
**ENVIRONMENTAL AND SOCIAL
MANAGEMENT PLANNING FRAMEWORK
(ESMPF)
FOR
CHINA HENAN FLOOD EMERGENCY REHABILITATION AND
RECOVERY PROJECT**

DRAFT

**Project Management Offices of Henan Province and Zhengzhou, Xinxiang and Jiaozuo
Municipalities**

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**CHINA
HENAN FLOOD EMERGENCY
REHABILITATION AND
RECOVERY PROJECT**

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ABBREVIATIONS AND ACRONYMS

AIIB	Asian Infrastructure Investment Bank
EIA	Environmental Impact Assessment
ES	Environmental and Social
ESCAP	Environmental and Social Corrective Action Program
ESEL	Environmental and Social Exclusion List
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESP	Environmental and Social Policy
ESMPF	Environmental and Social Management Planning Framework
ESS	Environmental and Social Standard
FSR	Feasibility Study Report
GBV	Gender-based Violence
GoC	Government of China
GoH	Government of Henan
GRM	Grievance Redress Mechanism
HFERRP	Henan Flood Emergency Rehabilitation and Recovery Project
IPP	Indigenous Peoples Plan
MEE	Ministry of Ecology and Environment
PIM	Project Implementation Manual
OSHE	Occupational Safety, Health and Environment
PAP	Project Affected People
PIM	Project Implementation Manual
PIU	Project Implementing Unit
PMO	Project Management Office
PPM	Project-affected People's Mechanism of AIIB

PPMO	Provincial Project Management Office
RoW	Right of Way
RP	Resettlement Plan
SA	Social Assessment
SEP	Stakeholder Engagement Plan
TOR	Terms of Reference

1. INTRODUCTION AND OBJECTIVES

1. Asian Infrastructure Investment Bank (AIIB, the Bank) is providing a loan in an amount of US\$ 1billion to the People's Republic of China for the Henan Flood Emergency Rehabilitation and Recovery Project (HFERRP). The Project, which supports the Government of China's (GoC) reconstruction strategy articulated in the Provincial Masterplan for the Rehabilitation and Reconstruction of Henan Flood disaster (the Masterplan), will comprise post-flooding reconstruction and recovery in infrastructure, including water, urban and transport sectors in Henan Province and will assist Henan in laying the foundation for the longer-term sustainable economic recovery of areas severely affected by the July 20, 2021 (7.20) flooding.

2. The AIIB's Environmental and Social Framework (ESF), including the Environmental and Social Policy (ESP), Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), is applicable to the proposed project. Given the emergency nature of the project, especially under the COVID-19 pandemic worldwide situation, a framework approach for addressing ES risks and impacts is adopted, which is appropriate and permitted under the AIIB's ESP for Situations of Urgent Need of Assistance.

3. This Environmental and Social Management Planning Framework (ESMPF) has as its objective to avoid or minimize adverse environmental and social (ES) risks and impacts; and where they cannot be avoided, to identify these risks and impacts, and develop and implement necessary mitigation measures following relevant Chinese laws and regulations and AIIB's ESP.

4. The ESMPF will form part of the Project Implementation Manual (PIM) and is referenced in the project's Legal Agreements. The ESMPF consists of the main text and six annexes, which establish the objectives, procedures, institutional framework, and implementation arrangements for identifying and managing potential environmental and social risks and impacts from the Project activities. It also addresses mechanisms for public consultation and disclosure requirements, redressal of grievances/complaints from the Project Affected People (PAP) and includes ES screening tool for use on all sub-projects.

5. The ESMPF will be supplemented in the PIM along with its six Annexes to provide guidelines for both environment and social screening and assessment and a set of tools for environmental and social specialists associated with the project – including those working with both the implementing agencies and AIIB. These Annexes would be further revised and updated with the support of the Bank, when necessary, during project implementation to incorporate lessons learned.

2. DESCRIPTION OF THE PROJECT

6. The Project objectives are to support the post-disaster rehabilitation and recovery in the municipalities of Zhengzhou, Xinxiang, and Jiaozuo of Henan Province, and to strengthen the capacity of the three municipalities in integrated flood risk management and flood emergency response. The Project will cover three sectors, namely water, transport and urban.

7. The Project responds to the GoH's urgent need for post-disaster recovery. As an emergency project, a framework approach is adopted for overall project design while a list of project activities consistent with the framework is proposed by the government based on the agreed sub-project selection criteria.

- Component 1 - Zhengzhou Post-disaster Recovery Program (AIIB Loan USD600 million). This component will finance civil works and goods required for rehabilitation and reconstruction activities in urban and rural areas, and some expansion or improvement of the flood and drainage management infrastructure in the city of Zhengzhou. The proposed subcomponents are: (a) integrated Jinshui River management project, (b) rehabilitation of rural roads and bridges, and (c) rehabilitation of the Ying River in Dengfeng City, including dredging and strengthening of dikes; (d) development of an integrated flood risk management system and strengthening the capacity for emergency response; and (e) project management support for capacity building in procurement, financial management, ES management and other technical areas.
- Component 2 - Xinxiang Post-disaster Recovery Program (AIIB loan USD200 million). This component will support activities to recover damaged infrastructure in the three sectors mentioned above in Paragraph 6, in Xinxiang municipality. The subprojects could consist of: (a) rehabilitation of rivers and canals, including river dredging and dike strengthening; (b) rehabilitation of national and provincial expressways, urban bus terminals and purchase of electrical buses; (c) rehabilitation and improvement of urban drainage systems; (d) development of integrated flood emergency response system; and (e) project management support for capacity building in procurement, financial management, ES management and other technical areas.
- Component 3 - Jiaozuo Post-disaster Recovery Program (AIIB loan USD200million). This component will finance interventions to support the recovery of Jiaozuo municipality, including: (a) rehabilitation of rivers and canals including river dredging and dike strengthening; (b) rehabilitation and improvement of the urban canals, drainage and sewage systems, and roads; (c) development of an integrated flood emergency response system including a smart river management system and a smart urban water management system; and (d) project management support for capacity building in procurement, financial management, ES management and other technical areas.

8. At the time of implementation, some works that may not be directly financed by the loan but are intrinsically connected to the loan components, therefore, which may be adjudged Associated Facilities. Associated Facilities, are activities that are not included in the description of the Project set out in the agreement governing the Project, but that the Bank determines, following consultation with the PMOs, that such components are: (a) directly and materially related to the Project; (b) carried out or planned to be carried out, contemporaneously with the Project; and (c) necessary for the Project to be viable and would not be constructed or expanded if the Project did not exist. The Bank will require the borrower to conduct ES due diligence of the components identified as Associated Facility.

3. SUB-PROJECT SELECTION

9. The Project uses a framework approach, which is a flexible project design tool used when the principles of a Project and the criteria for sub-project selection are determined before appraisal, but not all individual investments can be identified and appraised before AIIB Board approval.

10. A sub-project is defined as an activity, or a group of like activities that are located within a single municipality and are within one of the three primary sectors (water, urban, and transport) covered by the Project. Each sub-project is covered by the requirements set forth in the legal agreements for the project, including fiduciary and ES aspects. Three general types of sub-projects are likely to be included: (a) those eligible for retroactive financing under the project, (b) straightforward reconstruction/rehabilitation projects for the facilities damaged by the 7.20 flooding and reconstructed at the same site, and (c) more complex investments, e.g., construction of assets in new locations when the damaged assets cannot be rebuilt in situ, because these areas are designated as highly hazard prone; and construction or expansion of assets in original or new locations, which require a longer timeframe and more detailed preparation.

11. The criteria for sub-project selection, agreed by AIIB and the Henan Government, are as follows:

- (1) Consistency with the respective national, provincial, and local post-disaster recovery plans, including the relevant thematic plans, if any.
- (2) Focus on fewer sectors: water resources/flood management, integrated urban water/environment management, and transport.
- (3) Priority to reconstruction/rehabilitation activities that address climate resilience and sustainability.
- (4) Interventions requiring short preparation time.
- (5) Priority to the affected infrastructure with no other sources of financing available.
- (6) Compliance with national, provincial, and local standards, procedures, and codes.
- (7) Cost effectiveness and implementation readiness.
- (8) Social, environmental and safety risks manageable.
- (9) Opportunity for scaling and phasing in accordance with current need, future demand and sustainability.
- (10) Number of beneficiaries served.
- (11) Completion time within the expected overall project implementation period.

