

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC9978

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I. BASIC INFORMATION

A. Basic Project Data

Country:	China	Project ID:	P149485
Project Name:	Ningbo Sustainable Urbanization Demonstration Project (P149485)		
Task Team Leader(s):	Paul Procee		
Estimated Appraisal Date:	08-Sep-2015	Estimated Board Date:	31-Dec-2015
Managing Unit:	GSURR	Lending Instrument:	Investment Project Financing
Sector(s):	Public administration- Financial Sector (15%), Urban Transport (45%), General water, sanitation and flood protection sector (40%)		
Theme(s):	Pollution management and environmental health (10%), Urban planning and housing policy (25%), Municipal finance (15%), City-wide Infrastructure and Service Delivery (50%)		
Financing (In USD Million)			
Total Project Cost:	300.00	Total Bank Financing:	150.00
Financing Gap:	150.00		
Financing Source			Amount
Borrower			0.00
International Bank for Reconstruction and Development			150.00
Total			150.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The objective of the project is to demonstrate more sustainable urbanization approaches for small towns by improving transport connectivity and resilience to floods.

C. Project Description

1. The project is being designed following a framework approach. During project preparation, the overall objectives, scope and framework for identification, preparation and implementation of infrastructure investments will be prepared and agreed with the municipal and county governments. The first batch of specific infrastructure investments will be identified and appraised during project preparation. The size of the first batch will depend on the indebtedness capacity and financial sustainability of Xiangshan County (preliminary financial assessment indicates that the first batch will be around US\$ 50 million in IBRD financing). Subsequent phases of financing will be triggered on the basis of good progress with the implementation of the previous batch of subprojects, identification of eligible projects in line with the PDO and adequate capacity of the County to manage and finance additional subprojects. Other counties in Ningbo Municipality could be considered in future batches of the project. Infrastructure investments will be selected based on eligibility criteria under the following project components focusing on urban livability, public transportation and flood risk management:

2. Component 1. Urban livability. This component will focus on an integrated approach to create a more livable urban environment by enhancing clean transportation choices and connecting people to jobs, employment centers, educational institutions and health care facilities and improving access to public spaces. Eligible investments include: (i) improvements to pedestrian and bicycle infrastructure; (ii) rehabilitation and construction of urban streets; (iii) improving public spaces including landscaping and scenic beautification of the inner city; (iv) developing safer street crossings; (v) intelligent transport systems, (vi) improvements in access and connectivity between walking, biking and public transport; (vii) traffic management and safety measures. Special attention will be given to the affordability of different transportation options and improving the access of migrants and low-income households and students to employment centers and educational institutions.

3. Component 2. Public transportation. This component will focus on investments to improve the access, quality and efficiency of the urban bus system. The bus operations in the county have very low ridership and the connectivity between local and regional transport being reviewed and support will be provided to improve bus service capacity and reliability; increase coverage and accessibility of the system. Eligible investments include new and replacement buses and related equipment, rehabilitation and new bus stops, intermodal terminals and bus depots and maintenance facilities. These investments are closely linked to Component 1 and ensure an integrated system is created that would increase overall efficiency of the urban transport system within the city by better integrating non-motorized systems at the neighborhood level with public bus systems for longer-distance trips within the county.

4. Component 3. Flood Risk Management. This component will focus on reducing the vulnerability of the county to the risks of floods. A combination of structural and non-structural measures will help the city better prepare and protect critical assets and vulnerable people to potential floods in the future. An important aspect will be to increase opportunities for the water to infiltrate into the ground rather than (or before) channeling it to the fixed capacity drains and pipes. Infiltration trenches, filter strips, vegetated swales and planter beds all work by retaining water. Eligible investments will be designed with the following principles and features: protection of natural water systems, reduction of storm water runoff and peak flows, protection of water quality and ecosystem by increasing filtration and retention, and upgrade of flood protection and drainage infrastructure. The subcomponent will also assist in the emergency preparedness and response systems, urban planning and protection of green space.

