

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA16525

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I. BASIC INFORMATION

1. Basic Project Data

Country:	China	Project ID:	P145897
Project Name:	GEF Mainstreaming Integrated Water and Environment Management (P145897)		
Task Team Leader(s):	Liping Jiang		
Estimated Appraisal Date:	01-Mar-2016	Estimated Board Date:	09-May-2016
Managing Unit:	GWA02	Lending Instrument:	Investment Project Financing
GEF Focal Area:	International waters		
Sector(s):	Agricultural extension and research (70%), Water supply (30%)		
Theme(s):	Water resource management (60%), Other environment and natural resources management (40%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	9.50	Total Bank Financing:	0.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			0.00
Global Environment Facility (GEF)			9.50
Total			9.50
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Global Environmental Objective(s)

The Project Development Objective (PDO) is to increase water productivity and reduce pollution discharges in the project areas to mainstream and scale up an innovative approach to integrated water

and environmental management in the three river basins entering the Bohai Sea.

The PDO will be achieved through: (a) increasing irrigation water use efficiency and all other ways possible to effectively use water under a cap of water consumption; (b) reducing water pollution discharges under a cap of environment capacity and (c) increasing ecological river flows. The above measures will minimize the negative impacts on the ecosystem of Bohai Sea, contributing to the achievement of global environmental benefits (GEBs).

3. Project Description

The project has the following components:

Component 1: Mainstreaming of Innovative IWEM Approach (US\$1.20 million of GEF Grant plus US\$2.25 million of government financing - total of US\$3.45 million). Component 1 will carry out research on new policy options, and the application of existing government policies as well as innovative technologies to mainstream the ET/EC-based IWEM approach and promoting its standardization through the development of operational manuals and guidelines, which will be informed through the results for project-supported activities in two demonstration areas (Component 2) in the Hai River Basin complemented with case studies and research combining to encourage a shift towards more efficient modes of production.

- (a) Sub-component 1.1 - Studies on application of policies and technologies on mainstreaming the IWEM approach, which will also lead to the formulation of new and/or application of existing policies and technology in support of mainstreaming the IWEM approach. A total of 4 Studies will be supported under this sub-component that will address critical policy issues in China's water sector; and
- (b) Sub-component 1.2 - Preparation of operational manuals and guidelines for the IWEM approach. The development of a series of 5 operational manuals and guidelines will be supported under this sub-component.

Component 2: Demonstration in Hai Basin on the IWEM Approach (US\$2.80 million of GEF Grant plus US\$87.30 million of Government Financing – total of US\$90.10 million). Component 2 will support the preparation and implementation of Target Value Allocation Plans (TVAPs) in two sub-river basins (the Luan and Hutuo) and the Integrated Water and Environment Management Plans (IWEMPs) in two demonstration city areas Cheng-De (water-pollution dominant areas) and Si-Jia-Zhuang (water-overuse dominant areas) in the Hai River Basin whose implementation will lead to improved water productivity, reduced water consumption and water pollution and increased ecological environment flows in the rivers through the integration of ET and EC targets to guide and control water extraction, utilization and pollution discharges. It will be fully supported by results stemming from activities supported under Component 1.

- (a) Sub-component 2.1 - Application of the IWEM Approach in Cheng-De. Under this sub-component a TVAP and IWEMP will be supported for the Luan Sub-basin and the Cheng-De municipal district respectively. The implementation of the Plan will be complemented by several project-supported activities; and
- (b) Sub-component 2.2 - Application of the IWEM Approach in Si-Jia-Zhuang. Similar to the activities in the previous sub-component a TVAP and IWEMP will be supported for the Hutuo Sub-basin and Shijiazhuang municipal district, respectively accompanied by several supporting activities.