12. The Henan Government, with the support of the GoC and a large group of experts, has undertaken initial damage and needs assessments and prepared a masterplan for rehabilitation and recovery (Masterplan). From these assessments and the Masterplan, the municipal governments will propose appropriate priority activities to be included in the Project. These activities will be grouped into sub-projects and screened by the Henan Provincial Project Management Office (PPMO) and the Municipal Project Management Offices (PMOs) according to the agreed sub-project selection criteria and the procedures established in the PIM.

13. The Bank team will review and confirm the PMOs' initial sub-project eligibility screening. After each sub-project is prepared, the Bank team will conduct prior review and appraisal of the following sub-projects: (a) all Category A sub-projects; and (b) selected Category B sub-projects involving complex: (i) land acquisition or involuntary resettlement; (ii) risk of adverse impacts on Indigenous Peoples and/or vulnerable groups; (iii) localized risks to or impacts on community health and safety, biodiversity, and/or cultural resources; and/or (iv) occupational health and safety risks (referred to as Complex Category B Sub-projects). In case of all other sub-projects the Bank team will conduct post-review on a sampling basis during supervision of the simpler sub-projects.

4. POLICY FRAMEWORK ON ENVIRONMENTAL AND SOCIAL ISSUES

14. The ESMPF is developed in line with relevant national laws and regulations and the Bank's Environmental and Social Policy (ESP), including its Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL). Together, the ESP, ESSs and ESEL are referred to in this ESMPF as "AIIB's Policy". The ESMPF's policy framework is summarized below.

4.1 National Laws and Regulations:

15. Since the 1980s, environmental impact assessment (EIA) has been required in China under the Environmental Protection Law and other associated laws and regulations and has become an established procedure for all investment projects in China. The national EIA requirements will apply to reconstruction after the 7.20 flooding.

16. Several of the new regulations and guidelines have been passed by Henan provincial government after the 7.20 flooding covering environmental and social (ES) issues and are listed in Annex 3.

17. Regarding involuntary resettlement and Indigenous Peoples (known in China as ethnic minorities), China has several laws, regulations and implementation guidelines, the most important of which are the Constitution, the Civil Code of the People's Republic of China, the China Land Law, and the National Regional Autonomy Law. Sectoral and local regulations have been issued to accompany these laws and guide their implementation. These laws and regulations emphasize the need to protect people who are adversely affected in investment projects, particularly vulnerable groups and ethnic minorities. Responding to the needs of the Project, the Natural Resources Department of Henan Province has issued special regulations and provisions to simplify and expedite procedures for land acquisition for emergency reconstruction projects.

18. The relevant ES policies of AIIB are applicable to this project. The ES requirements for the Project will build upon these national guidelines and requirements in order to streamline, to the extent possible, the documents required for each sub- project without compromising in any manner the ES requirements of either Chinese laws and regulations or AIIB's Policy.

4.2 AIIB's Environmental and Social Policy (AIIB's Policy)

19. During the Project appraisal mission in September 2021, a preliminary sample of possible sub-projects were visited by the provincial and municipal governments and the Bank team. On the basis of this initial visit, as well as discussions/meetings with counterparts and PMOs, it is expected that most of the potential sub-projects will require ES assessments and approvals for compliance with Chinese laws and regulations. In addition, the following AIIB's Environmental and Social Standards (ESSs) will or may apply to the proposed sub-projects:

- Environmental and Social Standard 1: Environmental and Social Impact Assessment and Management (ESS1): Given the nature of the proposed program, ESS1 will apply to all sub-projects. Therefore, each of the proposed sub-projects will be screened for potential ES risks and impacts and assigned an appropriate ES categorization for conducting ES due diligence in accordance with the requirements of ESS1. Preparation and implementation of Environmental and Social Impact Assessment (ESIA) and

Environmental and Social Management Plan (ESMP) as listed in Annex 5 of ESMPF will be also included in the PIM.

- Environmental and Social Standard 2: Land Acquisition and Involuntary Resettlement (ESS2): The field visit confirmed that most of the sub-projects are likely to comprise repair or reconstruction of damaged facilities, such as roads in urban and rural areas, drainage systems, etc., and these sub-projects will be rebuilt within the original red line (land use areas) without any fresh land acquisition or resettlement activities. However, some of the proposed sub-projects such as construction of new or reconstruction of large-scale river embankment/dikes, dredging, bridges and changes in alignments of damaged facilities may have significant land acquisition and resettlement impacts (see annex 1). Therefore, each of the proposed sub-projects will be screened for potential fresh land acquisition and resettlement impacts to apply the relevant requirements of ESS2.
- Environmental and Social Standard 3: Indigenous Peoples (ESS3): Henan province is in the east-central part of China and is not an area inhabited by ethnic minorities. As of 2020, there were 1.155 million permanent residents in Henan Province who are members of ethnic minorities, accounting for 1.16 percent of the total population of Henan Province. The total population of ethnic minorities in Zhengzhou, Xinxiang and Jiaozuo is 0.332 million, or 1.49 % of their total of population, and comprise mainly Hui, Manchu and Mongolian groups. Preliminary social impacts screening shows that communities of ethnic minority people are unlikely to be present in the project areas (see annex1). However, given that the physical location of sub-projects and impacts on the people living in the area have yet to be identified, the application of ESS 3 cannot be ruled out, and all sub-project proposals will therefore be screened to determine the applicability of ESS3.

20. Based on the review of the proposed project activities, Category A has been assigned to the Project. The proposed project involves in many cases rehabilitation and reconstruction of damaged infrastructure at the same site while in other cases it would involve construction of assets in new locations when the damaged assets cannot be rebuilt in situ, or expansion of assets in new locations in three sectors as mentioned above. Therefore, it would be expected that potential ES risks and impacts of some project actives may be significant, cumulative, diverse, and may affect areas larger than the sites or facilities subject to physical works and could be partially permanent in nature.

5. ENVIRONMENTAL AND SOCIAL RISK AND IMPACT MANAGEMENT

21. Based on the information available for the proposed activities, especially the ones for urban and transport sectors, such as rehabilitation or recovery of damaged roads in urban and rural areas, drainage systems, etc., the ES risks and impacts are likely to be minor, localized, and manageable through applying appropriate mitigation measures and good management practices.

22. It is, however, also expected that some of the proposed activities, such as rehabilitation or construction of river dikes, riverbed dredging, and reconstruction of bridges, could lead to significant ES risks and impacts. Some of these activities might be in environmentally sensitive locations, such as in nature reserves, with significant biodiversity features, in or close to physical cultural heritage sites, or some might require land acquisition and resettlement. For such category A sub-projects, ESAs and ESMPs will be prepared during the Project implementation stage, based on the ES screening described in this ESMPF and to meet the requirements by AIIB' s and the national ES policies, regulations, including public consultation and information disclosure requirements. Furthermore, ES review and clearance will be required by AIIB prior to construction starts.

23. The proposed Project is expected to generate largely positive social benefits to the overall population. The sub-projects will involve substantial community engagement to identify potential risks and impacts, which will be identified in the assessments to be conducted during Project implementation. Appropriate measures will be taken to address these issues in the sub-project specific ESAs and ESMPs, which will also be prepared prior to their approval. The assessments will generate gender disaggregated data at the community level and will support informed designs for the mitigation plans to address the requirements of the women if they are impacted disproportionately.

24. Initial environmental and social risk and impact screening and Management measures that were identified for a sample list of sub-projects given in annex 1 can be taken as reference during sub-project screening exercise.

6. APPROACH TO ADDRESS ENVIRONMENTAL AND SOCIAL ISSUES

25. In accordance with the requirements of AIIB's Policy, the ESMPF provides the following guidance on selection of potential sub-projects for financing and conduct of ES due diligence to avoid, minimize and mitigate the adverse ES risks and potential impacts of these sub-projects and identify opportunities to enhance their positive impacts:

26. ESMPF also includes the information to Identify and assess the potential environmental and social risks and impacts of Associated Facilities and assess level of control or influence of the project sponsor/implementing entity over the associated facility.

27. All sub-projects will be required to follow these steps:

Step 1 - Identification of sub-projects according to the selection criteria (see paragraph 11 above in Chapter 3).

Step 2 - Screening for potential ES risks and impacts and determination of ES documents required according to Chinese regulations and AIIB's Policy. (Refer to Annexure 2 on Screening)

Step 3 - Review of the ES screening by the Bank.

Step 4 - Preparation of ES documents, conducting consultation and disclosure.

Step 5 - Review and clearance of the ES documents within the government and by the Bank.

Step 6 - Implementation of agreed actions; and supervision, monitoring, evaluation, and reporting.

6.1 Step 1 – Identification of Sub-projects According to the Selection Criteria

28. In accordance with the Project framework as set out in the PIM and the Project's legal agreements, all sub-projects will be identified using a set of standard selection criteria listed in Paragraph 11.

