

**INTEGRATED SAFEGUARDS DATA SHEET  
APPRAISAL STAGE**

**Report No.: ISDSA8845**

**Date ISDS Prepared/Updated:** 17-Nov-2014

**Date ISDS Approved/Disclosed:** 18-Nov-2014

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	China	<b>Project ID:</b>	P133456
<b>Project Name:</b>	Sichuan Chongqing Cooperation: Guangan Demonstration Area Infrastructure Development Project (P133456)		
<b>Task Team Leader:</b>	Joanna Mclean Masic		
<b>Estimated Appraisal Date:</b>	22-Sep-2014	<b>Estimated Board Date:</b>	24-Feb-2015
<b>Managing Unit:</b>	GSURR	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Urban Transport (59%), General water, sanitation and flood protection sector (38%), Vocational training (3%)		
<b>Theme(s):</b>	City-wide Infrastructure and Service Delivery (65%), Infrastructure services for private sector development (35%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	242.54	Total Bank Financing:	100.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			142.54
International Bank for Reconstruction and Development			100.00
Total			242.54
<b>Environmental Category:</b>	A - Full Assessment		
<b>Is this a Repeater project?</b>	No		

**2. Project Development Objective(s)**

The proposed Project Development Objective (PDO) is to support Linshui County Town and Qianfeng District Town to improve infrastructure and investment support services.

### 3. Project Description

Component 1: Technical Assistance (US\$ 600,000). This component will provide technical assistance to Linshui and Qianfeng to better plan and manage built urban assets, while taking into account the wider impacts of urban growth on the environment. It will support Linshui to better understand industries with potential for growth in Chongqing EMR and design target investment support services. The component includes technical assistance to: (a) prepare urban capital investment and asset management plans for Linshui County ETDZ and Qianfeng District Town; (b) conduct cumulative environmental assessments for Linshui County Town and Qianfeng District Town; and (c) carry out industrial value chain analysis, private sector demand surveys, and marketing and investment promotion services in Linshui County ETDZ.

Component 2: Linshui County Town (US\$ 64.39 million). This component will: (a) create a green transport (biking and busing) corridor between low-income areas in the town center and industrial areas in the Linshui county ETDZ, and linking to the Guang'an-Chongqing highway; (b) construct storm water drainage, sewage interceptors, sewage pipelines and treated effluent pipelines for existing and new residents and industries; (c) increase wastewater treatment capacity by building a wastewater treatment plant (WWTP); and (d) develop and implement industry-linked skills training for low-income and poverty individuals.

Component 3: Qianfeng District Town (US\$ 42.62 million). This component will: (a) develop an alternate passenger and cargo route between the railway station and industrial area, bypassing the town center; (b) construct sewage interceptors connecting to a non-Bank financed wastewater treatment plant; and (b) revitalize urban public space and create a slow, green transport corridor along the Luxi River, connecting low-income areas of the town center with industrial areas.

Component 4: Project Management and Capacity Building (US\$1.77 million). This component will support design, review, advisory and construction supervision needs for participating institutions to implement the project. The component includes: (a) consulting services for project management and construction site supervision; and (b) management capacity building and training.

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

Guang'an City is located in southeast Sichuan, bordering Chongqing Municipality in the east and south. It belongs to the sub-tropical humid monsoon zone with ample precipitation. Annual average temperature is 16-18 degrees Celsius. Main landforms include low hills and river valleys. Qujiang River, a secondary tributary of Yangtze River, crosses Guang'an City in its middle along a north-east to south-west direction. The central city of Guang'an (Guang'an District) is located on the west of the Qujiang River. Qianfeng County is located between the Qujiang River and Huaying Mountain, while Linshui County is located between Huaying Mountain and Tongluo Mountain.

Qianfeng County Town is about 17 km away from central Guang'an City. It is planned as a secondary urban center of Guang'an City. A 47km long Luxi River crosses Qianfeng County Town from northeast to southwest and eventually joins the Qujiang River. Except the existing built-up areas, land use in the county town is predominantly farmland. Currently the county town has a built-up area of about 6.15km<sup>2</sup>; industrial and residential areas account for around 50 percent each. Qianfeng's industrial park is in the south of the town. According to the Qianfeng New Town Regulatory Planning which was being prepared at the time of project appraisal (September 2014), the planned Qianfeng New Town will cover an area of 16.49km<sup>2</sup> by 2030. Monitoring results available

show the ambient environmental quality in Qianfeng County Town overall complies with applicable standards, except noise levels at night time, due to its closeness to an existing railway line.

