemented by the PMO and semiannually monitored during the project cycle by an independent monitor with experiences on similar work in projects financed by the Bank and ADB.

In order to strengthen the capacity of the PMO, an office responsible for RPF and EMDP implementation, including prefecture and county levels, will be set up with dedicated staff prior to the project launch workshop. These staff will be trained, responsible for the resettlement implementation of the EMDP/RPF and for preparing the semi-annual resettlement implementation progress report. The Office will engage social monitors, with experiences on similar work related to projects financed by the Bank or ADB, to monitor the implementation of the EMDP/RPF.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

During the project preparation, the project owner and EIA and Social Consultants carried out information disclosure and public consultation through posters, questionnaire survey, interviews and public meetings in project counties, townships and villages. Consulted people include potentially affected villagers, local governments and agencies. Their comments and suggestions were incorporated into the project design and ECOPs, RPF and EMDP. The RPF and the EMDP were locally disclosed on Aug 19, 2014. Full draft ECOPs were disclosed on the websites of each project township and websites of each prefecture government or transport bureau on July 15, 2014. The ECOPs is thus accessible to the public. All the documents were disclosed in InfoShop on Aug 20, 2014.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	12-Aug-2014
Date of submission to InfoShop	19-Aug-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
China	19-Aug-2014
<i>Comments:</i>	

Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	13-Aug-2014
Date of submission to InfoShop	19-Aug-2014
"In country" Disclosure	
China	19-Aug-2014
<i>Comments:</i>	
Indigenous Peoples Development Plan/Framework	
Date of receipt by the Bank	13-Aug-2014
Date of submission to InfoShop	19-Aug-2014
"In country" Disclosure	
China	19-Aug-2014
<i>Comments:</i>	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.10 - Indigenous Peoples	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader:	Name: Xiaoke Zhai	
<i>Approved By</i>		
Practice Manager/ Manager:	Name: Michel Kerf (PMGR)	Date: 22-Oct-2014