29. During Step 1, the ES specialists/consultants from the PMOs will participate in the identification and selection of sub-projects. They will evaluate and provide input, as appropriate, on ways to optimize the sub-project concepts to avoid or minimize the potential ES risks and impacts.

6.2 Step 2 - Screening for Potential Environmental and Social Risks and Impacts and Determination of the Instruments for Each Sub-project

30. Once sub-projects have been identified, the PMOs will screen each sub-project for potential ES risks and impacts to determine the nature and extent of the ES due diligence needed before Government and, as applicable, Bank approval of the sub-project. The choice of instruments (ESIA, ESMP, RP, etc.) for each sub-project depends on the nature and magnitude of its ES risks and potential impacts. Because the evaluation of the expected ES impacts requires specialized technical skills, PMOs will employ qualified ES specialists, as well as consultants, to assist them in this task.

31. The PMOs and their ES specialists will concurrently screen each sub-project to determine the applicable Chinese national laws and regulations, the Bank ESSs and the corresponding ES instruments (ESIA, ESMP, RP, IPP etc.) which need to be prepared and implemented. They will also screen for application of the ESEL. Annex 2 provides guidance for an initial screening to determine the above.

32. The results of the screening exercise will determine the ES category and the type of ES documents that will be required for each sub-project.

A. Environmental and Social Screening

33. The PMO will use the screening tool summarized below and described in detail in Annex 2 to propose an ES classification for each sub-project:

- Category A: A proposed sub-project of this type would be likely to have significant adverse ES impacts that are irreversible, cumulative, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works; they may be temporary or permanent in nature. Some proposed construction of infrastructure may be classified as Category A, such as if the proposed sub-project is located in sensitive location, e.g., natural reserve, geo-park; a large-scale engineering on river courses, e.g., embankment, dredging, new construction of dikes; and large-scale land acquisition and involuntary resettlement for construction, i.e., over 200 people will need to be involuntarily resettled, etc.
- Category B: A proposed sub-project of this type would have a limited number of potentially adverse ES impacts, including limited land acquisition and resettlement, but that are less adverse than those of Category A sub-project. These impacts are not unprecedented, they are typically limited to the sub-project site; few if any of them are irreversible or cumulative; and they can be successfully managed using good practice in an operational setting. The great majority of sub-projects for rehabilitation and reconstruction works are likely to fall in this category.
- Category C: A proposed sub-project of this type is likely to have minimal or no adverse ES impacts.

34. During screening, attention should be given to check whether an ethnic minority community present in the proposed sub-project area of influence would be affected by the sub-project (as determined through a review the demographic information in the sub-project areas).

B. Determination of Environmental and Social Documents for Sub-projects

35. The ES documentation requirements for each sub-project will be determined based on the screening results, as follows:

- Category A: Sub-projects will require an Environmental and Social Impact Assessment (ESIA) and an Environmental and Social Management Plan (ESMP) prepared in accordance with AIIB's Policy requirements. Moreover, all bidding documents will

include a standard contract clause for ES management. The PMOs will consult with the Bank team during preparation of all Category A documents. Both the ESIA and the ESMP will be submitted to the Bank for review and clearance.

- Category B: Sub-projects will require an ESIA, simplified ESIA, and/or an ESMP consisting, at a minimum, of standard environmental codes of practices supplemented, if necessary, with additional analysis. The sub-project specific ESMP and or standard environmental codes of practices, including chance-finds of physical cultural resources, will be included in all construction contracts/bidding documents. The ESMP will include information on the budget, institutional arrangements, monitoring and reporting requirements for implementing the ESMPs.
- Category C: Sub-projects that are rated Category C do not require ES documents but will comply with the Chinese regulatory requirement for registration.

36. The ES policies of AIIB are applicable to this project. The screening results will be cross-checked with national regulations, to determine the applicable Chinese domestic EIA documentation requirements. Three possible instruments to address environmental risks and impacts are specified in the Chinese regulations: (a) Environmental impact assessment report (EIA); (b) Simplified environmental assessment (Simplified EA); and (c) Environmental registration.

37. In addition to any requirements to meet AIIB's Policy, the PMOs will also screen the sub-projects for national/provincial laws and regulations regarding land acquisition and involuntary resettlement. An Entitlement Matrix (Annexure 4) has been prepared to identify the potential risk categories and the corresponding compensation for the impacts. The resettlement documentation, i.e., Resettlement Plan (Refer Annexure 6) for each sub-project will depend on the sub-project's likely resettlement impacts, as follows:

- a full resettlement plan if over 200 people will need to be involuntarily resettled.
- an abbreviated RP if fewer than 200 people need to be resettled. And
- Due diligence if land acquisition or compensation for land already acquired under post-flood regulations.

6.3 Step 3 – Review of the Environmental and Social Screening by the Bank

38. The PMO will prepare an ES screening summary for each sub-project in a format specified in Annex 2. This will summarize: (a) the recommended categorization according to AIIB's Policy; and (b) the proposed ES documentation requirements for the sub-project.

39. The Bank will review and confirm the screening of all sub-projects based on the information provided by the PMOs in the screening summary. Review of the screening of Category A and Complex Category B Sub-projects may require site visits or additional review by the Bank. Post-reviews of the screening of other Category B sub-projects and of C sub-projects will be conducted by the Bank on a selective basis to verify that the screening tools and choice of documents are being applied appropriately and consistently.

6.4 Step 4 - Development of Environmental and Social Documents Including Consultation and Disclosure

40. Once the screening and documentation requirements are agreed by the Bank and confirmed by the government, the project proponents, with assistance from the PMOs, will develop detailed ES documents and impact mitigation measures.

41. For all Category A sub-projects and Complex Category B sub-projects, the Bank will provide advice to the sub-project proponents during the preparation of the ES documents. For Category B sub-projects, sub-project proponents and the PMOs are encouraged to liaise closely with the Bank if any issues arise that may require clarification from the Bank on the application of Bank's ESF.

42. ES documents will be subject to consultation and disclosure in an accessible place, in a timely manner, in a form and language understandable to key stakeholders, prior to finalization of the said documents. Particular attention will be given to providing sub-project affected persons with adequate time and ready access to draft documents before consultation takes place.

A. Language of Environmental and Social Documents

43. For Category A sub-projects, the ESIA, ESMPs and other applicable documents, such as RPs, will be subject to the Bank for review and clearance. As such, they will be prepared and submitted to the Bank in both Chinese and English language.

44. For Category B sub-projects, which will be implemented urgently and with straightforward technical solutions, simplified ESIA and or EMPs, and abbreviated RPs, will be submitted to the Bank in Chinese, with a summary in English. If needed, the Bank may request English translations of the full versions of these documents. In the case of Category B sub-projects developed and implemented under normal procedures, the Bank will request full translations of the ES documentation from Chinese to English to support its review and oversight of the subproject.

B. Public Consultation and Information Disclosure

45. Public consultation and information disclosure are important and necessary for sub-project preparation and implementation. These enable sub-project affected peoples and other stakeholders to participate in and contribute to the sub-project planning and implementation process, and thereby help minimize adverse sub-project impacts and maximize sub-project benefits. The level of public consultation and the scope of information dissemination will be commensurate with the sub-project category and the significance of the likely ES impacts.

46. Information to be disclosed will include, at a minimum sub-project design, likely impacts, and proposed mitigation measures. During the design and implementation phases, this information will be updated regularly and made available to stakeholders. Disclosure means could vary, but may include posters, booklets, newspapers, the internet, community meetings, etc. All ES documents will be disclosed at a public place accessible to affected groups and other stakeholders prior to consultation to establish the basis for meaningful consultation. Consultation and disclosure mechanisms will be planned and detailed in the relevant ES documents.

C. Grievance Redress Mechanism

47. A grievance redress mechanism (GRM) for the Project, covering all proposed sub-projects, will be provided to for addressing ES concerns of affected individuals and groups the project. Each municipality included in the Project will be required to establish a suitable GRM as soon as possible after AIIB approval of the financing, and in any event prior to commencement of implementation of any sub-projects in the municipality concerned. These GRMs will be designed to handle and manage any ES related complaints related to the sub-projects within the municipality concerned. Each GRM would include (i) a recording and reporting system, including for grievances filed both verbally and in writing, (ii) designated staff with responsibility at various levels of governments to address grievances, and (iii) a time frame to address the filed grievances. This mechanism will also be detailed in the sub-project ES documents. The functioning of the GRM will be regularly monitored and evaluated by the PMO during Project implementation and reported to the Bank as part of the ESMPF monitoring and reporting requirements. The GRM procedures and contact details for filing grievances by the project affected individuals or groups will be disseminated widely in the project areas.