Linshui County town is about 38km away from central Guang'an City. There are several rivers in the project area. The project will support construction of wastewater interceptors along the Shiba River, while another Bajiao River will be the receiving water body for treated effluent from the project supported No.3 wastewater treatment plant. The Shiba River crosses the middle of Linshui County Town from west to east. Lingbaoshan Stone Carving and Bridge Relics site, a municipal level Culture Relics Protection Unit, is located at the middle reaches of the Shiba river. Linshui County Town currently has a built-up area of 18.12 km<sup>2</sup>, including urban and residential area (11.12km<sup>2</sup>) and industrial area (7km<sup>2</sup>). Linshui County Town's industrial area is located to the south of its urban core and currently has about 60 enterprises. According to the urban master plan of Linshui County Town, by 2030 the town will cover an area of 28.3km<sup>2</sup>. Monitoring results available shows ambient environmental quality in Qianfeng County Town overall complied with applicable standards.

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 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.

## 5. Environmental and Social Safeguards Specialists

Jun Zeng (GSURR)

Ning Yang (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<p>Category A project. Full environmental assessment conducted. EIA and EMP for component 2 and component 3 prepared to address anticipated environmental and social impacts. Information disclosure and public consultation conducted per OP4.01.</p> <p>Environmental and social considerations have been incorporated into the scope of work and TORs of technical assistance activities under component 1.</p> <p>The project will have direct, indirect/induced and cumulative impacts. Manageable impacts that are associated with the project activities include: 1) soil erosion, vegetation clearance and disturbance</p>

		<p>and surface water/river pollution due to earthworks; (b) other construction impacts and social disturbance associated with wastewater, noise, dust and solid waste; (c) operational impacts such as noise, dust, air emissions, wastewater discharge, waste management associated with road transportation and wastewater treatment; and (d) operational risks associated with wastewater treatment plant. Besides, the project may induce or facilitate rapid industrial expansion and this induced development in turn will exert cumulative impacts in conjunction with other past, present and future activities. A preliminary assessment of induced and cumulative impact assessment included in the EA indicates that cumulative impact issues may include 1) land use change and loss of green area, 2) increased water, air and noise pollution levels along transport corridor and in urban areas; 3) impacts on regional macro and micro drainage patterns; and 4) loss of agricultural lands and agriculture-based livelihoods. Building upon the assessment, a technical assistance activity will be carried out during project implementation to further the strategic environmental and social assessment of urban-industrial expansion in Linshui County and Qianfeng District Town.</p>
Natural Habitats OP/BP 4.04	Yes	<p>The project area of influence is predominantly urban, industrial and agricultural, and does not include any critical natural habitats as defined in OP4.04. The policy is triggered because the project will bring both negative and positive impacts to natural habitats in the project area of influence.</p> <p>The project will have impacts on existing green areas and surface water/streams, such as clearance of vegetation and loss of farmland, and pollution of rivers during construction mainly.</p> <p>The project will bring positive environmental improvement on water quality and ecology of the rivers within the project area of influence due to the installation of interceptors and wastewater treatment facilities.</p>

		Both positive and negative impacts on natural habitats are covered in the EIA and EMP.
Forests OP/BP 4.36	No	There are no natural forests or plantation forests in the project area of influence. Thus the project will not have impacts on the health or quality of any forests. The policy is not triggered.
Pest Management OP 4.09	No	The project is not anticipated to result in procurement of pesticides or pesticide application equipment, or introduce new pest management practices, or lead to increased pesticide use. Therefore the policy is not triggered.
Physical Cultural Resources OP/ BP 4.11	Yes	<p>A Physical Cultural Resources survey was carried out during project preparation and the findings are included in the EAs. In Linshui County Town, a Lingbaoshan Stone Carving and Bridge Relics site is located in the vicinity of proposed sewage interceptor. The alignment of sewage interceptor pipeline has been adjusted to avoid passing thorough the cultural relics site. Precautionary measures are included in the EMP to avoid potential impacts on the site during construction.</p> <p>In both Linshui County and Qianfeng District Town, family graves will be relocated due to project construction activities. The relocation procedure and compensation have been addressed in the RAPs.</p> <p>Chance-find procedure has been included EMPs.</p>
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 Qianfeng District and Linshui County and had meetings with the municipal departments in charge of 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 reside 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 consist of collective land acquisition and structure demolition in both rural and urban areas. A

		Resettlement Action Plan was prepared by the client in both English and Chinese based on the requirements of Bank's OP/BP4.12. The RAP reviewed efforts to ensure that land acquisition and structure demolition have been minimized in accordance with Bank's OP4.12. A Due Diligence Report was prepared for linkage activities where land acquisition is already completed.
Safety of Dams OP/BP 4.37	No	The project will neither support building of any new dams, nor involve any existing dams or dams under construction. The policy is not triggered.
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.