Component 3: Scaling up the IWEM Approach to Three River Basins (US\$3.60 million of GEF

Grant plus US\$3.70 million of Government Financing - total of US\$7.30 million). Component 3 will scale-up the ET/EC-based IWEM approach with innovative technologies and policy interventions tested in the two pilot sub-river basins and demonstration cities under the previous components to cover additional areas in the Liao, Hai and Yellow river basins, respectively. Together with the demonstration projects supported under components an estimated 35% of the “Problem Areas” in the three river basins will be covered (see Table 1 above). The development of two platforms with accompanying data bases at the national level will also be supported for purposes of monitoring actual ET values and actual water pollution discharges and facilitating the consultation and negotiation of the ET and EC target values needed to meet the sustainable development objectives among different stakeholders in the scaling-up areas. Innovations in technology and management will be scaled up to help achieve new ET and EC targets in the three river basins. Component 3 will be fully supported with the results achieved in Components 1 and 2.

(a) Sub-component 3.1 - Development of National Water Environment Technology Extension Platform at MEP. Under this sub-component the Project will support the development of a national river basin-based EC targets supported by GIS for nationwide environmental quality improvement to enhance the existing Integrated, Intelligent and International Platform for Environmental Technology (3iPET);

(b) Sub-component 3.2 - Development of a National Water ET Monitoring and Management Platform at MWR. Similar to above, the sub-component will support the development of national ET monitoring and management platform that will include support for a GIS for ET management for national irrigation schemes located in the provinces and RS-based ET data production and monitoring system for these schemes and additional studies;

(c) Sub-component 3.3 - Scaling up the IWEM Approach in Liao River Basin. This sub-component will support scaling-up activities in the Liao River Basin including: (i) providing the manuals prepared and training for the new IWEM approach to the local authorities and stakeholders in the scaling-up areas; (ii) monitoring and analysis on the current status of water consumption and water pollution; (iii) effectiveness assessment of the interventions with application of IWEM approach in the scaling-up areas; and (iv) comments and recommendations with proposed actions to continue promoting the IWEM approach;

(d) Sub-component 3.4 - Scaling up the IWEM Approach in Hai River Basin (same as above); and

(e) Sub-component 3.5 - Scaling up the IWEM Approach in Yellow River Basin (same as above).

Component 4: Capacity Building and Project Management (US\$1.90 million of GEF Grant plus US \$1.75 million of Government financing – total of US\$3.65 million). Following the suggestions stemming from the STAP review of the Project, Component 4 will place considerable emphasis on strengthening the capacity of the central and local governments to support IWEM through consulting services and training, workshop and study tours.

(a) Sub-component 4.1 - Regional IW learning activities. About one percent of the GEF project grant (US\$100,000) will be used to support IW LEARN activities to include the production of at least two project experience notes and one results note, establishment of a project website and support for project staff participation in the Biannual International Waters Conferences;

(b) Sub-component 4.2 - Technical assistance through consulting services. Provision of TA from international and domestic consulting services to project entities in support of project management and implementation;

(c) Sub-component 4.3 - Training and workshops. A series of training activities and workshops

will be supported to increase institutional capacity in the project entities;

(d) Sub-component 4.4 - Project monitoring and evaluation. The establishment of a project-wide M&E system; and

(e) Sub-component 4.5 - Project management. Support will be provided under this sub-component to cover staff travel and operational costs of the 5 PMOs (MEP PMO, MWR PMO, Hebei Provincial PMO, Shijiazhuang PMO and Chengde PMO) responsible for project management and implementation. In addition, support will be provided for the development of cooperation agreements and periodical coordination meetings between the respective administrative units responsible for environment and water management.

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

The project areas include demonstration area and scaling-up area. The demonstration area is located in the selected demonstration cities including Shi-Jia-Zhuang and Cheng-De in Hebei Province. The locations of project activities on physical investment are all in the demonstration area. The scaling-up area is located in Liaoning, Ningxia and Hebei where there are no project activities on physical investments. The project activities on non-physical investments (e.g. training and research or software development) are for both demonstration and scaling-up areas. The locations of all physical investments under the project (included in Component 2) cannot be finalized until 2017 or 2018 based on the government investment programs. The type of the proposed investment activities include installation of water saving equipment in the exiting irrigated area such as the low pressure pipelines, drip irrigation systems and sprinklers etc. and construction of small wastewater treatment plants and pipelines. The detailed description of the planned investment activities are given in Annex 2 – table 4 of PAD.

