

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC1815

Date ISDS Prepared/Updated: 23-Oct-2013

Date ISDS Approved/Disclosed: 29-Oct-2013

I. BASIC INFORMATION

A. Basic Project Data

Country:	China	Project ID:	P133456
Project Name:	Sichuan Chongqing Cooperation: Guangan Demonstration Area Infrastructure Development Project (P133456)		
Task Team Leader:	Joanna Mclean Masic		
Estimated Appraisal Date:	19-Aug-2014	Estimated Board Date:	26-Jan-2015
Managing Unit:	EASCS	Lending Instrument:	Investment Project Financing
Sector(s):	Urban Transport (65%), General water, sanitation and flood protection sector (33%), Vocational training (2%)		
Theme(s):	City-wide Infrastructure and Service Delivery (65%), Infrastructure services for private sector development (35%)		
Financing (In USD Million)			
Total Project Cost:	233.00	Total Bank Financing:	100.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			133.00
International Bank for Reconstruction and Development			100.00
Total			233.00
Environmental Category:	A - Full Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The proposed project development objective is to support Linshui Town and Qianfeng District to provide adequate infrastructure services to support current needs and projected growth. This would be achieved through capacity building, strategic planning and optimizing infrastructure designs to ensure a more efficient operation of services.

C. Project Description

The total indicative cost of the proposed project is US\$ 233 million including an IBRD Loan of US \$100 million and counterpart funding making up the remaining 57 percent. The project is comprised of the following four components.

Component 1: Strategic Planning for Current Needs and Projected Growth.

The component will support the Governments of Linshui Town and Qianfeng District to strategically plan and optimize infrastructure designs, manage environmental resources and constraints and target investment promotion activities to meet current and future needs. The component includes technical assistance for: (a) strategic capital investment and asset management planning; (b) strategic environmental planning; and (c) development of investment promotion services which reflect the towns' comparative advantages and strategic plans for infrastructure and environment.

Component 2: Linshui Town Integrated Urban Revitalization and Expansion.

The component will: (a) replace the combined sewer and drainage system with a separate sewer system (19km) in existing urban-industrial area; (b) create linkages to the urban core and Guang'an-Chongqing highway by constructing two main and two secondary roads (15.51km) in the urban-industrial expansion area with associated water supply, drainage and sewerage pipelines and tree planning and lighting; (c) increase wastewater treatment capacity (by 30,000m³ per day) and provide associated sewerage system and services in the urban-industrial expansion area (6km); (d) establish a technical skills training center in the urban-industrial expansion area; and (e) provide technical assistance and capacity building for skills training and employment services.

Component 3: Qianfeng District Integrated Urban Revitalization and Expansion.

The component will: (a) rehabilitate road networks (3.4km) in the urban core to improve linkages to the urban-industrial expansion area; (b) construct four secondary roads (16.8km) in the urban-industrial expansion area, including water supply, drainage and sewerage pipelines and tree planning and lighting; and (c) establish a 1.6km riverside ecological belt.

Component 4: Institutional Strengthening.

The component will support participating institutions to implement the project. The component includes: (a) project management and implementation support; and (b) management capacity building and associated training.

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

Guang'an City is located in southeast Sichuan, bordering Chongqing Municipality. It belongs to the sub-tropical humid monsoon zone with ample precipitation. Annual average temperature is 16-18 °C. Main landforms include low hills and river valleys.

Qianfeng District is located in the east of Guang'an City, around 17 km away from central Guang'an City. Qianfeng's long-term urban-industrial expansion area covers 23.86km². The current built-up area is about 3.1km² (mainly industries) located in the south of the urban-industrial expansion area, while in the north there is a residential area.

Linshui County is located to the southeast of Guang'an City, 38km away from central Guang'an City. The long-term industrial-urban expansion area is located in south of Linshui County Town, with a total area of 16.89km². The area is mostly hills and farmland. In the northern part of the

expansion area (about 3.5 km²), neighboring central Lishui County Town, industrial developments have taken place.