48. Each GRM is to be designed to address affected people's concerns and complaints promptly, using a transparent process that is responsive, culturally appropriate, and readily accessible to all segments of the affected people at no costs and without retribution. The GRM would not impede access to the country's judicial or administrative remedies. The availability of the GRM will be widely communicated to the communities and included in relevant project documents (e.g., PIM).

D. AIIB's Project-affected People's Mechanism

49. Information on the Bank's Project-affected People's Mechanism, including how to access it, will be included in the Project and sub-project ES documentation, and disseminated by the GRMs. (See: <https://www.aiib.org/en/policies-strategies/operational-policies/policyon-the-project-affected-mechanism.html>.)

6.5 Step 5 - Review and clearance of the environmental and social documents

50. **Review by Government.** The PMOs are responsible for determining who should review and clear the ES documents according to national regulations.

51. **Review by AIIB.** The requirements for review and clearance of ES documents by the Bank are as follows:

- Category A and Complex Category B sub-projects: The ESIA/ESMP and other relevant documents (including any RP) for all these sub-projects will be subject to the Bank's standard review and clearance procedures prior to approval of the sub-project.
- Other Category B sub-projects: The Simplified ESIA (or EIA) and ESMP for these sub-projects will not be subject to the Bank review and clearance prior to approval of the sub-project. However, these documents will be post-reviewed on a selective basis during supervision missions.
- Category C: No review required by the Bank.

6.6 Step 6 – Implementation of Agreed Actions and Supervision, Monitoring and Evaluation

A. Implementation

52. Implementation of the mitigation measures and actions during sub-project implementation is the responsibility of the sub-project proponents.

B. Supervision

53. The PMOs will supervise the implementation of the ESMP, and ES related actions approved by the government and the Bank. The Bank team will regularly visit the sub-project areas throughout project implementation in order to:

- Provide guidance and assist in the preparation of ES documents;
- Review the ES screening results, ES due diligence review report, and ES documents of proposed sub-projects;
- Supervise the implementation of the ES documents to ensure they are implemented in compliance with the requirements of AIIB's Policy.

C. Monitoring and Evaluation

54. The PMOs will engage qualified and experienced consultants/firms to carry out the monitoring program to provide information on key ES aspects of the sub-projects and the effectiveness of the planned mitigation measures. This will enable the Government and the Bank to evaluate the performance of the ES program and allow corrective action to be taken when needed.

55. In case of any sub-projects with RPs, the municipal PMOs will hire an independent third-party consultant acceptable to the Bank to conduct external monitoring of RP implementation. The external monitoring report will be submitted to the Bank and the PMOs on a bi-annual basis.

7. SCREENING, IMPACT ASSESSMENT FOR ENVIRONMENTAL AND SOCIAL ISSUES IN RETRO-ACTIVE FINANCED SUB-PROJECTS

56. For sub-projects that already completed construction or commenced construction after the 7.20 flooding and proposed for retroactive financing, a due diligence post-review will be carried out for ES impacts:

- Environmental impacts. The municipal PMOs will review the sub-project implementation to determine compliance with environmental management requirements under the ESMPF, and if there are any outstanding environmental issues. Necessary mitigation measures to address any non-compliance and/or outstanding issues will be agreed with the Bank and implemented by the PMO.
- Social impacts. The municipal PMO will review the sub-project implementation to determine compliance with the social impacts mitigation measures specified in the ESMPF, including those relating to (a) land acquisition and involuntary resettlement (permanent or temporary); (b) the population affected; and (c) whether any ethnic minority community is present in the sub-project's area of influence and affected by the sub-project. Necessary mitigation measures to address any non-compliance or outstanding issues will be agreed with the Bank and implemented by the PMO.
- A post-review report, including sub-project specific ES Corrective Action Plan (ESCAP) to address any non-compliance and/or outstanding issues, will be prepared by the municipal PMOs for each of the sub-projects proposed for retroactive financing. The post-review reports and necessary mitigation measures proposed in ESCAP will be reviewed by the Government and the Bank. Compliance with the ESMPF requirements is a condition for retroactive financing under the Project.

8. INSTITUTIONAL ARRANGEMENTS WITH RESPECTIVE RESPONSIBILITIES AND PROCESSING PROCEDURES

57. In the ES mitigation planning process, described above, the various institutional roles and responsibilities are described as below (see below organization chart). In the organizational framework, environmental and social staff are to be assigned and responsible for the ES management.

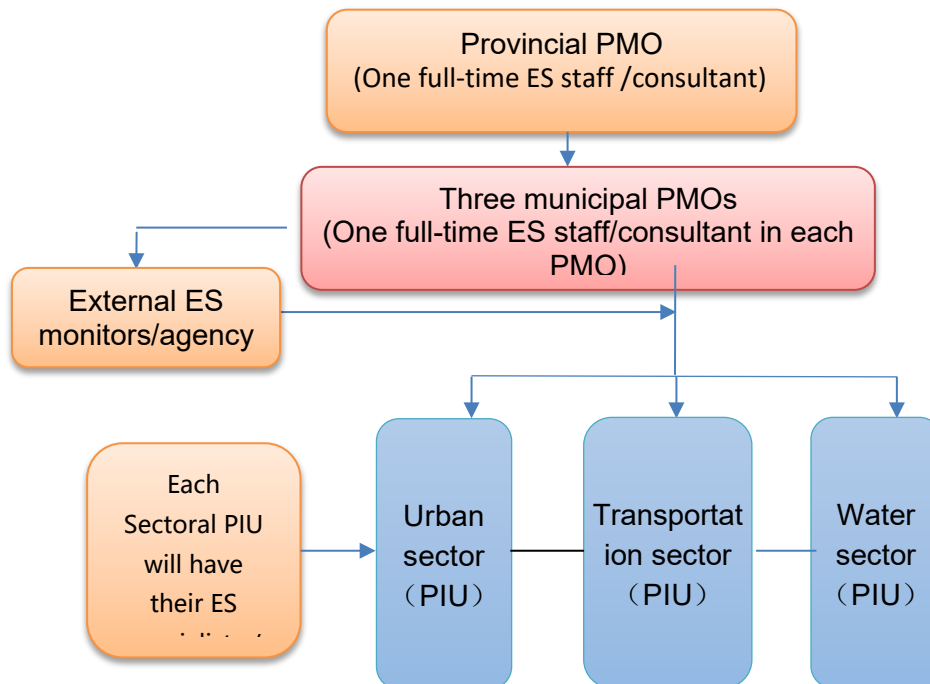


Figure 1: Organization Chart

58. **Overall Responsibility:** The Municipal PMOs, as the immediate project management offices, will assume the overall responsibility for the planning and implementation of ES documents under the sub-projects within their municipality. The provincial PMO and the Bank will support the process through periodic supervision and training. The provincial PMO and municipal PMOs will assign at least one full-time staff/consultant to coordinate the implementation of the ES management framework and maintain contact with the Bank ES specialists during the implementation period. In addition, each of the sectoral PIUs will also have their in-house ES specialists/consultants to coordinate and manage preparation of ES documents and related implementation for their respective sub-projects.

59. **Environmental and Social Impact Screening:** The municipal PMOs with the assistance of its specialized ES staff and/or qualified consultants will undertake ES screening of each proposed sub-project, the findings of which will be reviewed and confirmed by the Bank, depending on the nature of the sub-project and expected type and magnitude of the impacts.

60. **Preparation of ES documents:** Municipal PMOs /Sub-project proponents/PIUs will engage qualified and experienced ES consultants/firms to prepare the ES documents. In addition, PIUs will establish internal organization and assign staff responsible for planning, design and implementation of individual sub-projects ES management, including ES documents and mitigation measures.
61. **Domestic Review and Clearance of the ES Documents:** Relevant documents will be reviewed and cleared within the Government as part of the overall sub-project approval process. This will follow the Government's procedures and regulations for capital investment review and clearance.
62. **Bank Review and Clearance of ES Documents:** As mentioned above, ES documents for all Category A sub-projects and Complex Category B Sub-projects (ESIA/ESMP and other relevant documents such as RPs) will be forwarded to the Bank for prior review and clearance. For all other Category B sub-projects projects, the Bank will carry out sample post-reviews during supervision missions.
63. **ES Document Implementation:** The sub-project proponents/PIUs will be responsible for the implementation of the ES documents, under the direction and supervision of relevant Government line agencies (e.g., Environmental Bureau, Land Administration Bureau, etc.). The PMOs will ensure the ES mitigation measures and management requirements to be included in the project bidding documents and the contractors' contracts for implementation.
64. **Supervision, Monitoring and Evaluation:** The provincial PMO and three municipal PMOs will assume the overall responsibility for the supervision, monitoring, and evaluation of the ES document implementation. The municipal PMOs will be specifically responsible for the planning, organization and leading the oversight effort, including appointing the external ES monitors.
65. **Capacity building:** ES capacity building activities and training for Henan PMO, three municipal PMOs and sectoral PIUs will be conducted during project implementation to strengthen its E&S risk management skills. E&S Training programs will be prepared and conducted by three municipal PMOs. The provincial PMO and the Bank will support the capacity building activities through periodic supervision missions and training activities.
66. **Budget:** The cost for preparation of environmental and social documents will be supported by the governmental counterpart funds corresponding to each sub-project, including the compensation for land acquisition. The budget for implementation of the proposed mitigation measures in the ESIA and ESMP could be supported by AIIB loans, with the condition of following Bank's procurement policy and practice.

