

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

**Report No.:** ISDSC12954

**Date ISDS Prepared/Updated:** 16-Sep-2015

**Date ISDS Approved/Disclosed:** 22-Sep-2015

### I. BASIC INFORMATION

#### A. Basic Project Data

Country:	China	Project ID:	P153541
Project Name:	Shaanxi Poor Rural Areas Community Development Project (P153541)		
Task Team Leader(s):	Guangming Yan,Wendao Cao		
Estimated Appraisal Date:	25-Oct-2016	Estimated Board Date:	09-Feb-2017
Managing Unit:	GFADR	Lending Instrument:	Investment Project Financing
Sector(s):	General agriculture, fishing and forestry sector (45%), Rural and Inter-Urban Roads and Highways (30%), Agro-industry, marketing, an d trade (25%)		
Theme(s):	Rural services and infrastructure (60%), Rural markets (40%)		
Financing (In USD Million)			
Total Project Cost:	155.19	Total Bank Financing:	100.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			55.19
International Bank for Reconstruction and Development			100.00
Total			155.19
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

#### B. Project Objectives

The proposed Project Development Objective (PDO) is to increase income opportunities in selected poor rural communities of Shaanxi province.

#### C. Project Description

Project Components. The proposed project would consist of the following three components with a preliminary cost estimate of US\$155.19 million (RMB966.35 million equivalent) including a Bank

loan of US\$100 million, to be implemented in five years.

(a) Component A: Livelihood Improvement Interventions. The component aims to support county and town-level development strategies with the aim to strengthening their links with capacity building of rural cooperatives and associations as the primary vehicle for rural poor households to engage in commercial farming and to be linked to dynamic markets; (ii) development of farmer cooperatives, with farmer cooperatives identifying partnering entrepreneurs, targeting and tailoring investments for these intended beneficiaries to support various livelihood improvement activities (these may include farming and non-farming income-generation activities, depending on available natural resources and the applicable local development strategies). The project will establish Farmer Cooperative Development Fund (CDF) and Enterprise Fund to provide financial support to project farmer cooperatives and encourage private sector engagement; and (iii) strengthened entrepreneurship through training and capacity building.

(b) Component B: Economical Infrastructure Services Improvement. This component aims to improve the economic network infrastructure connecting the villages to the large value chains. It would provide investment for (i) improving connectivity between villages, central small towns and regional transport networks; and (ii) upgrading production infrastructure, including construction of irrigation and drainage infrastructure; establishment of communications and information infrastructure; provision of green house, cold storage and other post-harvest facilities, market facilities, etc.

(c) Component C: Capacity Building, Monitoring and Evaluation (M&E), Project Management. The component aims to support (i) training for Project Management Office (PMO) staff for project implementation and management; skill development for participating farmers; training for out-migration farmers; training for local handcraft skills development; and awareness raising campaigns; (ii) monitoring and evaluation of project activities including, project physical progress monitoring, environmental and social safeguards compliance monitoring, project impact monitoring; and (iii) project implementation and management.

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

The proposed project would be implemented in 11 counties in northern Shaanxi Province, i.e. Longxian, Linyou, Changwu, Heyang, Baishui, Fuping, Yichuan, Yanchang, Yanchuang, Dingbian, and Mizhi, which are designated national-level poverty counties, and located in the contiguous poverty-stricken areas of Liupan Mountain, Luliang Mountain, Qiangba Mountain or hilly areas along Yellow River as designed by the national or provincial authorities. About 30 communities involving an estimated total of 200 villages are expected to participate in the project which will be identified and selected through a competitive process, based on the agreed selection criteria and in a phased approach.

The project area does not include villages with previous or ongoing government relocation program of villages such as the Ecological Relocation Program. The social assessment (SA) will document and discuss linkages or inter-faces if any with previous or ongoing government relocation of villages and programs that may influence activities or overlap with the project area.

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

The proposed project will be coordinated by the Foreign Capital Project Management Center of Shaanxi Province, physically located in the Provincial Poverty Alleviation and Development Office

(PPADO), which has rich experience with Bank supported projects. A Provincial Steering Committee (PSC), led by a Vice Governor of the Government of Shaanxi with representatives from the PDRC, PDOF, Provincial Department of Construction (PDOF), Provincial Poverty Alleviation and Development Office (PPADO) and Provincial Statistics Bureau, will be organized to oversee the preparation and implementation of the project. At the provincial level, the PPADO will take the lead in project management. This arrangement helps assure the proper preparation and implementation of safeguard policies. The Shaanxi PPADO has previously executed similar Bank poverty reduction projects, and is therefore experienced in safeguard requirements. At municipal level, a PMO will be established to coordinate project preparation and implementation among participating counties within its jurisdiction and between these counties and relevant municipal government agencies. At county level, each county of the eleven counties has set up a Project Implementation Unit. But seven of the eleven county level authorities are new to Bank-supported project procedures and will need guidance from the provincial PMOs. At community level, a Project Working Station (PWS) is to be set up once the selection process is completed which will be located at a town/township seat. A Project Implementation Group will be set up at each participating village. The Bank will provide training to clients on safeguards policies. Experienced safeguards consultants will be hired to assist with the implementation of safeguards instruments.