The population of Qianfeng District and Linshui County Town and surrounding areas is still predominantly rural. Over the next 10 – 15 years, urbanization in these areas is expected to result from rural to urban migration. Urban-industrial expansion is required to ensure the necessary jobs, housing and urban services can be created in these towns to absorb and provide good living conditions for rural migrant workers. However, along with the urban-industrial expansion process, land use change and industrial development will have a potential impact on local and regional environmental quality and resources. Also, since most of the rural residents in urban-expansion areas would lose their land permanently, it will be a challenge for them to generate and secure their family income unless appropriate measures are taken. To address the potential risks, a comprehensive assessment of direct, indirect and cumulative impacts is required as well as well-designed mitigation and public communication plans to ensure environmental and social considerations are integrated into planning processes and development decisions.

E. Borrowers Institutional Capacity for Safeguard Policies

A Prefecture Project Management Office (PMO) under Guang'an Municipal Development and Reform Commission will take overall responsibility for project preparation; while Linshui County and Qianfeng District will establish a PMO respectively for day-to-day project management, including safeguards. Neither MPMO nor Linshui County PMO or Qianfeng District PMO have experience of Bank-financed projects. There is a need to enhance safeguards management capacity through appointing qualified dedicated staff and providing training.

The PMO has engaged the China Railway Eryuan Engineering Group Company (CREEGC) to prepare the project Environmental Assessment. CREEGC is a Class A EIA institute accredited by the Ministry of Environmental Protection. CREEGC previously prepared the Environmental Assessment for the Bank-financed Sichuan Small Towns Development Project.

F. Environmental and Social Safeguards Specialists on the Team

Jun Zeng (EASCS)

Ning Yang (EASCS)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	The policy is triggered. The project is anticipated to result in environmental and social benefits through improving infrastructure services, enhancing environmental management, and providing employment opportunities. Although the physical activities of the project are fairly straightforward and the associated environmental impacts are anticipated to be limited, environmental and socially related issues related to changes in land use and urban-industrial expansion are the main issues to be assessed thoroughly in the EIA. Considering the

	<p>potentially significant impacts, it is prudent to assign category A to the project. Full assessment of potential project benefits and impacts is needed. Applicable World Bank Group Environmental, Health and Safety Guidelines will apply to the project EA as well.</p> <p>For each of the two project areas, an EIA and a standalone EMP will need to be prepared. An Environmental Assessment Executive Summary for the entire project will also need to be prepared.</p> <p>The EA shall address the following key issues:</p> <ol style="list-style-type: none">(1) Assessment scope. It is noted in both project areas, Bank financed and non-Bank financed activities have been planned. A Planning EA has been prepared for each of the two industrial-urban expansion areas respectively. EA will document concrete information of implementation schedule of planned development. Assessment scope and depth shall be proportional to the information available and risk levels. The EA ToR will document the information upfront. The delineation of the Project and its Area of Influence will be one of the first steps in the conduct of the EIA to determine its scope and that this will be spelled out in the ToRs.(2) Environmental baselines. Baselines will need to be thoroughly described in the EIA, including physical, ecological, and social conditions in the region and project areas.(3) Alternative analysis. The EIA shall include alternative analysis including “without project” versus “with project” scenario, road alignment and width, location of the wastewater treatment plant, disposal of sludge and receiving water body. The alternative analysis shall take into account technical, economic, environmental and social considerations.(4) Due diligence of existing municipal services and industrial activities. The EIA shall include water supply, wastewater treatment, solid waste collection, transfer and landfill, energy supply for the two areas’ parksurban-
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	<p>industrial expansion areas. In addition, basic information on waste streams, environmental management performance of enterprises in the two urban-industrial expansion zones shall also be examined and documented in the EIA.</p> <p>(5) Cumulative and induced impacts assessment. The EIA shall include a separate chapter on cumulative and induced impacts assessment beyond the immediate project sites, particularly on land use change and urban-industrial expansion. The assessment shall be based on existing industrial and infrastructure development, analyze planned development in the project areas, and assess overlapping and accumulation of the potential impacts, and assess resource threshold and environmental carrying capacity of the project area to conclude whether the proposed urbanization and industrial development is environmentally sustainable. Key findings and recommendations of the planning EIAs shall be appropriately incorporated into the project EIA in order to streamline the preparation process.</p> <p>Given the amount of time and effort needed to undertake a meaningful cumulative impact assessment and its implication on the project milestones and delivery it was agreed to undertake the main part of the cumulative and induced impacts assessment during project implementation. The cumulative impact assessment therefore would be undertaken in two phases, i.e., a first phase during project preparation to identify the main issues and potential cumulative impacts and agree on further work to be done during project implementation; and a second phase to conduct a detailed assessment during implementation as part of the capacity building component.</p> <p>(6) Information disclosure and public consultation. The mission emphasized the importance of conducting meaningful public consultation. The consultation shall be conducted through the EIA preparation process to determine key environmental issues,</p>
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		<p>safeguards policies to be triggered, extent of environmental and social impacts and how public concerns are to be incorporated into the project design and environmental management plan. Affected people, appropriate agencies and NGOs (if any) shall be consulted through questionnaire, interview and public meetings. In the case of questionnaire interview, the questions shall be designed in a specific and comprehensive manner. It's compulsory that when the draft EIA is prepared, the full report shall be made available to the general public.</p> <p>(7) Environmental Management Plan (EMP). The mission advised that a standalone EMP shall be prepared to address institutional arrangements, mitigation measures, monitoring and training requirements and environmental management budget.</p> <p>(8) The need for an environmental management framework will be further reviewed during preparation.</p> <p>(9) The EIA shall thoroughly address non-OP4.12 social impacts by incorporating findings and recommendations of social assessment.</p> <p>(10) Terms of reference for the environmental impact assessment which will include all the requirements listed above, are under preparation and will be reviewed by the Bank.</p>
Natural Habitats OP/BP 4.04	TBD	The project areas apparently have been subject to long-term and intensive human activities and do not meet the definition of natural habitats by OP4.04. Further screening will be carried out during project preparation in the project area of influence to confirm whether the policy needs to be triggered.
Forests OP/BP 4.36	No	The proposed project is not anticipated to involve forests. This policy is not triggered.
Pest Management OP 4.09	No	The proposed project is not anticipated to result in use or procurement of pesticides. This policy is not triggered.
Physical Cultural Resources OP/BP 4.11	TBD	Initial screening shows that in the project area there are no cultural relics identified in the project areas. Further survey of physical cultural resource will be carried out during project preparation and documented in the EA. If no physical cultural resources are identified,

