Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 03/23/2021 | Report No: ESRSC01950

BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
China	EAST ASIA AND PACIFIC	P175561	
Project Name	Pathways for Decarbonizing Transport towards Carbon Neutrality in China		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Transport	Investment Project Financing	7/12/2021	9/15/2021
Borrower(s)	Implementing Agency(ies)		
People's Republic of China	Yantai Municipality PMO, Ministry of Transport, Henan Province PMO, Jiangsu PMO		

Proposed Development Objective

The Project aims to enhance the national policy framework, establish national and sub-national pathways, and pilot emerging technologies, towards decarbonizing transport.

Financing (in USD Million)	Amount
Total Project Cost	85.09

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The proposed Project would include the following component: (1) Policy framework towards decarbonizing transport; (2) Roadmap for transport carbon peaking and eventual decarbonization in diverse regions; (3) Capacity building; and (4) Monitoring and evaluation. Under the first component, the Project would develop a national framework of policies and technical standards to enable carbon peaking and eventual decarbonization of transport sector, a strategy to achieve carbon peaking in transport through emerging innovations, and evaluation framework for transport emissions. Under the second component, the Project would develop a national roadmap for transport carbon peaking

and decarbonization and support three pilot projects in selected localities. Indicative pilot locations include Yantai Municipality of Shandong Province, Henan Province, and Jiangsu Province; some additional proposals from other provinces may be considered and included during preparation if they demonstrate strong potential for decarbonization. Component 3 would support knowledge exchange and capacity-building activities, while project implementation and emission monitoring and evaluation would be supported under Component 4.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The increasingly urbanization and industrialization of China resulted in a sharp rise in emission of greenhouse gases (GHG) and other pollutants. The transport sector is one of the major contributors of energy consumption and GHG emissions in China, and most of GHG emissions are expected to happen at the metropolitan and city cluster level.

The proposed project consists of: a) studies on policy frameworks, strategies, standards, technologies, evaluation framework, and roadmaps for low-carbon transport development at national and regional level; b) pilot subprojects in Yantai Municipality, Henan and Jiangsu province, including transport emission monitoring, green hydrogen vehicles and hydrogen refueling stations, experiments on clean and efficient asphalt heating system, studies on promoting onshore power supply for vessels, studies on rural transport and logistics services, development of data platform, green financing mechanism, and zero-emission port, etc.; c) capacity building and project management and monitoring supports.

The technical assistance (TA) activities (e.g. policy and strategy studies) will be implemented nationwide, and thus the environmental and social (E&S) contexts will differ with regards to landscape, climate, natural and socio-economic conditions. Regarding landscape, there are extensive alluvial plains in the east, broad grasslands in the northern Mongolian plateau, hills and low mountain ranges in the south and the deltas of China's two major rivers (Yellow River and Yangtze River) in the central-east region. Given highly complex topography, the climate and natural conditions in China differ from region to region, monsoon climate in the east, temperate continental climate the northwest, and alpine climate for the Qinghai Tibet Plateau. In terms of socio-economic conditions, China's central and eastern provinces (including the three pilot municipality/provinces) are generally more advanced in terms of economic development and are more densely populated compared with the northern and western provinces. Most of the central and eastern provinces are Han Chinese dominated, whilst northern and western provinces have a comparably higher population of ethnic minority groups. The TA work will include analysis of these variables and address key aspects of social inclusion, consideration of issues relating to ethnic minorities and other vulnerable groups as well as systems to ensure data is secure and that personal data is not retained or used for other than approved purposes. Upon sub-project identification during preparation or implementation, further analysis of environmental and social baseline will be conducted as part of assessment process specific to individual investment.

D. 2. Borrower's Institutional Capacity

At the national level, the key counterpart is Ministry of Transport (MOT), and a national Project Management Office (PMO) will be established either under its Comprehensive Transport Division or one of its affiliated agencies. The national PMO will be in charge of day-to-day management of the overall project, including liaison with the Bank and coordination of the pilots, as well as the technical preparation, quality control of project outputs, procurement management, financial management, environmental and social (E&S) risk monitoring and project monitoring and evaluation (M&E) of the national components. Three local PMOs will be established respectively by the Jiangsu

Provincial Transport Department, the Henan Provincial Transport Department and the Yantai Municipal Transport Bureau. The local PMOs will be in charge of the day-to-day management of their respective parts of the projects. A Project Steering Committee (PSC) will be established at the national level to provide overall guidance and inter-agency coordination.

