

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

**I. Basic Information**

Date prepared/updated: 02/23/2011

Report No.: AC5922

**1. Basic Project Data**

Original Project ID: P091020	Original Project Name: Fujian Highway Sector Investment	
Country: China	Project ID: P119862	
Project Name: Fujian Highway Sector Investment Project Additional Financing		
Task Team Leader: Xiaoke Zhai		
Estimated Appraisal Date: January 10, 2011	Estimated Board Date: May 19, 2011	
Managing Unit: EASCS	Lending Instrument: Specific Investment Loan	
Sector: Roads and highways (99%);Sub-national government administration (1%)		
Theme: Rural services and infrastructure (50%);Infrastructure services for private sector development (50%)		
IBRD Amount (US\$m.):	50.00	
IDA Amount (US\$m.):	0.00	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>Borrower</u>		97.00
		97.00
Environmental Category: B - Partial Assessment		
Repeater <input type="checkbox"/>		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**2. Project Objectives**

The project development objective of the FHSIP aims to increase the effective use of the road infrastructure in Fujian Province to support its social and economic development by: (i) enhancing its rural roads network; (ii) reducing transport costs; and (iii) facilitating the interconnection across the coastal provinces.

The additional financing will support this goal without changes to the project development objective.

**3. Project Description**

The original project has four components:

A.Rural Roads Improvement Program (RRIP). Construction of selected road sections of the Rural Roads Improvement Program, including provision of technical assistance for its supervision;

B. Yong'an-Wuping Expressway (YWE). Construction of 195 km long four lanes new highway section of the Changchun-Shenzhen expressway between Yong'an (Sanming City) and Yanqian in Wuping (Longyan City), including the acquisition and installation of electrical and mechanical facilities, the construction of buildings and annex areas for service and safety operations, and provision of technical assistance for its supervision;

C. Highway Maintenance Program (HMPP). Development and implementation on a pilot basis of a program for sourcing out periodic and routine highway maintenance in selected sections of the Fujian Province highway road network, including staff training and provision of technical assistance;

D. Institutional Strengthening Program (ISP). Carrying out studies and training activities as part of an institutional strengthening program for FPCD.

The additional financing aims to scale up the impact of the RRIP Component of the original project by supporting:

A. Construction of rural roads selected from the provincial level rural road databank, including provision of technical assistance for their supervision;

D. Provision of training activities and study tours for the benefit of the local government agencies in the issues concerning: (i) environmental design and construction of rural roads and (ii) rural road maintenance and management.

#### **4. Project Location and salient physical characteristics relevant to the safeguard analysis**

The Additional Financing activities consist of rehabilitation or rebuilding of at least an additional 1,000 km of rural roads in the 61 counties/districts of 8 cities in Fujian province to a standard of Class III/IV all-weather roads. These roads are existing roads selected from the provincial-level rural road databank, identified in the 2010 feasibility study report and will be implemented in compliance with the RRI framework.

The roads provide access between administrative villages, provincial roads, and natural villages. The proposed roads have an average length of about 5 km and are mostly unpaved and under poor riding conditions. The project will help to improve their condition through paving.

#### **5. Environmental and Social Safeguards Specialists**

Mr Juan D. Quintero (SASDE)

Mr Songling Yao (EASCS)

Mr Peishen Wang (EASCS)

<b>6. Safeguard Policies Triggered</b>	<b>Yes</b>	<b>No</b>
<b>Environmental Assessment (OP/BP 4.01)</b>	<b>X</b>	
<b>Natural Habitats (OP/BP 4.04)</b>		<b>X</b>
<b>Forests (OP/BP 4.36)</b>		<b>X</b>
<b>Pest Management (OP 4.09)</b>		<b>X</b>
<b>Physical Cultural Resources (OP/BP 4.11)</b>		<b>X</b>
<b>Indigenous Peoples (OP/BP 4.10)</b>	<b>X</b>	
<b>Involuntary Resettlement (OP/BP 4.12)</b>	<b>X</b>	
<b>Safety of Dams (OP/BP 4.37)</b>		<b>X</b>
<b>Projects on International Waterways (OP/BP 7.50)</b>		<b>X</b>
<b>Projects in Disputed Areas (OP/BP 7.60)</b>		<b>X</b>

## **II. Key Safeguard Policy Issues and Their Management**

### ***A. Summary of Key Safeguard Issues***

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: An assessment of the environmental and social issues raised by the implementation of the project corroborated that:

The most significant environmental and social issues of the Fujian Highway Sector Investment Project (FHSIP) were associated with the Yong#an-Wuping Expressway (YWE), which by itself warranted a Category A for environmental purposes. Because of its rehabilitation nature largely within existing rights-of-way, the Rural Roads Improvement Program (RRIP) did not require significant land acquisition or structure relocation, with the exception of a small number of roads that required small land acquisition or house demolition due to minor adjustments in curves. Though to a reduced extent, the implementation of RRIP causes limited impacts on the environment including soil erosion and subsequent water pollution, damage on vegetation and wild animals, and noise and dust problems mainly during construction.

The additional financing will continue with the same type of works as the original project. All the road segments are existing roads which need to be upgraded or rebuilt to a standard of Class III/IV all-weather roads. The final scope of works is identified in the feasibility study report by the FPCD.

The additional financing will pose the same type and degree of social impacts as the current RRIP implementation in new project areas. An assessment of the environmental and social issues due to the implementation of the RRIP showed that:

- The great majority of projects posed no potential environmental impacts. Most issues were associated with the rehabilitation of roads in hilly terrains, and crossing of streams;
- Some roads (less than 5%) were rehabilitated near protected areas but no road was built in the core area of a nature reserve;

- As expected, engineering works for pavement projects did not involve land acquisition and house demolition that could affect the villagers' standards of living. Besides, given the small scale nature of the rehabilitation activities, the low grade of the roads and the short construction period, the rural roads reconstruction projects had limited influence on the production and livelihood of the local people during construction.