		chance-find procedure will be included in the EMP.
Indigenous Peoples OP/BP 4.10	No	The project will support one district and one county in Guangan city in Sichuan province. The task team visited the Qianfeng District and Linshui County and had meetings with the municipal departments in charge of the minority affairs and the engaged villages. The task team concluded there is not any community of a Chinese minority identified by the Chinese government in the project area, only Han populations in those engaged villages. Han populations do not fall into the Bank ethnic minority definition. Thus, OP 4.10 is not triggered.
Involuntary Resettlement OP/BP 4.12	Yes	Involuntary resettlement is unavoidable for the purpose of project construction. Major involuntary resettlement impact will consist of collective land acquisition and structure demolition in both rural and urban areas. These details will be updated once the resettlement impact survey is conducted. A Resettlement Action Plan will be prepared by the client in both English and Chinese based on the requirements of Bank's OP/BP4.12. A Resettlement Policy Framework (RPF) will be prepared for involuntary resettlement that is yet to be determined but will take place during project implementation. A Due Diligence Report will be prepared for involuntary resettlement that has already taken place or that is on-going. Terms of Reference for the RAP, Due Diligence Report, and RPF are under preparation and will be reviewed by the Bank.
Safety of Dams OP/BP 4.37	No	There is a long-term plan for a dam to be constructed to the west of the Linshui Town urban expansion area. However, these plans are only tentative and there are currently no links to the proposed Project. At this stage the Safety of Dams is therefore not triggered. The task team will seek further information on the status of this proposed plan during preparation.
Projects on International Waterways OP/BP 7.50	No	The project will not involve any international waters. This policy is not triggered.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in any disputed areas. This policy is not triggered.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 15-Jun-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:

In parallel with the project feasibility study reports, the EA/EMP and RAP/RPF will be drafted and submitted to the Bank for review by January 2014.

IV. APPROVALS

Task Team Leader:	Name: Joanna Mclean Masic	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Peter Leonard (RSA)	Date: 28-Oct-2013
Sector Manager:	Name: Mark R. Lundell (SM)	Date: 29-Oct-2013

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.