## 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:

##### OP4.01 Environmental Assessment

The project is anticipated to result in environmental and social benefits through improving infrastructure services, enhancing environmental management, and improving opportunities for employment. Although the physical activities of the project are fairly straightforward and the associated environmental impacts are anticipated to be limited, environment and social issues related to changes in land use and urban-industrial expansion are potentially significant, therefore, the project is assigned Category A per OP4.01. Three environmental safeguards policies are applicable to the project, including OP4.01, OP4.04 and OP4.11. Applicable World Bank Group Environmental, Health and Safety Guidelines have also been taken into account in the Environmental Assessment (EA). An Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) have been prepared for the Linshui component and Qianfeng component, respectively. Environmental and social considerations will be incorporated into the scope of work and Terms of Reference (TORs) for technical assistance activities under component 1.

Per OP4.01, the EA scope was determined to include both Bank financed activities and locally funded infrastructure investments that complement the overall development plan of the new industrial zones in both Linshui and Qianfeng County Town. Regardless of the source of funding, the EA covers those infrastructure investments that are necessary to meet the project objective and enable the full functioning of these infrastructure services during operation.

Due to the nature and scale of construction and operational activities, the project has the potential to cause direct, indirect/induced or cumulative environmental and social impacts. Key environmental and social issues associated with the construction and operation of the project supported infrastructure include: (a) impacts related to soil erosion, vegetation clearance and

disturbance and surface water/river pollution due to earthworks; (b) other construction impacts and social disturbance associated with wastewater, noise, dust and solid waste; (c) operational impacts such as noise, dust, air emissions, wastewater discharge, waste management associated with road transportation and wastewater treatment; and (d) operational risks associated with the wastewater treatment plant. These impacts have been thoroughly assessed and can be adequately avoided, minimized and/or mitigated through measures developed either in the project design or in the project EMPs and the Resettlement Action Plan (RAP).

Beyond the direct impacts, the project may induce or facilitate rapid industrial expansion and this induced development in turn will exert cumulative impacts in conjunction with other past, present and future activities. A preliminary assessment of induced and cumulative impact assessment was carried out during project preparation. The assessment examined the expansion of urban and industrial areas, industrial developments and emissions, and environmental quality in the past years; superimposed with proposed infrastructure developments in coming years; and planned urban-industrial development in the two towns up to 2030. It is noted that Qianfeng County Town currently has a built-up area of 6.15km<sup>2</sup>, of which about 50 percent has been used as industrial land, which holds 29 enterprises including auto parts, electronics, textiles and garment making. According to the regulatory plan for Qianfeng New Town (currently under preparation), by 2030 the county town will cover an area of 16.49km<sup>2</sup>. Linshui County Town currently has a built-up area of 18.12km<sup>2</sup>, of which about 7km<sup>2</sup> has been used as industrial land, which holds about 60 enterprises related to food processing and machinery. According to the master plan of Linshui County Town, by 2030 the county town will cover an area of 28.3km<sup>2</sup>.

The assessment concluded that cumulative impacts associated with the urban and industrial expansion process may include: 1) land use change and loss of green areas, 2) increased water, air and noise pollution levels along transport corridors and in urban areas; 3) impacts on regional macro and micro drainage patterns; and 4) loss of agricultural lands and agriculture-based livelihoods. The assessment also identified a set of measures to address potential impacts including setting development boundaries, strengthening landscaping and waste management, etc. Building upon the assessment, a technical assistance activity will be carried out during project implementation to further the assessment and strategies to address environmental and social issues. The assessment will closely look into the environmental and social aspects of urban zoning, industrial development planning, and environmental protection planning processes of both towns up to 2030, the assessment is considered a strategic environmental and social assessment. A Terms of Reference for the assessment has been developed and included in the EMP.

#### OP4.04 Natural Habitats

The project area of influence is predominantly urban, industrial and agricultural, and does not include any critical natural habitats as defined in OP4.04. In both Linshui County and Qianfeng County Town, surface vegetation is mainly farmland crops, planted trees and bushes in rural areas. In Linshui the project activities will involve two rivers, i.e. Shiba River and Bajiao River. In Qianfeng, Luxi River crosses the project area. Ecological survey shows there are no protected or endangered plant, animal or aquatic species in the project areas and the rivers.