MOT has implemented three GEF projects, is familiar with the World Bank's policies and procedures, and has a satisfactory track record of safeguard management in previous Bank projects. The Yantai Municipal Transport Bureau is implementing the GEF6 Efficient and Green Freight Transport Project while the Jiangsu and Henan Provincial Transport Departments are relatively new to Bank projects. Although this project will be the first for MOT and the three participating provinces/cities to prepare and implement under the new Environmental and Social Framework (ESF), in general, national and provincial/municipal borrowers have the technical capacity to implement the project to meet the objectives of the ESSs, including good international industry practice (GIIP). A time-bound capacity development plan will be prepared in the ESMF (and key actions will be committed to under the ESCP), through which the capacity of national and local PMOs will be strengthened with regards to ESF implementation. Both national and local PMOs will have dedicated focal points to coordinate E&S risk management for the project. The national and local PMOs will hire E&S consultants to support preparing, updating, and implementing relevant environmental and social instruments. During project preparation, the Bank team will further assess PMOs' capacity in E&S risk management, and the demands for institutional capacity building will be identified. Given the capacity and demands assessment results, the Bank team will provide trainings to enhance both the awareness and capacity of the PMOs and relevant participating entities to ensure the project is implemented consistent with the ESF requirements. In relation to the TA aspects of the work, during implementation the Bank team will provide active oversight and guidance on the preparation of Terms of References (ToR) for analytical work.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC) — Substantial

Environmental Risk Rating — Substantial

The project has overall environmental benefits of promoting clean and low-carbon development and improving the efficiency of transport operation, and therefore reducing GHG emission, improving air quality, and contributing to climate change mitigation. The proposed project consists of TA activities at both national and regional level. Pilot subprojects will be carried out in Yantai, Henan and Jiangsu, details of which will be further confirmed during project preparation and implementation.

Implementation of TAs will not cause any direct adverse environmental impacts but will involve significant stakeholder engagement and potentially have downstream impacts during the implementation of the products/outcomes of TA, which would need to be considered and assessed during the TA studies. This is supported by building the counterpart capacity for integrating environmental and social objectives into their work, and have the ToRs and study outputs reviewed by the Bank to ensure that relevant ESSs of ESF are complied with. Based on current project design, the pilot subprojects will be largely composed of studies, but may involve civil works and equipment installation associated with dock infrastructure upgrading, transport emission monitoring, green hydrogen vehicle and refueling stations, battery energy storage systems (BESS), heating system experiments and data platform establishment. Pilot studies on green financing mechanism will need to consider relatively poor public awareness of

traffic safety in suburban and rural areas, and integrate traffic safety and environmental information disclosure into the evaluation parameters design. The civil works are anticipated to be on existing land or in existing buildings, located in urban or suburban area already disturbed by human activities, and unlikely to be in vicinity of any legally protected or customarily recognized cultural heritage. Also, the project design will exclude new construction or rehabilitation that would cause any adverse impacts to critical or natural habitats. The potential adverse environmental impacts during construction phase would mainly include general construction nuisance of dust, noise, soil disturbance, traffic safety, waste disposal, and disturbance to modified habitats, which are generally temporary, short-term, localized, of small to medium scale, and could be effectively avoided, reduced or mitigated through adopting mature civil work techniques and good management practice. Operation of asphalt producer could bring about environmental impacts such as air emissions, noise, wastewater and waste, and occupational health and safety (OHS) concerns. In domestic practice, the plant owner will be held responsible for conducting operational phase impacts monitoring through engaged external third parties, and are subject to supervision by local environmental authorities. The environmental risks during operation phase are thus expected to be manageable under current domestic regulatory system. Fire and explosion risks during BESS and hydrogen station construction and operation can be well controlled by following national design standards with safety considerations, including placement criteria, fire and explosion prevention measures and emergency response requirements. Battery waste management is an emerging issue that needs to be considered as current recycling technologies are complex. The environmental impacts assessment will compare domestic standards with the Bank's EHS guidelines and GIIP, and determine more stringent performance criteria for the asphalt production, battery and hydrogen station operation, and hazardous waste disposal.

