

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA3786

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I. BASIC INFORMATION

1. Basic Project Data

Country:	China	Project ID:	P126817
Project Name:	Guangxi Laibin Water Environment Project (P126817)		
Task Team Leader:	Paul Procee		
Estimated Appraisal Date:	17-Dec-2012	Estimated Board Date:	31-May-2013
Managing Unit:	EASCS	Lending Instrument:	Specific Investment Loan
Sector(s):	Flood protection (90%), Wastewater Collection and Transportation (10%)		
Theme(s):	City-wide Infrastructure and Service Delivery (100%)		
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:	127.38	Total Bank Financing:	80.00
Total Cofinancing:		Financing Gap:	0.00
Financing Source			Amount
Borrower			47.38
International Bank for Reconstruction and Development			80.00
Total			127.38
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

The proposed Project Development Objective (PDO) is to reduce flood risks and improve drainage in selected areas of Laibin city.

3. Project Description

The Flood and Drainage Plan was used as the basis to identify highest-risk areas and in selecting and prioritizing the infrastructure investments in flood protection in the City. Non-structural and cost-

effective natural water defense options were integrated in the design of the Project to further reduce risks and vulnerabilities of residents. A detailed description of the investments undertaken for each Project component is provided in Annex 2.

The flood control investments financed by the Project along the Hongshui River and its tributaries are linked to the Guangxi Qianxun River Basin Flood Management Program (the Qianxun River Basin Program, or “the Program”). In addition, the city is already planning investments for the urban re-development of one area of the old downtown in Laibin City, including an 800m section of dikes, which will be an integral part of the investments proposed by the Project to reduce flood risks along the north bank of the Hongshui River.

The Project is divided into four components: (i) river flood risk reduction; (ii) improving urban drainage; (iii) technical assistance and capacity building; and (iv) project management and supervision. The different components of the Project will foster an integrated and sustainable approach to flood control, combining structural measures such as investments in river flood protection infrastructure and storm drain networks with non-structural measures such as the strengthening of natural embankments, the rehabilitation of a natural drainage, flood risk monitoring, and an advanced warning system.

Component 1: River Flood Risk Reduction (US\$ 58.99 million). The first component focuses on reducing the vulnerability of people in the existing urban area to floods from Hongshui River and its tributaries, the Beizhijiang and Longdong Rivers. The Project will help the City strengthen about 16.8km of embankments, including pumping stations and sluice gates, and integrate them in urban parks were suitable to reduce risks and allow for future improvements of infrastructure. Because embankments in some areas provide an inadequate level of protection, the Project will invest in strengthening existing embankments and upgrading flood related infrastructure to protect the city to a minimum of 1 in 50 year floods. The Project will also install and set up an integrated flood control and water quality monitoring system..

Component 2: Improving Urban Drainage (US\$ 66.59 million). Component 2 will focus on improving drainage in selected areas of the city. The component will finance investments in improving expanding and separating the sewage and storm drainage networks in the existing urban area of Laibin City. Different options to reduce the potential clogging of the system by debris and waste will be evaluated and implemented. An indirect benefit of expanding the sewer network and separating the drainage and sewage lines will be to improve wastewater collection by the WWTP, which is only operating at 66% capacity now and receives only about 69% of the actual wastewater produced in the downtown area. The component will also pilot innovative approaches to improve natural drainage and reduce urban runoff by increasing vegetation cover along roadways, experimenting with more porous road surfaces, including waste bins and collection points, and rehabilitating the embankments and river environment along the Caoxiegou Stream.

Component 3: Technical Assistance and Capacity Building (US\$ 0.50 million). Technical assistance and capacity building activities will be directly linked to the overall objectives of the Project and the infrastructure investments proposed under Components 1 and 2. The aim is to improve the City’s overall capacity for integrated flood risk management as well as capital investment planning and asset management. To better understand the water system and flood risks, the Project will help gather and systematize information on the City’s natural and built environment, including data on the City’s hydrology, meteorology, and socio-economic and demographic profile. Spatial technologies will be used to identify hazards, exposure and vulnerabilities, which will be translated into maps to guide

planning and policies to reduce risks. Furthermore, a flood warning, emergency preparedness and response training has been identified that will be piloted in the City and may be replicated in other cities at high-risk of flooding. The Project will assist Laibin City in developing programs to sustain public infrastructure assets such as water treatment facilities, sewer lines and urban roads. The assistance will focus on maintenance, rehabilitation, and replacement with the goal to ensure proper operation and extend the life of infrastructure assets to the benefit of Laibin City and its people.