9. PUBLIC CONSULTATION AND INFORMATION DISCLOSURE

67. Public consultation is a two-way communication between the PMO/Project Implementing Units (PIU) and the project affected peoples (PAPs) and communities, as well as other stakeholders, which would be conducted throughout the sub-project cycle. PAPs and stakeholders' input would be sought at all stages of the sub-project development, and comments received during sub-project preparation and implementation will be considered in designing, preparation and implementation of the sub-projects. Where appropriate, mechanism for ongoing consultation may be necessary throughout the life of the sub-project, to disclose information and seek feedback. This may include information on the effectiveness of mitigation measures and affected communities' ongoing interests and concerns about the sub-project.

68. The consultation process during sub-project preparation and its results will be documented in the relevant ES documents. In particular, it will: (i) cover country laws and regulations relevant to the consultation and disclosure process and related provisions of the AIIB Policy; (ii) include methods (newspapers, pamphlets, community papers, interviews, community meetings and consultations, participatory tools) and means (radio broadcast, local TV, internet) used to inform and involve the PAPs and other stakeholders in the ES planning and implementation process; (iii) summarize response and highlight issues raised by various stakeholders; (iv) include mechanism for future consultations; and (v) document public meetings and interviews, including dates, names, gender, topics, details of discussion, and important outcomes.

10. SUPERVISION, MONITORING AND REPORTING ARRANGEMENT IN PROJECT IMPLEMENTATION AND CAPACITY BUILDING

69. Implementation of ESMPF is a mandatory requirement. PMOs/PIUs have responsibility to implement the ESMPF. To ensure that the ESMPF is effectively implemented, the PMOs/PIUs need to be assessed for their capacity to manage ES impacts and risks and to implement national laws and the AIIB Policy's requirements. This would require PMOs/PIUs either to delegate the responsibility to supervise the sub-projects under their responsibility to the supervision consultants or to develop in-house capacity to manage the day-to-day supervision of the implementation of the ESMPF. Mechanisms and measures for capacity building are to be developed and integrated into the Project design and documented in the ESMPF.

70. PMOs and PIUs will a) employ competent ES professional staff to carry out ES functions and b) hire specialized firms or consultants to conduct ESAs, ESMPs, ES monitoring, and reporting. AIIB will provide the support and guidance in project implementation to preparation of other ES instruments and continuous training throughout the project implementation to conduct regular supervision and monitoring on ES management.

71. More attention may need to be paid to monitoring and supervising of subprojects to avoid the risk of noncompliance with AIIB's Policy. Internal and external monitoring mechanism will be established to provide information on key environmental and social aspects of the sub-projects and the effectiveness of the planned mitigation measures. In case of any sub-projects with RPs, the PMOs will hire an independent third-party consultant acceptable to the Bank to conduct external monitoring of RP implementation. The external monitoring report will be submitted to the Bank and the PMOs.

72. The PMO's are required to report periodically on ESMPF implementation of sub-projects within their jurisdiction, i.e., quarterly report for the first-year implementation, as free-standing document and also as a section of the project implementation report. The ES reporting frequency can be adjusted to semi-annual basis, subject to Bank's evaluation of the first-year implementation of ES related measures. In addition to these monitoring reports, the Bank will monitor the ESMPF implementation progress through discussions with the PIU and PMO staff and periodic field-based supervision.

ANNEX1: INITIAL SCREENING AND MANAGEMENT MEASURES OF THE ES ISSUES FOR THE PROPOSED SUB-PROJECTS

No.	Sector	Sub-component	Sub-project Activities	Environmental impacts/risks	Social impacts /risks	Mitigation measures
Component 1 - Zhengzhou Recovery Program						
Z1	Urban/water	Integrated Jinshui River Management	<ul style="list-style-type: none"> To rehabilitate, treat and improve the Jinshui River, including river course dredging, green space along the riverbank and associated facilities. 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment Interruption to city life during construction 	<ul style="list-style-type: none"> State -owned land use Residential and nonresidential house demolition illegal buildings labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> Optimize design to minimize land acquisition and resettlement RP to be prepared Monitoring and evaluation during the implementation SEP to be prepared GRM to be established ESIA and ESMP to be prepared to include mature and practical mitigation measures
Z2	Transport	Rehabilitation of Rural Roads and Bridges	<ul style="list-style-type: none"> To recover and reconstruct rural roads in 6 counties/districts of Zhengzhou municipality, including drainage systems, safety utilities. 	<ul style="list-style-type: none"> Traffic interruption during construction bringing inconvenience to local communities Noise and air pollution caused by construction and machines Some are in environmental sensitive areas, such as nature reserve 	<ul style="list-style-type: none"> Rehabilitation activities constructed in existing lands labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> SEP to be prepared GRM to be established ESMP to be prepared to include mature and practical mitigation measures
Z3	Water	Rehabilitation of Ying River in Dengfeng City	<ul style="list-style-type: none"> To recover and reconstruct flood-damaged dikes, riverbank, and bridges, as well as dredging of the sedimented river. 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment 	<ul style="list-style-type: none"> Rehabilitation activities constructed in existing areas labor condition and safety during construction community safety and health during construction Inadequate participation No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> SEP to be prepared GRM to be established ESIA and ESMP to be prepared to include mature and practical mitigation measures
Component 2 - Xinxiang Recovery Program						

No.	Sector	Sub-component	Sub-project Activities	Environmental impacts/risks	Social impacts /risks	Mitigation measures
X1	Water	Rehabilitation of Gong Cannel	<ul style="list-style-type: none"> This sub-project is to rehabilitate and improvement of a section of Gong Cannel. 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment Interruption to city life during construction 	<ul style="list-style-type: none"> 300mu land acquisition and resettlement RP was prepared as local water sector requirement by local design institute labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> Optimize design to minimize land acquisition and resettlement RP to be improved to meet AIIB ESS2 Monitoring and evaluation during the implementation SEP to be prepared GRM to be established ESIA and ESMP to be prepared to include mature and practical mitigation measures
X2		Rehabilitation of Weihui Cang River Downstream	<ul style="list-style-type: none"> This subproject is to rehabilitate, reconstruction of flood-damaged section of Cang River in Weihui County, 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment 	<ul style="list-style-type: none"> Activities on existing watercourses Need to check whether there is farmlands in the river? inadequate participation with villages along the river (including women, vulnerable groups) labor condition and safety during construction community safety and health during construction No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> Optimize design to minimize land acquisition and resettlement If land acquisition is unavoidable, RP is needed SEP to be prepared GRM to be established ESMP to be prepared to include mature and practical mitigation measures
X3	Transport	Rehabilitation of national and provincial expressways	<ul style="list-style-type: none"> This subproject is to rehabilitate damaged sections of various national and provincial highways 	<ul style="list-style-type: none"> Traffic interruption during construction bringing inconvenience to local communities Noise and air pollution caused by construction and machines Some are in environmental sensitive areas, such as nature reserve 	<ul style="list-style-type: none"> 120 mu Land acquisition and resettlement was done in 2012 and no legacy issues labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> SEP to be prepared GRM to be established ESMP to be prepared to include mature and practical mitigation measures
X4		Rehabilitation of Public Transport infrastructure and purchase EV Buses	<ul style="list-style-type: none"> Reconstruction of flood damaged a bus terminal, and purchase of new EV Buses to replace the damaged buses 	<ul style="list-style-type: none"> Traffic interruption during construction bringing inconvenience to local communities Noise and air pollution caused by construction and machines 	<ul style="list-style-type: none"> reconstruction activities constructed in existing areas labor condition and safety during construction community safety and health during construction 	<ul style="list-style-type: none"> SEP to be prepared GRM to be established ESMP to be prepared to include mature and practical mitigation measures