5. Environmental and Social Safeguards Specialists

Feng Ji (GEN02)

Songling Yao (GSU02)

Zongcheng Lin (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	See Section II.A (1).
Natural Habitats OP/BP 4.04	Yes	See Section II.A (1).
Forests OP/BP 4.36	No	The project has no potential to have impacts on the health and quality of forests or the rights and welfare of people and their level of dependence upon or interaction with forests, or aims to bring about changes in its management or protection. This policy is not triggered.
Pest Management OP 4.09	No	The project does not envision any procurement of pesticides or pesticide application equipment, nor lead to substantially increased pesticide use and subsequent increase in health and environmental risk, nor could maintain or expand present pest management practices that are unsustainable. This policy is not triggered.

Physical Cultural Resources OP/BP 4.11	No	The project will not cause any significant adverse impacts on the PCRs in the project influence area.
Indigenous Peoples OP/BP 4.10	No	The IWEM pilot areas under Component 2 in the Hai River Basin are ascertained and screened for sure no presence of ethnic minority groups, while in the scaling up areas under Component 3 in the Hai, Liao and Yellow River Basins there won't be any physical investments but ET/EC-based integrated water management policy advocacy. A Social Assessment Framework has been prepared to guide project implementation with pre-caution on project overall social impacts and project consequent influence.
Involuntary Resettlement OP/BP 4.12	Yes	<p>The project will pilot demonstrative practice of ET/TC-based IWEM in two cities in the Hai River Basin, with establishment of new facilities and structures necessary for IWEM implementation. For instance, a wastewater treatment Plant will be built in Chengde city, and some facilities in local irrigation districts will be rehabilitated in Shijiazhuang area, which all might entail land acquisition and population relocation. OP4.12 is therefore triggered.</p> <p>Because the IWEM pilots in the Hai River Basin are scheduled to start from 2017 on, all the scheduled wastewater treatment plant and water saving irrigation facilities and new technologies in the two selected pilot cities do not have their feasibility studies as well as do not determine their sizes and details as yet at the project appraisal stage. At this point, a Resettlement Policy Framework (RPF) has been prepared during project preparation so as to ensure the necessary Resettlement Action Plans (RAPs) to be developed in time when those subprojects and activities causing resettlement are designed during the cause of project implementation.</p> <p>Only the RAPs have been appropriately prepared and reviewed by the Bank as acceptable, could the related subprojects be started. At the current stage, the RPF was disclosed on the PMO website and local libraries in January 2016, and available at the Info-Shop on February 16, 2016.</p>
Safety of Dams OP/BP 4.37	No	The project will not finance construction or rehabilitation of any dams as defined under this policy, or dependent upon an existing dam. This polices is not triggered.
Projects on International Waterways OP/BP 7.50	No	The project will not involve international waterways as defined under this policy.

Projects in Disputed Areas OP/BP 7.60	No	The proposed project will not be in a disputed area.
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II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>OP 4.01: Environmental Assessment (triggered):The project will apply study results (e.g. monitoring, evaluation, and recommendations for water resource management) in the selected area/sites. Evaporation Transpiration (ET) and Emission Control (EC) concepts will be incorporated into the project design to manage water consumption and pollution. The project is expected to bring about overall environmental benefits, such as potential improvement of water quality and reduction of water consumption in the selected area. It will not likely cause any significantly negative environmental impacts.</p> <p>However, TAs for water resources/quality management studies may have down-stream environmental and social impacts. TAs supported by component 2 will have preparation and implementation of water resource management plans for demonstration cities, including demonstration subprojects, e.g. provision of water saving irrigation facilities, and wastewater/waste treatment plants at township level. Though aiming to reduce water consumption and control pollution discharges, these demonstration subprojects likely involve small scale construction activities which cause short term construction nuisance, and bring about management of waste/wastewater during operation phase. The details of these activities cannot be determined until relevant studies are completed during project implementation.</p> <p>OP4.04: Natural Habitats (triggered): The project does not have the potential to cause any significant conversion (loss) or degradation of natural habitats, whether directly (through construction) or indirectly (through human activities induced by the project). Given that there are opportunities for benefits to natural habitats, this policy is triggered.</p> <p>OP4.12 Involuntary Resettlement (triggered): For water quality control, some wastewater treatment plant and pipeline network will be constructed in the project demonstrative pilot areas in the Hai River Basin; and for water saving, irrigation facilities and improved technologies will be installed. All these would entail land acquisition and population relocation, and triggers this policy. Accordingly, resettlement safeguard instruments were hence prepared.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p> <p>This project likely plays a demonstration role for future similar investments in the project area.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p> <p>n/a</p>
<p>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.</p> <p>An Environmental Management Framework (as part of the Environmental and Social Management Framework) has been prepared, setting out the guidelines and procedures to address the environmental impacts of the project activities. The EMF includes, among others, (i) The Bank's safeguards policies to be taken into account in the development of the technical assistance activities financed under the project. Draft TORs for the proposed studies will include</p>