Component 4: Project Management and Supervision (US\$ 1.30 million). This component includes training and services to support the City with: (i) project management, including financial management, procurement, contract supervision and reporting; (ii) outcome monitoring and evaluation; (b) construction supervision; and (c) the supervision of the implementation of environmental management and resettlement action plans.

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

The project will be implemented in urban area of Laibin City. Laibin is located in central Guangxi Zhuang Autonomous Region (Guangxi) in southern China. The City district has a population of 300,000 people, while the entire county has a population of 2.3 million in 2010. Two rivers flow through the city, the Hongshui and Beizhijiang Rivers. Mountains, hills and river valleys make up the main types of landforms of the city, and its terrain slopes downward from the north to the south. Plains and mesas constitute the flat and broad central region of the city where the project is located.

Laibin City is situated in the subtropical monsoon climate, and the tropic of cancer passes through the south of the city proper. It enjoys moderate weather and boasting sufficient rainfall. The average temperatures during the hottest July and the coldest January are respectively 28.6C and 10.9C (83.5 and 51.6F). Average precipitation is around 1,344mm of which over 70% of the annual rainfall is concentrated between June and August. The project will be in the Xingbin District featuring with flat terrain.

5. Environmental and Social Safeguards Specialists

Songling Yao (EASCS)

Feng Ji (EASCS)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<p>During project preparation, the team conducted the environmental assessment of all physical investment under Component 1 and Component 2. As in similar urban and flood projects, adverse environmental impacts are mostly related to the construction phase, such as noise, dust, spoil disposal, social and traffic disturbance, and reversible.</p> <p>Well-established measures and engineering designs will minimize and mitigate these impacts. Major impacts of the project are related to disposal of spoil from dredging canals. The impacts can be managed with appropriate and</p>

		<p>well-known measures and standard operational codes and practices, based on experiences in similar projects in China and worldwide.</p> <p>Given the overall level of impacts and safeguard risk, this is a category B projects</p>
Natural Habitats OP/BP 4.04	No	The project is mainly in the city's urban and peri-urban area disturbed by intensive human activities. The project will not convert, degrade or restore any natural habitats or critical natural habitats.
Forests OP/BP 4.36	No	The project will not finance activities that would involve significant conversion or degradation of critical forest areas or related critical natural habitats as defined under the policy.
Pest Management OP 4.09	No	The project will not lead to purchase nor use of pesticides. This policy is not triggered.
Physical Cultural Resources OP/BP 4.11	No	Based on the available information, no physical cultural resources will be affected by the project. Chance-find procedures has been included in the EMP.
Indigenous Peoples OP/BP 4.10	No	The social team member conducted IP screening in the project area with assistance from the social consultant and the local authorities. The project is located in urban and peri-urban area of Laibin City, where the ethnic minority screening found some individual ethnic minority people scattered in seven villages, and there is no any ethnic minority village or community found. So the IP policy is not triggered.
Involuntary Resettlement OP/BP 4.12	Yes	The Project, along with another linked project, will involve the permanent acquisition of 34 ha of land and the temporary acquisition of 13 ha of land. Resettlement activities due to permanent land acquisition will entail relocating 173 households with 773 persons and 8 entities with 670 employees, and affect 2,014 people in total in the Project area.
Safety of Dams OP/BP 4.37	No	The project will not finance construction or rehabilitation of any dams as defined under this policy.
Projects on International Waterways OP/BP 7.50	No	Not applicable.
Projects in Disputed Areas OP/BP 7.60	No	Not applicable.