No.	Sector	Sub-component	Sub-project Activities	Environmental impacts/risks	Social impacts /risks	Mitigation measures
					<ul style="list-style-type: none"> Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	
X5	Urban	Improvement of Urban Drainage Systems and Roads	<ul style="list-style-type: none"> This sub-project is to rehabilitate and improve the drainage system and urban roads in Xinxiang City 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment Interruption to city life, including traffic during construction 	<ul style="list-style-type: none"> 13mu (8800m2) Land acquisition 19700m2 structure demolition (1 enterprise with 6 rental households) Initial relocation plan was prepared by district government labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> Optimize design to minimize land acquisition and resettlement RP to be improved to meet AIIB ESS2 Monitoring and evaluation during the implementation Stakeholder engagement plan (SEP) to be prepared GRM to be established ESIA and ESMP to be prepared to include mature and practical mitigation measures
X6		Rehabilitation and Reconstruction of Wei River	<ul style="list-style-type: none"> This subproject is to dredge, rehabilitate and reconstruct flood damaged flood management infrastructure in Xinxiang 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment Interruption to city life during construction 	<ul style="list-style-type: none"> Rehabilitation activities constructed in existing areas labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> SEP to be prepared GRM to be established ESIA and ESMP to be prepared to include mature and practical mitigation measures
Component 3 - Jiaozuo Recovery Program						
J1	Water	Rehabilitation of various flood-damaged riverways	<ul style="list-style-type: none"> This sub-project is to rehabilitate and enhance various flood-damaged river works in Jiaozuo municipality 	<ul style="list-style-type: none"> Impact during dredging, and final disposal of the dredged materials Water quality declining due to construction disturbance Noise and air pollution caused by machines and equipment Interruption to city life during construction 	<ul style="list-style-type: none"> Significant land acquisition impacts depend on the final design labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> Optimize design to minimize land acquisition and resettlement RP to be improved to meet AIIB ESS2 Monitoring and evaluation during the implementation SEP to be prepared GRM to be established

No.	Sector	Sub-component	Sub-project Activities	Environmental impacts/risks	Social impacts /risks	Mitigation measures
						<ul style="list-style-type: none"> ESIA and ESMP to be prepared to include mature and practical mitigation measures
J2	Urban	Rehabilitation of Urban Cannels and Roads in Jiaozuo	<ul style="list-style-type: none"> This sub-project is to rehabilitate and enhance various urban cannels and roads in Jiaozuo City, 	<ul style="list-style-type: none"> Traffic interruption during construction bringing inconvenience to local communities Noise and air pollution caused by construction and machines 	<ul style="list-style-type: none"> Rehabilitation activities constructed in existing areas labor condition and safety during construction community safety and health during construction Inadequate participation (including women, vulnerable groups) No ethnic minority communities presented in the project areas 	<ul style="list-style-type: none"> SEP to be prepared GRM to be established ESIA and ESMP to be prepared to include mature and practical mitigation measures
J3		Jiaozuo Emergency Response Platform	<ul style="list-style-type: none"> This sub-project is to develop an integrated emergency commanding platform to monitor, early-warn and respond to emergency events 	<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none">
J4		Project management support	<ul style="list-style-type: none"> Support project management of the PMO, including hiring professional consultants to help project preparation, implementation, managing and monitoring. 	<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none">

ANNEX 2: DRAFT SCREENING FORM FOR POTENTIAL ENVIRONMENTAL AND SOCIAL ISSUES AND TO DETERMINE APPLICABILITY OF RELEVANT CHINESE LAWS AND AIIB POLICY

A. Screening Instruction

The Project Management Office (PMO) will use this Form to screen all sub-project applications. In addition to screening exercise, PMO should provide all necessary background documents as supporting information, including project proposal, project feasibility study report, preliminary design, and other project documents. Based on the supporting information, a Summary report should be prepared to describe the key project activities and its possible ES issues and provided with the screening table as attachment.

B. Screening form

- Name of the Sub-project: _____
- Number of Sub-project: _____
- Name of Associated Facilities: _____
- Number of Associated Facilities: _____
- Proposing Sector/Agency of the Sub-project: _____
- Sub-project Location: _____
- Infrastructure to be rehabilitated or constructed: _____
- Estimated Total Cost: _____
- Funding sought from Bank and counterpart funding if any: _____
- Proposed Date of Commencement of Work: _____
- Status and Situations of the Sub-project: already constructed, or under construction, or being considered for retroactive financing

For compliance with Chinese environmental regulations does this sub-project require any of the following safeguard documents.

- A full EIA: Yes: __ No: __
- A simplified EIA: Yes: __ No: __
- Other Environmental requirements: Yes: __ No: __

For compliance with Chinese social and land regulations does this sub-project require any of the following safeguard documents?

- A full RP _____ Yes: No: _____

- A simplified RP Yes: No:
- A Social stability risk assessment Yes: No:
- Other social requirements Yes: No:

Screening Checklist for AIIB's ESP

Questions	Answer		If Yes, applicability of ESSs and Instruments to be prepared
	Yes	No	
Is the proposed sub-project likely to have minimal or no adverse environmental impacts?			ESS1 Category C No instrument is needed
Are the sub-project impacts likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented?			ESS1 Category A ESIA, ESMP and applicable relevant Plans
Do the impacts affect an area broader than the sites or facilities subject to physical works and are the significant adverse environmental impacts irreversible?			ESS1 Category A ESIA, ESMP and applicable relevant Plans
Is the sub-project neither a Category A nor Category C as defined above?			ESS1 Category B
Will the sub-project be supporting reconstruction or preservation of physical cultural resources? Will the sub-project adversely impact physical cultural resources? Will an archaeological chance find procedure be used for the subproject?			ESS1
Does the sub-project construct a new dam or rely on the performance of an existing dam or a dam under construction?			ESS1
Will the sub-project involve the significant conversion or degradation of critical or non-critical natural habitats?			ESS1
Does the sub-project involve involuntary land acquisition or prior acquisition of land or demolition of existing structures?			ESS2
Does the sub-project involve the involuntary resettlement resulting in physical and/or economic displacement?			ESS2
Are there any ethnic minority communities present in the project area and are likely to be affected by the proposed sub-project?			ESS3

Recommended E&S Category: _____

Recommended Instrument: _____

Screening Tool Completed and Reviewed by: Signed by Environmental Specialist in PMO:

Name: _____

Title and Date: _____

Signed by Social Specialist in PMO:

Name: _____

Title and Date: _____

Signed by Project Manager in PMO or PIU:

Name: _____

Title and Date: _____

One copy of this Form and accompanying documentation will be kept in the PMO, one copy will be sent to the Bank, and a third copy, if necessary, sent to the concerned provincial/municipal government agency.

ANNEX 3: LIST OF KEY CHINESE LAWS AND REGULATIONS

A. Special Policies for Rehabilitation and Reconstruction of Henan Flood disaster

- Office of Henan Provincial Department of Natural Resources "Urgent Notice on Ensuring Land Use for Flood Control and Post-Disaster Reconstruction" (2021)
- Notice of The General Office of Henan Provincial People's Government on Accelerating the Preliminary Work of Post-Disaster Reconstruction Projects (HPG (2021) No. 37)
- " Work Plan for Post-Disaster Recovery and Reconstruction of Rural Housing in Henan Province" by Housing and Urban Construction Department of Henan Province, Finance Department of Henan Province, Emergency Management Department of Henan Province, Self-Recognized Resources Department of Henan Province, Agriculture and Rural Department of Henan Province (2021)
- Notice on Implementation of Post-Disaster Recovery and Reconstruction Plan of Transportation Infrastructure in Henan Province, Department of Transportation of Henan Province (2021)
- Policies and Measures on Speeding up Post-Disaster Recovery and Reconstruction issued by Henan Provincial Party Committee and Henan Provincial People's Government (2021)
- Notification of Work Plan for Post-Disaster Recovery and Reconstruction of Ordinary Roads and Waterways in Henan Province in 2021 by Henan Provincial Transportation Development Center (2021)

B. Environmental Laws & Regulations

- Environmental Protection Law of PRC (April 2014)
- Environmental Impact Assessment Law of PRC (December 2018)
- Water Pollution Prevention and Control Law of PRC (Revised in 2017)
- Air Pollution Prevention and Control Law of PRC (October 2018)
- Environmental Noise Pollution Prevention and Control Law of PRC (December 2018)
- Solid Waste Pollution Prevention and Control Law of PRC (Revised on April 29, 2020)
- Soil and Water Conservation Law of PRC (2011)
- Public Consultation Method for Environmental Impact Assessment
- The Environmental Impact Assessment Classification Management Directory of the Construction Project (2021 edition)