The project will have impacts on terrestrial ecology due to earth excavation, soil erosion, clearance of vegetation/farmland during construction. If not well managed, the project activities, including installation of wastewater interceptors along/crossing the rivers and operation of wastewater treatment plants, may also adversely affect the river ecology. However, the conversion of rural farmland to urban and industrial land will not lead to significant loss of natural habitats or

biodiversity in the areas. The project design and environmental assessment proposed a set of measures to avoid, minimize and mitigate the ecological impacts. The project will not result in significant degradation, conversion or loss of natural habitats. The project will also bring positive environmental improvement on water quality and ecology of the rivers within the project area of influence due to the installation of interceptors and wastewater treatment facilities. Post-construction vegetation and landscaping will be carried out along transport corridors, public spaces and restored sites as well.

#### OP4.11 Physical Cultural Resources

In Linshui, a proposed sewage interceptor has been adjusted to avoid the Lingbaoshan Stone Carving and Bridge Relics Site. However, the pipeline is still close to the site. To minimize potential impacts on the relics site, pipe-jacking construction technology will be used for sections crossing the river bed and hill near the protection area. This approach will avoid open excavation and blasting, thus minimizing potential impacts. Training of construction workers on protection of the relics site will be carried out during construction.

The project will also involve relocation of 1694 family graves (1626 in Linshui and 68 in Qianfeng) that are scattered in farmland in the project area. Based on field surveys and consultation with local communities, it is concluded that these local family graves do not have significant archaeological or historical value but nevertheless need to be properly relocated in consultation with the families. The relocation and compensation of these family graves have been properly dealt with through the project RAP.

#### Social

##### Involuntary Resettlement OP/BP 4.12

The Bank financed project construction and the non-Bank financed land development in the area will cause a combined 22,581 people from 6,434 families to be affected by the acquisition of 500 ha of collectively owned land; about 20,494 people from 5,814 families will be affected by the demolition of 1,321,237 m<sup>2</sup> of private houses. Although land development activities in Linshui County will be not financed by the Bank, the resettlement activities will be conducted at the same time as the Bank financed project, therefore all related resettlement impact was covered by the prepared Resettlement Action Plan.

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

Both Linshui and Qianfeng County Town have been going through a process of urban expansion and industrial development over the past years. They also have strategic plans for future development up to 2030. The EA carried out due diligence of past development, overlapping with proposed development in the coming 4-6 years, and projected development up to 2030 to assess induced and cumulative impacts. In order to continuously monitor such impacts, the project will support a technical assistance activity to conduct follow-up strategic environmental and social assessment during project implementation. This effort will enable a more detailed assessment that is adaptive to ongoing actual developments in the two towns.

The cumulative impact assessment conducted during project preparation covers urban expansion and industrial development in both towns. Specifically:

- In Linshui County Town, as of April 2014 the town covers an area of 18.12km<sup>2</sup>, of which



the industrial area (Linshui Economic and Technology Development Zone, ETDZ) covers an area of 7 km<sup>2</sup>. Linshui ETDZ was established in 2006 and holds about 60 enterprises currently, including agricultural food processing, machinery manufacturing, etc. Environmental monitoring results show emissions from the industries and ambient environmental quality met applicable environmental standards.

- In Qianfeng County Town, as of April 2014 the town covers an area of 6.15km<sup>2</sup>, of which about 50 percent is industrial. Qianfeng Industrial Park was established in 2006 and holds 29 enterprises, including manufacturing of auto spare parts, textiles and garments. Environmental monitoring results show emissions from the industries and ambient environmental quality met applicable environmental standards.

The proposed project, by providing some of the basic infrastructure, will facilitate the urban and industrial expansion of these two towns. Therefore induced and cumulative impacts are the main challenge for the project. If not well-planned, rapid urban expansion can be associated with deteriorating environmental quality around core urban areas with long-term consequences on local communities. Induced and cumulative impacts may be exerted beyond the direct area of influence of the project and even beyond the expansion area supported by the Bank loan. Therefore, the induced and cumulative impact assessment considers future development scenarios and identified several key issues.