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 Restructured project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p>
<p>Environment.</p> <p>Environmental Assessments (EAs) has been conducted by the Environmental Protection Research Academy of Guangxi Zhuang Autonomous Region (accredited with First Grade in EA) in accordance with China’s legal and EA policy frameworks as well as World Bank safeguard policies and procedures. The assessment concluded that the Project will have an overall positive environmental impact and will contribute to reducing flood risk and water pollution in selected areas of Laibin city. The major negative impacts are construction related impacts such as dust, noise, wastewater, spoil disposal and disturbance to local communities such as traffic management and transportation of construction materials. The construction-related impacts are site-specific and reversible in nature, and effective mitigation measures exist to mitigate and minimize these impacts. In addition, the project will have minor noise and odor impacts from the operation of pumping stations financed under the project.</p> <p>Social</p> <p>The project triggered the OP 4.12 and the social assessment also included linked projects, such as investments along the middle section of Hongshui River Dike, the Chengdong WWTP, remaining sections of Beijingzhijiang Dike, and the Laibin Solid Waste Landfill.</p> <p>The Project and linked projects, will involve the permanent acquisition of 34 ha of land and the temporary acquisition of 13 ha of land. Permanent land acquisition will require the resettlement of 173 households or 773 people, 8 entities with 670 employees, and affect a total of 2,014 people in the Project area.</p> <p>The Bank also reviewed involuntary resettlement activities that took place prior to project identification to ensure that the resettlement is consistent with the objectives of Bank policy. No outstanding or legacy issues were found related to these activities. Resettlement that took place prior to project will nevertheless be further monitored during project implementation and correctives measures will be taken if needed.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p>
<p>n/a</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>
<p>Environment.</p> <p>Different alternatives were considered as part of the feasibility studies and the EA to reduce and minimize environmental impacts. These included the selection of natural rehabilitation of embankments instead of concrete embankments; low-impact green drainage alternatives compared drainage pipe networks, rehabilitation of canals instead of engineering solutions, and pipe installation method. The EA also analyzed the “without project” scenario.</p>

Social

Various measures were considered to avoid, mitigate, and minimize potential land acquisition and relocation of houses, shops, enterprises, and infrastructure facilities in project planning and design, such as narrowing project occupation area, using concrete dike to replace earth dike, etc.

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.

Construction-related Impacts. Environmental Codes of Practices (ECOPs) have been prepared to address these general impacts. Specific site mitigation measures have been developed to minimize the potential impacts caused by the construction activities. Though EA confirmed that no physical cultural resources will be affected by construction activities, Chance Find Procedures have been included in the EMP.

Noise and Odor. Noise impact will be reduced to the acceptable level by the provision of acoustic barriers and noise insulation facilities, and by optimizing construction activities and by banning night-time construction. Noise and odor from the operation of pumping stations will be minimized by proper siting and by the provision of buffer zones and by the using of low noisy machinery. An EMP has been developed for the Project as a stand-alone document. The EMP includes mitigation measures and ECOPs, monitoring and supervision arrangements, institutional arrangements for the implementation of the EMP, capacity building, and estimated budget of the mitigation measures and monitoring programs for both the construction and operation phases. The EMP also proposes (i) site-specific mitigation measures both for construction and engineering design, and management measures to address broader social impacts such as traffic management for transport of construction materials; (ii) remedial measures in case of non-compliance by the contractors. Mitigation measures and ECOPs for the construction phase will be entered into bidding documents and supervised by relevant institutions.

Social

A project resettlement team was established to conduct resettlement plan under guidance from the TT, and a Resettlement Plan (RP) was prepared and reviewed by the TT. Resettlement measures for avoiding and/or mitigating the adverse impacts as well as for livelihood rehabilitation and economic development opportunities were explored in the RP as social development objective of the project design.

- Compensation: Compensation package was developed according to regulations of state, provincial level and municipal level. i) house compensation: Urban household house compensation is clearly defined not lower than market price; rural house compensation is based on replacement price; and all households were provided two compensation options of cash compensation and replacement house. ii) enterprise compensation will be in line with professional evaluation; iii) all relocation of household, enterprises, businesses will be provided with transition fee and movement allowance; iv) land compensation: permanent land acquisition will follow the Land Law, while temporary land acquisition will follow the municipal land regulation; any land taking will be depended upon land acquisition agreement with land owner and land user; v) public facilities compensation will be based on professional evaluation; etc.