MOT has demonstrated satisfactory performance to manage environmental and social risks under the safeguard policies during previous Bank project implementation. The overall environmental risk is rated substantial at this stage given the pilot subprojects uncertainty and potential downstream impacts and risks from TA activities.

Social Risk Rating Substantial

Overall, the project by promoting clean and low-carbon development and improving the efficiency of transport operation is anticipated to create social benefits. The proposed project consists of TA activities at both national and regional level. Pilot subprojects will be carried out in Yantai Municipality, Henan and Jiangsu province, details of which will be further confirmed during project preparation and implementation.

Implementation of TA studies will not cause any direct adverse social impacts but will involve significant stakeholder engagement and potentially have downstream impacts during the implementation of the products/outcomes of TA. As a result of TA recommended strategies or plans, there could be increased infrastructure investments, such as road or bridge rehabilitation, construction of renewable energy generation, storage and transmission facilities, construction or upgrading of logistic centres, bus depots, charging piles, etc. Similarly, the identification and development of a Green Financing mechanism under Component 2D will require specific measures to ensure potential social risks are effectively managed and ESF requirements are satisfied. The downstream social impacts of the potential infrastructure construction and operation would need to be considered and assessed via social assessments included in the TA studies, including comprehensive stakeholder analysis and engagement as well as focus on aspects to promote inclusion, pricing and access to affordable transport and issues which may be relevant to particular social groups such as ethnic minorities, the elderly, women and the poor and otherwise vulnerable etc. This will be supported by building the counterpart capacity for integrating environmental and social objectives into their

work, and the ToRs for this TA work will be reviewed and cleared by the Bank team to ensure that the relevant ESSs of the ESF are complied with.

The pilot subprojects will be largely composed of studies (e.g. regulatory framework and incentive system for onshore electricity, transport and logistics demand, green financing), but may involve small to medium scale civil works and equipment installation associated with dock infrastructure upgrading, transport emission monitoring, green hydrogen vehicle and refueling stations, battery energy storage systems (BESS), heating system experiments and data platform establishment. The civil works are anticipated to be on existing land or existing buildings, located in urban or suburban area already disturbed by human activities, and unlikely to be in vicinity of any legally protected or customarily recognized cultural heritage. Notwithstanding this, the TA work will assess these risks and define appropriate measures to manage potential risks. Although, the project design will exclude new construction or rehabilitation that would require large scale land acquisition, TA work will include the preparation of resettlement planning instruments proportionate to the identified risks and scale of acquisition such as resettlement policy frameworks (RPFs) and/or resettlement action plans (RAPs). Similar assessments associated with operational aspects of potential downstream investments such as the asphalt plants which may include community health and safety, labor and other aspects will be defined by the ToR for this work.

MOT has demonstrated adequate capacity and satisfactory performance to manage environmental and social risks under the safeguard policies during previous Bank project implementation. The overall social risk is rated substantial at this stage given the pilot subprojects uncertainty and potential downstream social impacts and risks from TA activities. The project's social risk rating will be further assessed when more specific information about pilot subprojects are available during preparation.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

Initial environmental and social due diligence was conducted primarily based on a desk review of the draft project concept note and desktop study of the environmental and social implications of relevant and similar studies. The project has overall environmental benefits of promoting clean and low-carbon development and improving the efficiency of transport operation in China and the pilot provinces/cities, and therefore reducing GHG emission, improving air quality, and contributing to climate change mitigation. By undertaking targeted TA work in identifying low carbon transport options, the project will allow specific social development and inclusion aspects also to be fully considered which will in turn improve the social outcomes from subsequent transport and financing proposals.

Implementation of TA studies will not cause any direct adverse impacts but will involve significant stakeholder engagement and potentially have downstream impacts during the implementation of the products/outcomes of TA. As a result of TA recommended strategies or plans, there could be increased infrastructure investments, such as road or bridge rehabilitation, construction of renewable energy generation, storage and transmission facilities, construction or upgrading of logistic centres, bus depots, charging piles, etc. The downstream environmental and social issues and implications associated with the potential infrastructure construction and operation would need to be considered and assessed during the TA studies, including conducting environmental and social risk scoping as part

of detailed and alternative analysis. This is supported by building the counterpart capacity for integrating environmental and social objectives into their work, and have the ToRs and study outputs reviewed by the Bank team to ensure that the relevant ESSs of the ESF are complied with.