- According to the Master Plan of Linshui County Town (2009-2030), the built-up area of Linshui county seat will reach an area of 22km<sup>2</sup> by 2019 and of 28.3 km<sup>2</sup> by 2030, compared to 18 km<sup>2</sup> in 2014. Some key infrastructure to be developed in the coming years, such as the West Ring Road will facilitate the urbanization of current farmland in Linshui County Town. In Linshui ETDZ, the main industries will include logistics, auto spare parts, machinery manufacturing and non-ferrous metal metallurgy and processing industries.

- According to the Master Plan of the Industrial Park in Qianfeng (2011-2020), the built-up area will reach 35.48 km<sup>2</sup> by 2020, compared to 3.5km<sup>2</sup> in 2014. Its main industries will include auto spare parts, electronic products, garments, textiles and show manufacturing. As of the project appraisal, Qianfeng District is preparing a Regulatory Planning for Qianfeng New Town (2013-2030), which indicates that by 2030 the Qianfeng New Town will cover an area of 16.49 km<sup>2</sup>. Since Qianfeng New Town includes the industrial park and its regulatory planning prevails the master plan for Qianfeng Industrial Park, it is expected that actual conversion of farmland to urban and industrial land from now to 2030 will follow the regulatory plan, i.e. from 6.15km<sup>2</sup> to 16.49km<sup>2</sup>.

By combining past, current and future developments, the identified key induced and cumulative impacts include:

- Land use change and loss of green area. In both towns, there will be significant land use change by the end of the planning period. Expansion of the urban and industrial areas will convert farmland and green spaces into urban, residential and industrial buildings. Given that most of the converted green area is farmland, it is not anticipated that there will be significant loss of natural habitats or biodiversity in the region.
- Loss of agricultural land. Most of the converted lands are farmland, which will reduce agriculture-based incomes for local farmers. It is expected that rural livelihoods will be converted

to urban and industrial-based livelihoods, which is already the trend in the project areas.

- Impacts on regional drainage pattern. The planned development will not impact natural river channels thus will not have significant impacts on regional drainage patterns. Due to the loss of green space more stormwater runoff may end up in rivers increasing local flooding probabilities. This has been taken into consideration in the design and building of drainage systems which have been designed to a higher flood probability level.
- Social issues. Loss of farmland and agriculture-based livelihoods and conversion to urban- and industrial-based ones presents both opportunities and challenges to local communities.
- Other issues may include increased pressure on environment quality such as air pollution, surface water quality, groundwater, solid waste management, etc.

The two towns have taken actions to address these issues, including stipulating development boundaries, building wastewater collection and treatment facilities, solid waste facilities, restricting enterprises to light polluting, labor intensive industries and building environmental monitoring and management institutions. Given the scale of planned development, the complexity level of issues, it is prudent to conduct further assessment during project implementation, taking into account a hybrid of induced, cumulative and strategic environmental and social issues related to urban and industrial development in the two towns. A Terms of Reference for the Strategic Environmental and Social Assessment has been developed building upon the preliminary assessment already conducted during preparation, and included in the EMP.

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

During EA preparation, various alternatives have been considered taking into account environmental, social, technical and economic considerations.

At a “without project” versus “with project” level, it is noted that the project will have significant benefits in terms of providing skills training and contributing to employment opportunities for local residents, boosting regional economic development, building environmental facilities such as wastewater treatment services. In addition, the project provides a chance to bring international good experiences to the towns in terms of a more healthy approach to urbanization, which is particularly valuable in the context of the country’s rapid urbanization.

At the project activity level, several alternatives have been considered. For wastewater treatment plants, the site selection, process, scale, treatment levels, location of effluent discharge and disposal of sludge for wastewater treatment plants have been carefully compared and selected to make sure they are environmental acceptable.

For the interceptor in Linshui county, its alignment and construction technology were selected to avoid or minimize potential impacts on Lingbaoshan Stone Carving and Bridge Relics Site.

For road building: In Linshui, the No.1 road will cross Hu-Rong Expressway, an overpass option was selected as it will cause less earthworks and present safer construction than the underpass option. In Qianfeng, the Gongye Avenue will cross Luxi River and a one-span beam bridge option is selected for this crossing as it will not affect the river channel by avoiding building in-water piers, which is preferable to a two-span bridge option, which was considered.

**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.**

Environment

The project owner has engaged an accredited EIA consultant to conduct the EA during project preparation. For each town, a full EA was carried out and includes an EIA Report and an EMP. These have been prepared in compliance with domestic EIA regulations and are consistent with Bank safeguards policies.