C. Key Laws & Regulations Supporting Land Acquisition and Resettlement

- Constitution of the PRC (amended in 2018)
- The Civil Code of the People's Republic of China (2020)
- China Land Management Law (revised in 2020)
- State Council Decision on Strengthening Land Management (2004)
- Regulations on Land Compensation and Resettlement for Large and Medium-sized water conservancy and Hydropower projects (2017)
- Provisions of Administrating Demolition of Urban Houses by the State Council in 2011
- Notice of the Henan Provincial Government on Adjusting Composite Location-based Land Prices for Land Acquisition of Henan Province (YPG [2016] No.48)
- Notice of the Henan Provincial Government on Location-based Composite Land Prices for Farmland Acquisition (HPG [2020] No.16)
- Notice of Provisions of Henan Provinces on the Implementation of the Regulations on House Expropriation and Compensation on State-owned Land (HPG [2016] No.39)
- Notice of the Office of the People's Government of Henan Province on the Measures of Social Security Work for Land-expropriated Farmers (Department of Human Resources and Social Security [2019] No.1 and 2)
- Notice of Henan Provincial Department of Natural Resources on Promoting the Reform of "Multiple Audits and Multiple Certificates" for Planned Land Use (Henan Natural Resources Regulations [2019] No. 2)

D. Key Laws & Regulations Addressing Ethnic Minorities

- Constitution of the PRC (amended in 2018)
- Civil Code of the People's Republic of China (2020)
- National Regional Autonomy Law (amended in 2001)
- Regulations of the People's Republic of China on Letters and Visits (revised in 2019)
- Regulations on Administrative Decision-making Procedures (State Council Order No. 713)
- Opinions on Strengthening the Construction of Risk Assessment Mechanism for Major Decision-making under The New Situation (2021)
- Measures for Social Stability Risk Assessment of Investment Projects of the National Development and Reform Commission (NO. [2012]2492)
- Notice of the General Office of the National Development and Reform Commission on Outline of Compilation of Risk Analysis Chapter or Evaluation Report on Social Stability of Investment Projects (Trial) ([2013] No. 428)

ANNEX 4: RESENTMENT ENTITLEMENT MATRIX

Type of Loss	Identification of DPs	Details
Permanent land acquisition	Collective land acquired permanently	(1) land compensation: all will be paid to AHs to ensure their livelihood restoration or better off (2) Employment provision: Employment services, public welfare and project jobs, and small-amount business startup loans will be offered. (3) Free skills training will be offered to the APs. (4) Enjoy the social endowment pension as local social security policy
Temporary land occupation	Collective land used temporarily	(1) The compensation for temporary land occupation will be paid to the proprietor directly based on the occupation period. (2) Compensation for standing crops and trees as per the market rate; (3) Time bound restoration of land to its previous or better quality;
Demolition of residential properties	House demolition	(1) Demolished residential properties are subject to cash compensation or property swap. (2) Cash compensation (including decoration fees) will be paid to affected persons at replacement cost /market value on the basis on the Third party evaluation . (3) Transition fees will be paid. (4) All fees, taxes and other registration charges incurred for the replacement structure shall be borne by the executing agency as applicable (5) Right to salvage material from the demolished structure at no cost (6) Notice period of at least one month to be given
Demolition of non-residential properties	House demolition	(1) Demolished residential properties are subject to cash compensation or property swap. (2) Cash compensation including decoration fees will be paid to affected persons at replacement cost /market value on the basis on the Third-party evaluation. (3) Transition fees will be paid. (4) Right to salvage material from the demolished structure at no cost (5) Production shutdown loss needs to be compensated to APs (6) Equipment relocation loss needs to be paid to APs (7) Notice period of at least one months to be given (8) All fees, taxes and other registration charges incurred for the replacement structure shall be borne by the PIUs, as applicable
Illegal buildings	House demolition	(1) Assistant/measures provided by PIUs to ensure their livelihood restoration (2) Full consultation and participation
Ground attachment	Greenhouses, Adult trees, Landscape trees, Fruit trees, Grounds, etc.	(1) Compensation for ground attachments will be paid directly to proprietors at the replacement cost. (2) Right to salvage material from demolished asset/structure (3) Displaced persons will be notified and given at least 30 days advance notice to remove trees. For seasonal crops and fruit trees three months' notice is to be given
Vulnerable groups	Vulnerable households	(1) Additional one-time assistance of per vulnerable family will be paid. (2) One adult member from each vulnerable household will be entitled for skill development (3) Vulnerable families may be considered for potential employment in the project construction activities subject to suitability.
Women	Women affected	(1) Making at least 30% of unskilled jobs first available to women.

Type of Loss	Identification of DPs	Details
	by LA	(2) Women will receive relevant information during LAR and are able to participate in LAR consultation. (3) A special women's FGD will be held to introduce LAR policies.

ANNEX5: INDICATIVE CONTENT AND OUTLINE OF ESIA AND ESMP

Generally, the Bank requires the Client to adopt an integrated approach to the process of assessment, given the complex interrelationships of environmental and social risks and impacts in both public- and private-sector Projects. However, the Bank recognizes that in some countries the legislation and procedures require separate environmental and social documents, making the preparation of an integrated environmental and social assessment difficult to achieve. This template presents a suggested outline for an ESIA (integrating environmental and social impacts in one assessment report). Chapters may be added or deleted as the project scope and potential environmental and social risks and impacts dictate. This is intended to be part of the TOR of the Consultant who will do the ESIA.

The ESIA report should include the following items (not necessarily in the order shown):

(a) Executive summary. Concisely discusses significant findings and recommended actions. Includes scope and coverage of project, categorization, key environmental and social impacts, consultations conducted, disclosure of documents. Length of this section will depend on the complexity of the project. Professional judgement is used on the contents of this section.

(b) Introduction. To describe objectives, scope, methodology of ESIA study, study timeline, and structure of the report etc. Methodology of ESIA study should include Area of Influence (Aoi). Methodology could be a separate chapter depending on a specific project or category. And it should also include the supplementary studies that need to be done as part of the ESIA e.g., Biodiversity Action Plan, Climate Change Plan, Water Conservation Pan, etc.

(c) Policy, legal, and administrative framework. It is important that this section only covers directly relevant material to discuss the policy, legal, and administrative framework within which the ESIA is carried out.

(d) Project description. Concisely describes the proposed project and its geographic, ecological, social, and temporal context. Normally includes a map showing the project site and the project's area of influence.

It is important to include the information about Associated Facilities, to describe activities that are not included in the description of the Project set out in the agreement governing the Project, but that the Bank determines, following consultation with the Client, are: (i) directly and materially related to the Project; (ii) carried out or planned to be carried out, contemporaneously with the Project; and (iii) necessary for the Project to be viable and would not be constructed or expanded if the Project did not exist. Identify and assess the potential environmental and social risks and impacts of Associated Facilities and assess level of control or influence of the project sponsor/implementing entity over the associated facility.

(e) Baseline of environmental and social data. Assesses the dimensions of the study area and describes relevant physical, biological, socioeconomic and cultural resources conditions, including any changes anticipated before the project commences. This should include review of climate change risks. Also considers current and proposed development activities within the project area but not directly connected to the project. Data should be relevant to decisions about project location, design, operation, or mitigatory measures. The section indicates the accuracy, reliability, and sources of the data.

(f) Environmental and social impact/risk assessment and mitigation measures. Predicts and assesses the project's likely positive and negative impacts, in quantitative terms to the extent possible. Identifies mitigation measures and any residual negative impacts that cannot be mitigated. It should also include measures for climate change adaptation. Explores opportunities for environmental enhancement. Identifies and estimates the extent and quality of available data, key data gaps, and uncertainties associated with predictions, and specifies topics that do not require further attention.

(g) Analysis of alternatives. Systematically compares feasible alternatives to the proposed project site, technology, design, and operation--including the "without project" situation--in terms of their potential environmental and social impacts; the feasibility of mitigating these impacts; their capital and recurrent costs; their suitability under local conditions; and their institutional, training, and monitoring requirements. For each of the alternatives, quantifies the environmental and social impacts to the extent possible, and attaches economic values where feasible. States the basis for selecting the project design proposed and justifies recommended emission levels and approaches to pollution prevention and abatement.

(h) Resettlement Policy Framework (RPF). The RPF should include a well-defined Entitlement Matrix indicating the types of losses and the compensation / assistance provided against each category of loss. The process of land acquisition (if applicable) to be followed should clearly be mentioned. Provisions for Negotiated Settlement for securing land should be included in this discussion. The alternative approach contemplated in case the negotiation fails must be outlined. In case of land acquisition and related physical and economic displacements, the scope and level of detail of the relevant action plan will be determined. The plan shall be prepared based on social assessment survey and should cover the impacts on the community and other adversely affected groups.