- Only a small number of roads required land acquisition or house demolition due to small adjustments in curves. The Resettlement Officers in different areas coordinated the relevant compensation according to the Bank-approved Resettlement Policy Framework, resettlement policies and regulations. All the interviewed project-affected peoples were satisfied with the resettlement results as reported by the External Monitor.

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

Given the nature of the proposed works along existing alignments no major long term adverse issues are envisioned.

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

n/a

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. Given its programmatic and demand-driven nature, an Environmental Management Framework (EMF) was developed including baseline environmental data, environmental management and supervision scheme, EA procedures, training plan and supervision and reporting system. The draft EMF for original project was reviewed by the Bank and its final version was submitted to the Bank in March 2006. The EMF was updated and disclosed in December 2010 for additional financing activities. Based on the EMF, an EA is to be prepared and executed by local implementation entities on a county basis prior to the commencement of construction works, and be subject to the approval of the County Environmental Protection Bureau. Mitigation measures proposed in the EA are to be translated into contractual obligations. FPCD will be responsible for the overall guidance and monitoring, while the city/prefecture highway bureaus will be in charge of the monitoring of compliance, and county communications bureaus for the implementation of the EMF.

The county communications bureaus shall report from the environmental safeguards perspective on the completion of the construction activities and final quality of each road using checklists developed in the EMF. For those roads applying for the Bank funds, a record of inspection shall be submitted to the Bank together with the approval verification of FPCD on the compliance with the EMF, particularly adequate disposal of construction debris and machinery wastes, recovery of borrow pits and temporary camps, control of noise pollution, protection of water and soil erosion. During supervision, the Bank will randomly check county EAs and the checklists for a sample of Bank-funded roads. For reference, a similar procedure will be also applied to a sample of non-Bank

funded road segments, as a means to assess the dissemination of the framework beyond the Bank-funded roads.

A land acquisition and resettlement policy framework was developed for the eventuality of exceptional cases where land acquisition or relocation is required. This policy framework of original project has been updated in December 2010 according to local laws and regulations on land acquisition as well as World Bank OP 4.12 on Involuntary Resettlement. It describes the overall legal framework, planning principles, procedures, compensatory and rehabilitation approach, consultation and participatory requirements, grievance redress mechanisms, and organizational and monitoring arrangements. The county communications bureaus shall report from the resettlement safeguards perspective on the completion of the construction activities and the result of each road using checklists developed in the RAF.

Considering the possibility of financing roads in ethnic minority areas, a stand-alone document for the minority nationalities development framework for the RRIP was also prepared and disclosed. All roads to be financed under the project would follow this framework in identifying possible negative impacts to areas with minority nationalities, and in developing and implementing the necessary development plans.

For the additional financing component, and based on the experience of the RRIP, an updated EMF, RPF and an IPPF were prepared to reflect the new project scope, new land related policy as well as project management arrangements. The updated EMF introduces simpler screening criteria and standardized engineering codes of practice for the rehabilitation of rural roads, as well as more guidance to supervision engineers to ensure proper management of environmental issue by contractors. The EMF also stresses the need for additional training on environmental design of roads and rural road maintenance at local level.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. The policy framework for resettlement and ethnic minorities will be distributed to local areas for implementation. Mechanisms are built into the framework for local population to participate in identifying negative impacts, development and implementation of mitigation measures. All the EMF, RPF and IPPF applied to the additional financing activities have been reviewed and approved by the Bank, and have been disclosed in Fujian Province and in the InfoShop.

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

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#### **Environmental Assessment/Audit/Management Plan/Other:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	01/28/2011
Date of "in-country" disclosure	02/15/2011
Date of submission to InfoShop	02/15/2011

For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors

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**Resettlement Action Plan/Framework/Policy Process:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	01/28/2011
Date of "in-country" disclosure	02/15/2011
Date of submission to InfoShop	02/15/2011

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**Indigenous Peoples Plan/Planning Framework:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	01/28/2011
Date of "in-country" disclosure	02/15/2011
Date of submission to InfoShop	02/15/2011

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**Pest Management Plan:**

Was the document disclosed <b>prior to appraisal?</b>	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

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**\* If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

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**If in-country disclosure of any of the above documents is not expected, please explain why:**

The demand-driven nature of the RRIP does not allow the ex-ante knowledge of whether investments will actually take place in areas with ethnic minorities, though the possibility is low given the general situation in Fujian. Nonetheless, this possibility is covered under a stand-alone Minority Nationalities Development Framework. This framework was initially included under the resettlement and land acquisition framework, which was disclosed "in-country" on March 28, 2006. The stand-alone report was again disclosed at the end of April.

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***C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)***

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**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes

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**OP/BP 4.10 - Indigenous Peoples**

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes
If the whole project is designed to benefit IP, has the design been reviewed	N/A

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and approved by the Regional Social Development Unit or Sector Manager?

**OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared? Yes

If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan? Yes

**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? Yes

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

**All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? Yes

**D. Approvals**

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Mr Xiaoke Zhai	12/08/2010
Environmental Specialist:	Mr Juan D. Quintero	11/21/2010
Social Development Specialist	Mr Songling Yao	11/17/2010
Additional Environmental and/or Social Development Specialist(s):		
<b><i>Approved by:</i></b>		
Regional Safeguards Coordinator:	Mr Panneer Selvam Lakshminarayanan	12/14/2010
Comments:		
Sector Manager:	Mr Ede Jorge Ijjasz-Vasquez	12/12/2010
Comments:		