#### **F. Environmental and Social Safeguards Specialists on the Team**

Feng Ji (GENDR)

Songling Yao (GSURR)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	Yes	<p>It is confirmed that OP 4.01 (Environmental Assessment) is triggered. The project is proposed as a Category B project due to the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts.</p> <p>The project will bring about positive impacts and benefits to the environment and the targeted poor communities in the project areas, and have limited adverse impacts. The adverse impacts mainly include:</p> <p>nuisance associated with construction/rehabilitation/upgrading of infrastructure (e.g. roads, water supply pipes, drainage etc.), such as disturbance to local communities and traffic, nuisance of dust, noise, vibration and wastewater, soil erosion, and disposal of spoil etc.; and Adverse impacts (e.g. waste, wastewater) caused by the livelihood improvement interventions. But these impacts are not expected to be significant given that the small scale investment are largely in existing agricultural farmland and scattered in eleven counties in the Province.</p>

		<p>Since the project will take a phased approach for selection of project communities and implementation of community activities, prior to project appraisal, the details of specific investment activities cannot be identified. PMO will prepare an Environmental and Social Management Framework (ESMF) following the relevant Chinese policies, laws and regulations and the Bank's safeguards policies. The ESMF will identify the types of investments, set out the principles, rules, guidelines and procedures to assess the environmental and social impacts, and contain measures and plans to reduce, mitigate and/or avoid adverse impacts and enhance positive impacts. Each subproject proposal will be screened for potential negative environmental impacts, and measures developed to avoid, mitigate and manage any adverse impacts.</p>
Natural Habitats OP/BP 4.04	No	<p>Based on the draft project proposal and site screening, The project activities will be on existing agricultural land or construction farmland. The project activities will not affect protected reserves, known as natural habitats, or established or proposed critical natural habitats.</p>
Forests OP/BP 4.36	No	<p>The project will not finance activities that would involve any conversion or degradation of critical forest areas or related critical natural habitats as defined under the policy.</p>
Pest Management OP 4.09	TBD	<p>The project may finance non-grain agricultural operations which likely lead to the limited use of pesticide or herbicides. If this investment is included in the project, environmental friendly methods for pest management will be promoted and incorporated into project design, and relevant requirements for a pest management plan included in the ESMF.</p>
Physical Cultural Resources OP/BP 4.11	TBD	<p>Based on the draft project proposal and site screening, the project will not likely affect sites with archeological, paleontological, historical, religious, or unique natural values. . Further screening will be undertaken during project preparation. Chance finds during construction might occur and relevant clauses will be included in all construction contracts.</p>
Indigenous Peoples OP/BP 4.10	TBD	<p>The project is anticipated to bring much social benefits for the farmers including the poor. The positive social impacts of the project are to improve physical capital, human capital, social capital and the</p>

		<p>empowerment of rural communities, and institutional capacity and services.</p> <p>Whether OP4.10 Indigenous Peoples is triggered will be decided in next stage. The Task Team's screening did not identify any minority village in or collectively attached to project areas in the proposed 11 counties so far. This screening will be continued together with the social assessment process.</p> <p>A full social assessment (SA) will be conducted around the project areas and the results of the SA will be fully incorporated into project design. The SA will cover issues related to OP 4.10 and OP 4.12 as well as other potential social impacts covered by OP 4.01. This includes in particular gender issue, via investigating social and economic baseline covering women, and integrating attitudes and opinions from the female and male participants into the project design. How to ensure project activities target right beneficiaries, achieve project objectives, realize sustainable operation of designed mechanisms after project completion, widely engaging the locals and adopting participatory approach are a good choice. Participation activities on farmer cooperative will be conducted in the project preparation and a participation plan for implementation stage will be designed.</p>
Involuntary Resettlement OP/ BP 4.12	Yes	<p>The project may permanently and temporarily acquire some land for construction of infrastructure and facilities, the OP4.12, therefore, will be triggered. As sites of the construction can only be clearly determined during project implementation, a Resettlement Policy Framework (RPF) will be developed for the potential resettlement impacts. Resettlement plan (RP) may be needed for a few sites where the construction activities are clearly defined before the project appraisal.</p> <p>On land use in rural cooperatives: Villagers are voluntarily participating in cooperatives, existing or to be established by the project, in various ways: inputting cash or term operational right of land, or just relying on cooperative services of skill training, product processing or trade. The participants will get income from rental of operational right of land, or cash input, and could get wages if they work for</p>

		<p>cooperatives. The above will be documented in VLD protocol to be developed based upon OP 4.12 criteria that ensure the voluntary nature of the agreements between villager and cooperatives. In the process, there is no land adjustment and consolidation are foreseen.</p> <p>Furthermore, the social assessment (SA) will document and inform the project on the potential social impacts of such initiatives and transactions.</p> <p>The SA will also document and discuss linkages or inter-faces with previous or ongoing government relocation of villages and programs that may influence activities or overlap with the project area.</p>
Safety of Dams OP/BP 4.37	No	The project will not finance construction or rehabilitation of any dams as defined under this policy. Thus, this policy would not be triggered.
Projects on International Waterways OP/BP 7.50	No	The project is not associated with an international waterway.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in disputed areas.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS:** 15-Jan-2016

**B. Time frame for launching and completing the safeguard-related studies that may be needed.**

**The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

In parallel with the project feasibility study, EA safeguards documents will be drafted and submitted to the Bank for review by September, 2015.

### IV. APPROVALS

Task Team Leader(s):	Name: Guangming Yan,Wendao Cao	
<b><i>Approved By:</i></b>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 17-Sep-2015
Practice Manager/ Manager:	Name: Nathan M. Belete (PMGR)	Date: 22-Sep-2015

<sup>1</sup> 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.