Based on current project design, the pilot subprojects will be largely composed of studies (e.g. regulatory framework and incentive system for onshore electricity, transport and logistics demand, green financing), but may involve civil works and equipment installation associated with dock infrastructure upgrading, transport emission monitoring, green hydrogen refueling stations, battery energy storage systems (BESS), heating system experiments and data platform establishment. Studies on green financing mechanism will need to consider relatively poor public awareness of traffic safety in suburban and rural areas, and integrate traffic safety and environmental information disclosure into the evaluation parameters design. The civil works are anticipated to be on existing land or existing buildings, located in urban or suburban area already disturbed by human activities, and unlikely to be in vicinity of any legally protected or customarily recognized cultural heritage. Although, the project design will exclude new construction or rehabilitation that would require large scale land acquisition, TA work will include the preparation of resettlement planning instruments proportionate to the identified risks and scale of acquisition such as resettlement policy frameworks (RPFs) and/or resettlement action plans (RAPs). Similar assessments associated with operational aspects of potential downstream investments such as the asphalt plants which may include community health and safety, labor and other aspects will be defined by the ToR for this work. Meanwhile, the TAs will support inclusive planning and apply universal access concept for the public facilities and services involved.

The potential adverse environmental impacts during construction phase would mainly include general construction nuisance of dust, noise, soil disturbance, traffic safety, waste disposal, and disturbance to modified habitats, which are generally temporary, short-term, localized, of small to medium scale, and could be effectively avoided, reduced or mitigated through adopting mature civil work techniques and good management practice. No long-term irreversible adverse environmental impacts are expected. Operation of asphalt producer could bring about environmental impacts such as air emissions, noise, wastewater and waste, and OHS concerns. In domestic practice, the plant owner will be held responsible for conducting operational phase impacts monitoring through engaged external third parties, and are subject to supervision by local environmental authorities. The environmental risks during operation phase are thus expected to be manageable under current domestic regulatory system. Fire and explosion risks during BESS and hydrogen station construction and operation can be well controlled by following national design standards with safety considerations, including placement criteria, fire and explosion prevention measures and emergency response requirements. Planning for battery waste management will require the review of current recycling technologies and practices in China. The environmental impacts assessment will compare domestic standards with Bank's EHS guidelines and GIIP, and determine more stringent performance criteria for the asphalt production, battery and hydrogen station operation, and hazardous waste disposal.

As details of TAs and pilot subproject activities will not be confirmed until project preparation/implementation, an Environmental & Social Management Framework (ESMF) will be prepared prior to project appraisal to 1) state the principles for integrating E&S analysis into design and implementation of TAs and pilots; 2) provide the procedure for E&S screening and subsequent assessment of TA activities and pilots; 3) state the requirements on E&S instruments for TA activities and pilots.

The ESMF will:

a) Review national regulatory framework and their enforcement related to E&S management of the transport and logistics sector, along with mechanisms proposed to fill any major gaps if identified against ESF and also relevant GIIP;
b) Establish high-level environmental and social baselines pertaining to the project proportionate to the E&S risks;
c) Conduct a preliminary E&S risk scoping to inform the selection of E&S assessment instruments and the design of city and provincial pilots;
d) Conduct E&S screening and analysis of TAs, set out appropriate E&S assessment tools to analyze the downstream E&S risks and impacts of relevant studies, and propose recommendations for addressing potential E&S impacts that are consistent with ESSs 1-10;
e) Look into identifying triggers for applying strategic environmental and social analysis (SESA) tools and cumulative impact assessments;
f) Document procedures to address environmental and social impacts, including the E&S eligibility criteria/exclusion list, development, appraisal and approval of specific E&S instruments, implementation monitoring, public consultation and information disclosure;
g) Document key findings and recommendations from E&S assessment conducted for the project;
h) Review of existing institutional capacity on E&S management and the proposal for project-specific capacity building plan;
i) Establish monitoring and reporting requirements.

Once a pilot and specific subproject activities are known, the PMO should carry out screening to determine its eligibility for financing. The grant applicants will develop appropriate E&S documents proportionate to the risks and impacts of the particular activity, consistent with the ESMF. The E&S documents will provide sufficient details to inform stakeholder engagement and the Bank's decision making and also establish adequate risk management systems for key aspects such as data use and management. The PMO and the grant applicants will submit to the Bank and disclose the E&S documents as specified in the ESCP.