requirements for the analysis of potential environmental and social issues and how they will be addressed; (ii) Guidelines and procedures to address environmental issues caused by physical activities financed by the project. Each of the proposed demonstration investments will be screened for its potential social and environmental impacts to identify/define: (a) safeguards policies triggered; (b) EA category; (c) safeguards instruments to be prepared; and (d) consultation and disclosure requirements; (iii) Environmental Code of Practice (ECOP) to address the general construction related impacts.(iv) Institutional arrangement, and Public consultation.

The Project is an extension of China GEF Hai Basin Integrated Water and Environment Management

Project, which was concluded highly satisfactorily. The central PMO-The Ministry of Environmental

Protection (MEP) and the Ministry of Water Resources (MWR) have rich experience on the projects financed by the World Bank. The central Project Management Office (PMO) for the previous GEF project will continue managing this project. The central PMO is familiar with the Bank safeguards policies and procedures.

A Social Management Policy Framework was set up in project preparation to outline a Social Assessment study for analyzing the project potential impacts, both positive and negative, during project implementation. While the integrated water management is intensively planned and the related measures rigorously designed under the project, there would appear to be a certain social impact associated with implementation of the management plan. The SA would address the methods and measures to avoid or/and mitigate the adverse impacts in the pilot and up-scaling practice areas. It also would lead to a Social Management Plan together with the project Environment Management Plan in accordance with OP4.01,

A Due Diligence Review (DDR) is also outlined the Social Management Policy Framework to monitor and evaluate the practice and results of land acquisition and population resettlement entailed by prior or on-going implementation of infrastructure construction, if any, in the project pilot practice areas, in compliance with the relevant national laws and regulations, as well as the Bank social policies. The DDR will also be conducted in the consequent implementation of the intensified management plan in the scaling up areas under Component 3 in the three river basins where the project area will be selected during project implementation.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Public Consultation and Disclosure: In accordance with OP4.01, public consultations have been conducted during the ESMF preparation process, including meetings with project affected people and local Environmental Protection Bureau. The consultation on the draft ESMF was undertaken in December 2015. Feedback and concerns from the consultation have been addressed in the project design and in the ESMF. The ESMF was locally disclosed at the governmental website on January 8, 2016, and disclosed on the Bank Info-Shop on February 16, 2016.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	10-Jan-2016
Date of submission to InfoShop	16-Feb-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

"In country" Disclosure	
China	08-Jan-2016
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	15-Jan-2016
Date of submission to InfoShop	16-Feb-2016
"In country" Disclosure	
China	08-Jan-2016
<i>Comments:</i>	
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.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
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 checked="" type="checkbox"/>] No [<input 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"/>]
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
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 [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
Is physical displacement/relocation expected?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] TBD [<input type="checkbox"/>]
Provided estimated number of people to be affected	
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input checked="" type="checkbox"/>]
Provided estimated number of people to be affected	
The World Bank Policy on Disclosure of Information	

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
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 [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
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 [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
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 [<input type="checkbox"/>] NA [<input type="checkbox"/>]
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 [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader(s):	Name: Liping Jiang	
Approved By		
Practice Manager/ Manager:	Name: Ousmane Dione (PMGR)	Date: 16-Mar-2016