5. Component 4. Technical Assistance and Capacity Building. This component is closely linked to the previous components and aims at creating more livable local communities and supporting local governments in finding cost-effective solutions based on sound financing plans. This component is divided into the following subcomponents:

- Subcomponent 4.1. Sustainable local development and planning. This subcomponent will support local governments in reviewing and possibly updating policies, codes, and capital investment plans to integrate transportation, housing, and economic development; support local real estate markets; and stimulate private investment. Activities can include analyzing and reviewing local master plans, zoning codes, and building codes, either on a county level or in a specific community, district, or corridor to promote mixed-use development, affordable housing, the reuse of existing buildings and structures for new purposes, and street and corridor revitalization.

- Subcomponent 4.2. Capital Investment and Asset Management. Given the large fixed asset investments made by counties in the last decade, annual spending on managing and maintaining these assets will increase substantially in the near and medium-term. Most existing infrastructure is not well operated and maintained and their value is depreciating quickly. There is a lack of incentive in proper asset management and limited knowledge of full project-cycle asset management. This component will support counties in Ningbo to develop information and tools for full-cycle management of infrastructure assets, including asset inventory, valuation, planning and budgeting. It will be complemented by capital investment plans that help municipal governments focus on local development goals and public service needs, encourage more efficient program administration, identify the most economically sound means of funding, and enhance credit ratings.

- Subcomponent 4.3. Innovative financial mechanisms for public service delivery. This component will help develop innovative financing mechanisms to improve the public finance systems and attract private investments in infrastructure and service delivery. Options that will be considered are concessions, PPPs, public-private finance facility at Ningbo municipal level will be evaluated, and Capital Investment and Asset Management Plan will be established for both the transport and water sectors.

- Subcomponent 4.4. Project Management and Supervision. This subcomponent will support the implementation of the OM and strengthen the institutional capacity of the implementing agencies. Specifically, it supports (i) monitoring and evaluation activities; (ii) training and study tours to enhance both project management skills and the technical capacity of the PMOs and implementation agencies at all levels; (iii) financial management, procurement, safeguards, supervision and other consulting services; and (iv) additional operating costs. An Operational Manual (OM) will be prepared for the selection, appraisal and supervision of subprojects during project implementation.

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

6. Ningbo Municipality is located in the Northeast part of Zhejiang Province, just 2 hours south of Shanghai. It is bounded on the east by the East China Sea and on the north by Hangzhou Bay. Its land area is 9,816 square kilometers, with 1,562 km of coastline. The city proper of Ningbo is sandwiched between the ocean and low-lying mountains to the southwest, with coastal plain and valleys in between. There are 531 islands in the municipality and important peninsulas include the Chuanshan Peninsula and the Xiangshan Peninsula.

7. Ningbo has a humid subtropical climate with four distinctive seasons, characterized by hot, humid summers and chilly, cloudy and drier winters (with occasional snow). The city receives an average annual rainfall of 1,440mm and is affected by the plum rains of the Asian monsoon in June, when average relative humidity also peaks. From August to October, Ningbo experiences the effects of typhoons, and is affected by an average of 1.8 storms annually, though the city is not very often struck directly by these systems.

E. Borrowers Institutional Capacity for Safeguard Policies

8. The Ningbo PMO (NPMO) has extensive experience preparing and implementing World Bank projects. It is working closely with County PIUs on the preparation of this project and ensuring the project complies with the Bank's Safeguards policies and procedures. The NPMO will continue supporting the project and building the capacity of the county level agencies. In addition, experienced consultants have been hired to prepare the Environmental and Social Assessment and relevant documents, including the Environmental Management Plan (EMP), Resettlement Action Plan (RAP), and Environment and Social Management Framework (ESMF). Surveys with potential beneficiaries and project affected people are being conducted to ensure selected investments and alternatives take into account the local needs and requests.