Areas where "Use of Borrower Framework" is being considered:

Although China has a comprehensive E&S Framework, its use for the project is not recommended due to the limited experience of the implementing agencies in implementing and applying ESF and its associated environmental and social standards. Also, a comprehensive assessment of the borrower framework has not been completed.

ESS10 Stakeholder Engagement and Information Disclosure

As a major component of the project will focus on providing study recommendations on policy, strategy, plan and mechanism development, and conducting capacity building activities, stakeholder engagement and information disclosure is a central pillar to promote transparency and inclusive planning, and ensure wide public participation, acceptance and equal access of vulnerable groups.

At this stage, key stakeholders identified for the project include i) national and local governments engaged in the transport and logistics sector management; ii) academic institutions, NGOs and community organizations involved in transport and logistics research; iii) companies undertaking transport and logistics projects design and implementation; iv) financing institutions currently involved or interested in financing low-carbon mobility projects;

(v) the wide public and communities that would be positively or negatively affected by the application of the project outputs; vi) vulnerable groups, such as ethnic minorities, advocacy groups and representatives of people with disability and other special needs, etc.

Considering the detailed TA and pilot activities may not be known until early stage of project implementation, the Borrower will develop a Stakeholder Engagement Framework (SEF) before project appraisal. The SEF will identify the specific stakeholder groups, strategically assess the impacts to and influence by various stakeholders, and map the different approaches for engaging with them. The SEF will include a framework outlining general principles and a collaborative strategy to identify stakeholders and plan for an engagement process per ESS10. The SEF will give particular consideration to the influential authorities/parties, the affected persons/groups, vulnerable groups and the current context of COVID-19.

Once the TA contents and details of pilot subprojects are known, an activity-specific stakeholder engagement plan (SEP) will be prepared. PMO shall put in-place culturally appropriate actions and measures to enable ongoing meaningful consultation throughout the whole process of studies and pilots. The activity-specific SEP will be developed with the implementation of appropriate mechanism for disclosure and public consultation. It will also include the description of an accessible and effective grievance redress mechanism (GRM) to respond to the concerns about the study findings as well as the risks in connection with the pilots. The GRM will be operational by project effectiveness and before any activities are supported that require the GRM coverage.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

This standard is relevant. According to ESF definition, PMO staff are not considered as “direct workers”, and they are managed as government civil servants, fully complying with national labor management regulations. ESS2 is not applied for such government civil servant except for the provisions on OHS. The contracted workers for the TA activities are mostly white-collar knowledge workers (e.g. consultants, trainers or monitors recruited by the implementing agency or its sub-contractors), and as such, effectively protected by existing legal system. The pilot subprojects may involve contracted workers to perform construction works, equipment installation, asphalt production, and data platform development and operation. Community workers are unlikely to be engaged in consideration of technical nature for the potential pilot subprojects. The risk of forced labor, child labor or health and safety regarding the contracted workers or primary supply workers is low considering China’s comprehensive regulations on labor protection and increasingly strengthened labor inspection by local authority. The labor and working conditions for the contracted workers and primary suppliers are subject to further assessment during preparation.

The TA studies would have potential downstream impacts on labor and working conditions. For example, application of TA outputs and recommendations may involve OHS risks to construction and operation workers associated infrastructure investments. Therefore, the TA studies should include assessment of labor-related risks and impacts and consider integrating mitigation into policy and standards design and development. The ESMF will set out the procedure to include the ESS2 related aspects in the policy and roadmap studies. As there is uncertainty on the

provincial/city-level pilot subprojects which may present labor management risks, the screening process as set out in the ESMF will identify the key ESS2 related issues (which include fire and explosion risks associated with hydrogen refueling stations and BESS, and OHS issues related to asphalt production), and the ESMF will set out ESS2 related criteria for pilots selection and design.

Prior to project appraisal, a Labor Management Procedure (LMP) will be prepared by the Borrower, which is consistent with ESS2 and national labor laws, including procedures relating to working conditions and terms of employment, nondiscrimination and equal opportunity, grievance mechanisms and OHS. Furthermore, a dedicated training on the implementation of LMP will be carried out. There are two tiers of consideration for applying the LMP. The first tier is to apply the LMP during the project implementation to protect workers' rights, health and safety, and respond to workers' grievance as set out in ESS2. A second tier is to recommend appropriate LMP as an instrument to manage downstream labor risks identified in relevant studies.