The EMPs have been prepared based on the findings of the EIAs. The EMPs outline measures to avoid, minimize, and mitigate potential environmental and social impacts as well as a budget for the implementation of EMPs activities. It outlines the roles and responsibilities of relevant organizations and institutions. The EMP incorporates plans for training, monitoring and evaluation, and budget estimates. It includes sets of Environmental Codes of Practice for contractors, which will be incorporated into bidding documents and contracts. The EMP also includes mitigation measures and a comprehensive capacity building plan for the local environmental authority, and a TOR for further induced and cumulative impact assessment.

The EMP includes a set of measures to address cumulative impacts identified during project preparation. These include technical measures such as landscaping and waste management, and implementation arrangements such as building a stakeholder dialogue and engagement mechanism. It also includes terms of reference for the strategic environmental and social assessment which will be carried out during project implementation.

The project owner has no prior experience in managing a Bank-financed project. The EMP has included a clear institutional arrangement that defines the environmental management responsibilities, supervision and reporting duties at the prefecture-level PMO at Guang'an Prefecture and district/county-level PMO in both Linshui and Qianfeng. An independent environmental monitoring consultant will be hired to assist the PMOs in managing environmental safeguard compliance during project implementation.

Social

Following the relevant Chinese laws, regulations and World Bank OP 4.12 on Involuntary Resettlement, the PMO has prepared a RAP to address involuntary resettlement impact caused by project construction. Since land acquisition for the phase development for Linshui Industry Zone will be conducted together with land acquisition caused by Bank-financed activities, the land acquisition for the purpose of Linshui Industry Zone development is covered by the prepared RAP. The resettlement planning work was carried out by the line agencies under the guidance of a team from Southwest Transportation University, with prior experience in resettlement planning for World Bank financed projects. Planning work included project impact inventory surveys, social economic surveys and consultations over resettlement and livelihood rehabilitation measures.

The borrower has rich experience in resettlement for domestic projects; however has little experience in Bank support projects. Trainings on Bank's OP4.12 were delivered by both Bank's team and social consultant, and all related local departments actively participated in the RAP preparation and SA exercise. At present, the borrower has a much clearer understanding of Bank's OP4.12. The draft RAP documents were disclosed on the websites of Guang'an DRC on October

20, 2014 with a newspaper announcement in the Guang'an Daily.
<b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b>
Two rounds of information disclosure and public consultation were carried out during project preparation. Public consultations were undertaken in the form of questionnaires, focus group discussions, and public meetings; such consultations will be on-going throughout project implementation. Project information was disseminated to displaced families and appropriate mitigation measures will be taken to address the public's concerns. Information disclosure on EA preparation was advertised through public bulletins, local newspapers, and the internet. The draft full EA documents were disclosed on the websites of Guang'an DRC on August 22, 2014 with a newspaper announcement in the Guang'an Daily. Public concerns raised during these consultations have been incorporated into the project design, the EMP and RAP.

### ***B. Disclosure Requirements***

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	24-Aug-2014
Date of submission to InfoShop	10-Sep-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	26-Sep-2014
"In country" Disclosure	
China	22-Aug-2014
<i>Comments:</i>	
<b>Resettlement Action Plan/Framework/Policy Process</b>	
Date of receipt by the Bank	11-Aug-2014
Date of submission to InfoShop	10-Sep-2014
"In country" Disclosure	
China	20-Oct-2014
<i>Comments:</i> The RAP was disclosed locally on August 25, 2014 and again on October 20, 2014	
<b>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.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

### ***C. Compliance Monitoring Indicators at the Corporate Level***

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
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 type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.04 - Natural Habitats</b>	

Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ ] No [ <input checked="" type="checkbox"/> ] NA [ ]
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 [ ] No [ ] NA [ <input checked="" type="checkbox"/> ]
<b>OP/BP 4.11 - Physical Cultural Resources</b>	
Does the EA include adequate measures related to cultural property?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
<b>OP/BP 4.12 - Involuntary Resettlement</b>	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
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 [ ] NA [ ]
<b>All Safeguard Policies</b>	
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 [ ] NA [ ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
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 [ ] NA [ ]
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 [ ] NA [ ]

### III. APPROVALS

Task Team Leader:	Name: Joanna Mclean Masic	
<b>Approved By</b>		
Regional Safeguards Advisor:	Name: Josefo Tuyor (RSA)	Date: 18-Nov-2014
Practice Manager/Manager:	Name: Abhas Kumar Jha (PMGR)	Date: 18-Nov-2014