F. Environmental and Social Safeguards Specialists on the Team

Aimin Hao (GSURR)

Xin Ren (GENDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>Since the project will focus on regeneration of old cities, all sub-projects will be located in built-up urban area. With the types of activities as described under component 1-3, environmental impacts will mostly relate to construction, such as noise and dust, construction waste disposal and temporary storage on-site, borrow pits and disposal off-site, small vegetation loss, soil erosion at water front work, sewage discharge, traffic impact, social and business disturbance and traffic safety. These impacts are of temporary nature, mostly site-specific, few if any of them are irreversible and in most cases mitigation measures can be designed more readily than for Category A projects. Therefore, a category B is proposed, but will be revisited prior to quality enhancement review (QER) when more information becomes available.</p> <p>Since not all sub-projects will be identified during appraisal, an Environment and Social Management Framework (ESMF) will be prepared that describes the environmental and social screening, preparation, implementation, and monitoring process of sub-</p>

		<p>projects according to the the relevant World Bank safeguard policies. An Environmental Impact Assessment (EIA) report and Environmental Management Plan (EMP) will be prepared for the identified subprojects.</p> <p>Based on the results of impacts screening, alternative analysis, and baseline definition, key impacts will be assessed thoroughly and mitigation measures developed. Off-site impacts, such as a borrow pit, disposal site, will be addressed. Those non-OP4.12 impacts, such as potential disturbance to local communities and customs, livelihood impacts and safety concerns shall be addressed. Both construction and operational impacts shall be considered.</p> <p>As per World Bank policy OP4.01 and national regulations, at least two rounds of public consultation are needed. People to be consulted include: local affected communities (men and women)/ institutions/ businesses, local governments and authorities, etc. Means of consultation include public meetings, individual interviews and questionnaire surveys. The mission emphasized that draft full EIA reports shall be disclosed.</p>
Natural Habitats OP/BP 4.04	TBD	<p>Although the current identified subprojects are all within the urban built up area of Xiangshan County, systematic survey during the project preparation is needed to understand if any future subprojects might have an impact on sensitive areas such as nature reserves or important habitats. The Environmental and Social Management Framework (EMSF), will include procedures to identify and assess the potential impacts of subprojects on important habitats and ecosystems, including migratory channels, spawning/breeding/feeding/wintering grounds, and endangered, protected or rare species. In particular, investments under Component 3 (flood control) will be designed with the principles of protecting natural water systems, water quality and ecosystem by increasing filtration and retention and upgrading the flood protection and drainage infrastructure.</p>
Forests OP/BP 4.36	No	The project will not involve any forestry related activities.
Pest Management OP 4.09	No	The project will not result in the use or procurement of pesticides. The policy OP 4.09 is not triggered.

Physical Cultural Resources OP/BP 4.11	Yes	A survey of physical cultural resources shall be conducted through field investigation and consultations with the local cultural relics bureau as well as communities during the EA preparation. Relevant measures and procedures will be included in the EMP and EMSF in case physical cultural resources might be uncovered or affected during construction in particular.
Indigenous Peoples OP/BP 4.10	TBD	Selected project investments are all in the existing urban area of the county seat, however, as the project locations are not finalized at this stage, it is too early to conclude that there will be no minority village in the project areas. Therefore, the policy application will be decided in the next stage, depending on further screening of minority issues during the social assessment. In addition, the ESMF will also include screening procedures to assess and manage ethnic minority, resettlement, gender and vulnerable groups.
Involuntary Resettlement OP/ BP 4.12	Yes	The project will finance the construction of roads, transport and water related infrastructure and facilities all of which might require land acquisition and resettlement. OP/BP 4.12 will be triggered and a Resettlement Plan (RP) prepared accordingly. Since not all sub-projects will be identified during appraisal, an RPF as part of the ESMF will also be prepared. The SA will consider gender, poverty and other relevant social issues in the resettlement process. The EMSF and RP will include procedures to assess and implement land acquisition and resettlement activities in accordance to Bank Safeguard policies.
Safety of Dams OP/BP 4.37	No	The project will not involve any dams. The policy is not triggered.
Projects on International Waterways OP/BP 7.50	No	This policy is not applicable and triggered.
Projects in Disputed Areas OP/ BP 7.60	No	This policy is not applicable and triggered.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 14-Aug-2015

**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:**

All safeguard related studies, including the Environmental Impact Assessment (EIA), the Environmental Management Plan (EMP), the Social Assessment (SA), the Resettlement Action

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.

Plan, and the Environment and Social Management Framework (ESMF), will start in March and should be completed by August 2015.

IV. APPROVALS

Task Team Leader(s):	Name: Paul Procee	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 07-Apr-2015
Practice Manager/ Manager:	Name: Abhas Kumar Jha (PMGR)	Date: 07-Apr-2015