During project implementation, the labor and working conditions of subprojects will be subject to spot checks by the Borrower and the World Bank as part of monitoring and supervision requirements. Incidents (e.g. health and safety incidents in the workplace) involving any type of labor hired under the project should be reported to the Bank through the reporting mechanisms established for the project.

ESS3 Resource Efficiency and Pollution Prevention and Management

This standard is considered relevant as the project aims to improve energy efficiency in transport sector and minimize emission of climate pollutants. Study and comparison of various technology solutions and their early applications for transport decarbonization will need to benchmark energy efficiency and GHG emissions with available national and international benchmarking data and standards, including GIIP and the applicable EHS guidelines of the World Bank Group. Recommendations from TA studies may have downstream implications on resource efficiency and pollution management, and there is uncertainty on the provincial/city-level pilot subprojects which may present pollution risks and resource utilization issues. During project preparation, a preliminary scoping will be carried out to screen and assess the key ESS3 related issues with regards to the TA studies and pilots, and any downstream implications by applying the outputs from the studies. The scoping results will inform the preparation of the ESMF to require that the ToRs for the TA studies and design of pilots to take into account sustainable use of resources and pollutants minimization. For implementation of lithium-ion battery energy storage systems under proposed Jiangyin zero-emission port pilot, the used batteries are considered hazardous waste with damage to humans and environment if not properly disposed. During project preparation, relevant domestic regulations and their enforcement will be reviewed against the requirements of ESS3 and the World Bank's applicable EHS guidelines, and a review will be conducted on the overall E&S performance of main battery producers and battery disposal sites in the market to inform the assessment and mitigation measures proposed in the ESMF/ESCP.

ESS4 Community Health and Safety

This standard is relevant.

Some pilot subprojects may involve small to medium scale civil works on existing land or in existing buildings, and bring general construction nuisance (e.g. dust, noise, traffic disturbance, waste, construction camps) to communities located close to the construction site. These construction impacts are temporary, short-term, localized, and can be readily mitigated by incorporating good civil work practices, including good traffic management planning. Given the expected nature and scale, these civil works are unlikely to cause large labor influx. Therefore, the risks of communicable disease spread or Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH)associated with labor influx are considered low. Operation of asphalt production plants could bring community health and safety concerns such as air pollution, noise, wastewater and waste. In addition to follow existing national regulatory and supervision system for these operational phase impacts, necessary actions/mitigations measures will be proposed in the ESMF and ESCP to further control these impacts.

The TA studies of the project may involve quite a number of meetings, workshops and trainings with stakeholders, and travel by project workers to the field, in which case there is possibility of the transmission of communicable diseases such as COVID19. Therefore, preventative measures need to be built into project design and operating procedures to minimize the risk of person-person transmission. Community health and safety guidelines will draw on existing national, World Bank and WHO guidance on COVID-19 to prevent or minimize the spread of COVID-19 in the workplace or communities. The Borrower will monitor the situation and prepare emergency response plan for COVID-19 spread when it is necessary.

A second tier to apply ESS4 to the TA studies and pilots is that potential downstream community health and safety risks and impacts (such as traffic and road safety), shall be considered and appropriate mitigation advice proposed following the requirements of ESS4. Also, the TAs will support inclusive planning and apply universal access concept for the public facilities and services involved.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is considered relevant, although the project itself will focus on technical studies. Resettlement risks are primarily associated with the downstream application of the project outputs. Although, the project design will exclude new construction or rehabilitation that would require large scale land acquisition, there is potential for the downstream activities to require land acquisition and/or have impacts on livelihoods/livelihood systems. Accordingly, the TA work will include the preparation of resettlement planning instruments proportionate to the identified risks and scale of acquisition such as resettlement policy frameworks (RPFs) and/or resettlement action plans (RAPs). Screening guidance for this work – and to inform future TAs – will be included in the ESMF to be prepared prior to appraisal.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard is considered relevant. Exclusion criteria will be included in the ESMF to avoid any negative impacts on critical habitats or natural habitats. Civil works under pilot subprojects may cause temporary and localized disturbance to modified habitats. Under the proposed ESMF, all pilot subprojects will be screened whether the construction or operation may cause adverse impacts to any modified habitat and its biodiversity, and mitigation measures will be proposed to avoid or minimize the impacts. The TA activities will also include screening, scoping and assessment of impacts to habitats and biodiversity from applying the TA study outputs, and propose recommendations to address the impacts. Relevance of ESS6 will be further reviewed during project preparation.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