The consultant will have to ensure that the RoW is free from any encumbrances and that the Client has engaged with all the relevant stakeholders including utility providers, mobile vendors, householders, and shop owners whose access will be temporarily blocked and indicating that land is available with the Client for cabling works. All records of communications and consultations will have to be taken from the Client and reflected in the relevant E&S documents.

(i) Labor and OSHE

- Broad indication of the potential risks of the project on Labor and OSHE.
- Describe working conditions and management of worker relationships.
- Assess how the Client to: (i) promote the fair treatment, nondiscrimination, and equal opportunity of project workers, (ii) protect project workers, including vulnerable workers such as women, persons with disabilities, children and migrant workers, contracted workers, community workers and primary supply workers, as appropriate (iii) prevent the use of all forms of forced labor and child labor.
- Specific assessment of GBV risks in relation to labor camps / influx.

(j) Public Consultation and Information Disclosure

- Stakeholder Analysis Identification. Identify Key Stakeholders.
- Consultation Plan. Engagement with stakeholders from preparation to implementation of project.

(k) Stakeholder Engagement Plan (SEP)

- Describe how the Borrower will continue to engage with and provide sufficient information to stakeholders throughout the life cycle of the project.
- Outline how the project will engage with project-affected parties throughout the project life cycle on issues that could potentially affect them
- Specifically, this section will set out in further detail: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders

(l) Grievance Redress Mechanism

- This chapter describes an arrangement for receiving, evaluating, and facilitating the resolution of workers and affected people's concerns, complaints, and grievances about the borrower/client's social and environmental performance on a project. A GRM is important for development projects where adverse impacts or risks are ongoing or anticipated.

It also includes information on AIIB' Project-affected People's Mechanism, including how to access it, must be included in the Project and sub-project ES documentation, and disseminated by the GRMs. (See: <https://www.aiib.org/en/policies-strategies/operational-policies/policyon-the-project-affected-mechanism.html>.)

(m) Environmental and Social Management Plan (ESMP). Covers mitigation measures, monitoring, institutional arrangement and strengthening, and reporting requirement, etc.

A project's ESMP consists of the set of mitigation, monitoring, and institutional measures to be taken during implementation and operation to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels. The plan also includes the actions needed to implement these measures. Management plans are essential elements of ESIA reports for Category A projects; for many Category B projects, the ESIA may result in a

ESMP only.

To prepare a management plan, the borrower and its ESIA design team (a) identify the set of responses to potentially adverse impacts; (b) determine requirements for ensuring that those responses are made effectively and in a timely manner; and (c) describe the means for meeting those requirements. More specifically, the ESMP includes the following components:

- Legal basis for ESMP implementation
- Project description and its key finding of ES impact assessment
- Mitigation measures proposed based on impact assessment
- Monitoring arrangement
- Institutional arrangement and respective responsibilities for ESMP implementation including capacity building and training
- Implementation schedule and cost estimates
- Integration of ESMP with Project
- Reporting requirement during project implementation

Note: For detail documentation requirement, refer Asian Infrastructure Investment Bank's Environmental and Social Assessment and Management Standard (ESS1).

ANNEX 6: OUTLINE OF A RESETTLEMENT PLAN

A resettlement plan is required for all projects with involuntary resettlement impacts. Its level of detail and comprehensiveness is commensurate with the significance of potential involuntary resettlement impacts and risks. The substantive aspects of the outline will guide the preparation of the resettlement plans, although not necessarily in the order shown.

A. Executive Summary. This section provides a concise statement of project scope, key survey findings, entitlements, and recommended actions.

B. Introduction and Project Description.

This section:

- (i) provides a general description of the project, discusses project components that result in land acquisition, involuntary resettlement, or both and identify the project area;
- (ii) describes the objectives of the Resettlement Plan; and
- (iii) describes the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision.

C. Scope of Land Acquisition and Resettlement.

This section:

- (i) discusses the project's potential impacts and includes maps of the areas or zone of impact of project components or activities.
- (ii) describes the scope of land acquisition (provide maps) and explains why it is necessary for the main investment project.
- (iii) summarizes the key effects in terms of assets acquired and displaced persons; and
- (iv) provides details of any common property resources that will be acquired.

D. Socioeconomic Information and Profile.

This section outlines the results of the social impact assessment, the census survey, and other studies, with information and/or data disaggregated by gender, vulnerability, and other social groupings, including:

- (i) define, identify, and enumerate the people and communities to be displaced.
- (ii) describe the likely impacts of land and asset acquisition on the people and communities displaced taking social, cultural, and economic parameters into account.
- (iii) discuss the project's impacts on the poor, and/or ethnic minorities, and

- (iv) other vulnerable groups; and
- (v) identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

E. Information Disclosure, Consultation, and Participation.

This section:

- (i) identifies project stakeholders, especially primary stakeholders.
- (ii) describes the consultation and participation mechanisms to be used during the different stages of the project cycle.
- (iii) describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders.
- (iv) summarizes the results of consultations with displaced persons (including host communities) and discusses how concerns raised and recommendations made were addressed in the resettlement plan.
- (v) confirms disclosure of the draft resettlement plan to displaced persons and includes arrangements to disclose any subsequent plans; and
- (vi) describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with displaced persons during project implementation.

F. Grievance Redress Mechanisms.

This section describes mechanisms to receive and facilitate the resolution of displaced persons' concerns and grievances. It explains how the procedures are accessible to displaced persons and gender sensitive.

It also includes information on AIIB' Project-affected People's Mechanism, including how to access it, must be included in the Project and sub-project ES documentation, and disseminated by the GRMs. (See: <https://www.aiib.org/en/policies-strategies/operational-policies/policyon-the-project-affected-mechanism.html>.)

G. Legal Framework.

This section:

- (i) describes national and local laws and regulations that apply to the project and identify gaps between local laws and AIIB's policy requirements; and discuss how any gaps will be addressed.
- (ii) describes the legal and policy commitments from the executing agency for all types of displaced persons.
- (iii) outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes, and livelihoods; and set out the compensation and assistance eligibility criteria and how and when compensation and assistance will be provided.
- (iv) describes the land acquisition process and prepare a schedule for meeting key procedural requirements.

H. Entitlements, Assistance and Benefits.

This section:

- (i) defines entitlements and eligibility of displaced persons and describes all resettlement assistance measures (includes an entitlement matrix).
- (ii) specifies all assistance to vulnerable groups, including women, and other special groups, and.
- (iii) outlines opportunities for displaced persons to derive appropriate development benefits from the project.

I. Relocation of Housing and Settlements.

This section:

- (i) describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensure that gender concerns and support to vulnerable groups are identified).
- (ii) describes alternative relocation sites considered; community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs.
- (iii) provides timetables for site preparation and transfer.
- (iv) describes the legal arrangements to regularize tenure and transfer titles to resettled persons.
- (v) outlines measures to assist displaced persons with their transfer and establishment at new sites.
- (vi) describes plans to provide civic infrastructure; and
- (vii) explains how integration with host populations will be carried out.

II. J. Income Restoration and Rehabilitation.

This section:

- (i) identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources.
- (ii) describes income restoration programs, including multiple options for restoring all types of livelihoods (e.g., project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets).
- (iii) outlines measures to provide social safety net through social insurance and/or project special funds.
- (iv) describes special measures to support vulnerable groups.
- (v) explains gender considerations; and
- (vi) describes training programs.

K. Resettlement Budget and Financing Plan.

This section:

- (i) provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during loan implementation.
- (ii) describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items).
- (iii) includes a justification for all assumptions made in calculating compensation rates and other cost estimates (considering both physical and cost contingencies), plus replacement costs; and
- (iv) includes information about the source of funding for the resettlement plan budget.

L. Institutional Arrangements.

This section:

- (i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan.
- (ii) includes institutional capacity building program, including technical assistance, if required.
- (iii) describes role of NGOs, if involved, and organizations of displaced persons in resettlement planning and management; and
- (iv) describes how women's groups will be involved in resettlement planning and management,

M. Implementation Schedule.

This section includes a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. The implementation schedule should cover all aspects of resettlement activities synchronized with the project schedule of civil works construction and provide land acquisition process and timeline.

N. Monitoring and Reporting.

This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of displaced persons in the monitoring process. This section will also describe reporting procedures.

Note: For detail documentation requirement, refer Asian Infrastructure Investment Bank's Involuntary Resettlement Standard (ESS2).