- Household relocation: Two options were provided to the affected households, who could choose by themselves. The RP has listed some sites of replacement house to be built for the affected households, and mentioned that some commercial departments would be purchased for the affected households as a measure of housing restoration. The RP also included measures to ensure the replacement house to be built up on time, including financial, administrative measures, as well as monitoring measure.
- Household livelihood restoration: Livelihood measures include cash compensation, providing commercial business building area at an area of 40 square meter per person, social security program, job training, subsidies in transition period.
- Restoration of enterprises/businesses: With fully disbursed compensation, the seven owners will restore their enterprises/businesses, whose workers will get subsidies for six months in the transition period.
- Restoration of public facilities: With full compensation disbursement under an agreement between the PMO and relevant owners, the public facilities will be restored by the owners themselves.
- Restoration of temporary land use: about 13 ha land will be temporarily used, and all the land will be fully restored under supervision by district land bureau in line with national regulation, and returned to the land user according to land use agreement signed prior to land use.
- Resettlement costs will be fully financed by PMO, and are included in the total cost of the Project. District governments will implement specific resettlement activities. The PMO committed the full ownership and responsibility for implementation of the RP.
- Monitoring & Evaluation: RP implementation of the PMO will be monitored and measured by an external monitor, WB and the municipal government. The PMO will be responsible for providing internal resettlement progress report. The Bank's task team and the PMO will jointly monitor and evaluate the emerging resettlement results and corrective actions will be recommended and taken as appropriate and necessary.

Laibin has established a Project Leading Group, chaired by the vice mayor, and a project management office to supervise the preparation and implementation of the project. The Project Management Office (LPMO) has received the Bank's Safeguards training during project. EMP trainings will be provided during project implementation. Experienced consultants and supervision engineers will be hired for the supervision and monitoring of the EMP implementation.

The key social risks relate to absence of experiences on World Bank project by Laibin municipal government, and availability of counterpart fund for resettlement. To address the social risks, the Laibin Government established a PMO, assigned dedicated staff, and conducted training program for the staff to strengthen the capacity; and committed to prioritize resettlement financing for the project. The TT will obtain formal commitment on the fund availability from Binyang District Government prior to the project appraisal. Capacity building on resettlement was planned in the RP. The social consultant to be engaged will provide the PMO with training program and other assistance to strengthen the capacity of resettlement implementation.

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

Environment.

In accordance with Bank Safeguard policies and Chinese regulations, public consultations were conducted from July to October, 2012, including public consultation meetings and questionnaire survey with project-affected persons and other stakeholders. Their opinions and concerns have

been taken into account in the EA process and Project design. The EA and the EMP were locally disclosed on September 24, 2012 through announcements in the Laibin City newspaper and posting on the local DRC's website. The EA safeguard documents were sent to the Bank InfoShop for disclosure on October 30, 2012.

Social

Hohai University, as social consultant, and the PMO conducted extensive consultation meetings at the municipal level, district level, communities/villages. Project stakeholders such as urban authorities and the affected communities/villagers were consulted on resettlement in various channels, consisting of TV, newspaper, meeting, interview, questionnaire, and focus groups. The affected households and village committees, enterprise owners have been informed, investigated and consulted, and their concerns have been integrated into project design and resettlement planning. Further consultation and grievance addressing will be conducted during implementation. The RP cover detailed monitoring plan for the resettlement implementation. The PMO committed the full ownership and responsibility for implementation of the RP.

The RP was disclosed in accordance with the Bank's policy, with an announcement on Laibin Daily Newspaper on October 17, 2012, which is accessible to general public. Information disclosure on project resettlement was distributed in the affected communities/villages during the resettlement impact investigation and planning process. The RP was disclosed to Infoshop on October 30, 2012.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	17-Dec-2012
Date of submission to InfoShop	30-Oct-2012
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
China	24-Sep-2012
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	17-Dec-2012
Date of submission to InfoShop	30-Oct-2012
"In country" Disclosure	
China	24-Oct-2012
<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 Sector Manager (SM) 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 4.12 - 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 Sector Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
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:	Paul Procee	
Approved By		
Sector Manager:	Name: Mark R. Lundell (SM)	Date: 05-May-2013