ESS7 is deemed relevant due to the National level TA work. Some western and northwestern regions (such as Gansu, Qinghai, Inner Mongolia, Shanxi, etc.) have a higher composition of ethnic minority groups. The TA activities will include specific social assessment and screening aspects relevant social risks to ethnic minorities. Applying the advice in the study outputs may induce potential social implications to ethnic minorities, such as land acquisition, labor and working conditions, community safety, etc. This TA work will include a preliminary scoping to analyze the impacts and impacts on ethnic minorities.

The ESMF and stakeholder engagement framework (SEF) to be prepared prior to appraisal will include elements consistent with ESS7 to ensure any risks which may be experienced by ethnic minority communities are fully addressed in the TA work during the project. This guidance will include process for determining whether separate ethnic minority development plans (EMDPs) may be required for subsequent downstream investments.

ESS8 Cultural Heritage

This standard is considered relevant. The project will neither have a material impact on intangible cultural heritage nor use such cultural heritage for commercial purposes. The civil works under pilot subprojects are anticipated to be on existing land or in existing buildings, located in urban or suburban area already disturbed by human activities, and unlikely to be in vicinity of any legally protected or customarily recognized cultural heritage. The E&S screening process of ESMF will include screening for risks and impacts on cultural heritage, and relevant requirements of ESS8 will be applied where subprojects are found to have significant risks and impacts on cultural heritage. The ESMF will also incorporate chance find procedures. Relevance of ESS8 will be further reviewed during project preparation.

ESS9 Financial Intermediaries

This standard is not relevant as the project will not involve any financial intermediaries.

B.3 Other Relevant Project Risks

Not currently anticipated.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
OP 7.60 Projects in Disputed Areas	No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

Not applicable.

B. Proposed Measures, Actions and Timing (Borrower's commitments)

Actions to be completed prior to Bank Board Approval:

PMO to develop an ESMF in compliance with ESF;
PMO to develop a LMP in compliance with ESS2;
PMO to develop a SEF in compliance with ESS10;
PMO to develop Appraisal stage ESCP;
PMO to develop timebound institutional capacity enhancement plan (as part of the ESMF);
PMO to disclose the ESMF, SEF, and ESCP as early as possible and before Appraisal.
For the pilot subprojects that can be determined before appraisal, the grant applicants to develop appropriate environmental and social documents consistent with the ESMF and ESSs, reviewed by the Bank, and disclosed before appraisal.

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

Maintenance of national and local PMOs with qualified staff and resources to support management of environmental and social risks and impacts of the Project, including an environmental and social specialist.
TORs for TA studies to be reviewed by the Bank to ensure compliance with the relevant provisions of the ESF.
Maintenance of an operational and effective stakeholder engagement and grievance redress mechanism by the national and local PMOs.
National and local PMOs to implement SEF at all critical stages of the project.
For those pilot activities that would be confirmed during implementation, grant applicants to develop appropriate E&S documents consistent with the ESMF and apply relevant ESSs.
PMOs to submit annual Environmental and Social Monitoring Report.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS 24-May-2021

IV. CONTACT POINTS

World Bank

Contact:	Jung Eun Oh	Title:	Senior Transport Specialist
Telephone No:	5788+7728 / 86-10-58617728	Email:	joh2@worldbank.org
Contact:	Yi Yang	Title:	Transport Specialist
Telephone No:	5788+7718 / - -5861-7718	Email:	yyang3@worldbank.org

Borrower/Client/Recipient

Borrower: People's Republic of China

Implementing Agency(ies)

Implementing Agency: Yantai Municipality PMO

Implementing Agency: Ministry of Transport

Implementing Agency: Henan Province PMO

Implementing Agency: Jiangsu PMO

V. FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: http://www.worldbank.org/projects

VI. APPROVAL

Task Team Leader(s):	Jung Eun Oh, Yi Yang
Practice Manager (ENR/Social)	Susan S. Shen Recommended on 19-Mar-2021 at 11:44:18 GMT-04:00
Safeguards Advisor ESSA	Nina Chee (SAESSA) Cleared on 19-Mar-2021 at 09:54:48 GMT-04:00