

Program Safeguard Systems Assessment

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People's Republic of China: Chongqing Gaoxin District Green and Low-Carbon Urban Development Program

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Asian Development Bank

PROGRAM SAFEGUARD SYSTEMS ASSESSMENT

A. Program Environmental and Social Impacts and Risks

1. This is the Program Safeguard Systems Assessment (PSSA) for the proposed Chongqing Gaoxin District Green and Low-Carbon Urban Development Program (the program) in Chongqing Gaoxin District (CGD) of the Chongqing Municipality, People's Republic of China (PRC). The program will demonstrate green, nature-based, low-carbon, climate-resilient, and intersectoral urban development in CGD, Chongqing Municipality of the PRC. Institutional strengthening will build the capacity of the Administration of Chongqing Gaoxin District (ACGD) to significantly enhance the facilitation, implementation, and monitoring of green, low-carbon, and sustainable development initiatives and policies in CGD. The program adopts an integrated urban development approach, ensuring cohesive planning and inclusive municipal services, which will lead to a more sustainable use of resources, improved connectivity, and a better quality of life for residents. The program's knowledge management action plan will support widespread sharing of innovative features and knowledge solutions. The program is adopting the results-based lending (RBL) modality, requiring the preparation of a PSSA.

2. The time slice of the RBL program is 7 years, 2024–2030. The geographic slice is the whole area in CGD, including 3 subdistricts and 7 townships. The sector slice focuses on green buildings and ultra-low energy building, Green Eco-district, wastewater collection and treatment, reuse of reclaimed wastewater, nature-based solutions for surface water quality improvement and flood risk management, sustainable infrastructure development with sponge city principles, and renewable energy-powered district heating and cooling supply, public awareness raising and participation on key environmental topics such as green buildings, green communities, climate risks and management, domestic waste separation, energy saving, environmental protection, and adopting a low-carbon lifestyle. The program scope specifically excludes any activities that would trigger a safeguards category A classification under the Asian Development Bank (ADB) Safeguard Policy Statement (SPS) (2009).

3. This diagnostic assessment process for the proposed program has determined, in general, that the program is likely to pose only low to moderate environmental and social risks, while significant social benefits will be derived through low-carbon, climate-resilient, climate resilience and nature-based city in CGD. The assessment determined that the existing regulatory framework, technical capacity, and implementation practices of the program safeguards system in Chongqing Municipality and CGD are adequate for managing likely risks although Administration of Chongqing Gaoxin District Program Management Office (APMO) and program implementation unit (PIU) do not have previous RBL experience. Nonetheless, several minor gaps, mostly relating to program safeguard systems management and coordination; safeguard document preparation monitoring, evaluation and data management; identification of vulnerable affected persons; and public engagement processes, have been identified, and corresponding measures to strengthen system performance have been agreed with the ACGD.

4. **Impact and outcome.** The RBL program's impact will be green, low-carbon, and nature-based city established and CGD's contribution to carbon dioxide peaking and carbon neutrality target supported. The outcome will be green and low-carbon urban development in CGD improved. The primary beneficiaries will be the residents in 3 subdistricts and 7 townships in CGD.

5. **Environment.** The proposed program will involve physical activities including (i) reclaimed water reuse facilities, (ii) separate stormwater and sewage collection sewers, (iii) energy efficient buildings and green buildings, (iv) clean heating and cooling, (v) Green Eco-district, (vi) terrestrial

and aquatic ecological rehabilitation, and (vii) development of green spaces. Potential adverse environmental impacts during construction phase are mainly related to building construction, including (i) noise and vibration may be caused by the operation of pile drivers, earth-moving and excavation equipment, concrete mixers, cranes, and the transportation of materials and equipment; (ii) soil erosion may be caused by exposure of soil surface to rain and wind during site clearing, earth moving, and excavation activities; (iii) emission of fugitive dust caused by a combination of on-site excavation and movement of earth materials, contact of construction machinery with bare soil, and exposure of bare soil and soil piles to wind; (iv) exhaust from diesel engines of earth-moving equipment; (v) wastewater and site runoff affecting public drainage systems; (vi) inappropriate disposal of solid wastes from the construction sites, including hazardous and non-hazardous waste; (vii) occupational health and safety risks for site construction workers; and (viii) potential risk to public health and safety. These impacts are short-term and site-specific, and can be mitigated through the application of standard construction management practices. No significant operation phase environmental impacts are anticipated during the operation of facilities to be supported under the program. During operation, the municipal solid waste, wastewater, etc., from facilities, buildings, Green Eco-district, energy storage stations, and pipelines can easily be addressed by integrating those facilities into the region's municipal services (water supply, solid waste, and sewer collection and disposal). These impacts can be effectively mitigated through application of standard construction and operation management practices. Based on the program scope and due diligence conducted during program preparation, potential subprojects to be financed under the program will only be environment categories B and C, the program will not finance environment category A subprojects.

6. **Involuntary resettlement.** As explained in the detailed Involuntary Resettlement Safeguards System Assessment, output 1 of the proposed RBL program will not entail any involuntary resettlement impacts, and outputs 2 and 3 are expected to involve limited land acquisition and resettlement (LAR) impacts.¹ Based on consultation with APMO and PIU, and field inspection visits to sample subprojects, it can be concluded that potential LAR impacts may include permanent land acquisition (PLA) of collective land, permanent occupation of state-owned land (SOL), temporary land occupation (TLO) of collective land and/or SOL, and existing facilities are expected to be involved during the program implementation. (i) **PLA/SOL:** (a) PLA or SOL for construction of green buildings and/or ultra-low energy buildings (6–10 *mu*), (b) SOL for construction of Green Eco-district (330 *mu*), (c) rehabilitation of key rivers in urban built-up areas may involve PLA of collective land or SOL (about 1–220 *mu*), and (d) construction of green spaces in built-up areas is expected to involve SOL of around 100–600 *mu*. (ii) **TLO:** civil works will also involve TLO of collective land or state-owned land during construction, especially for pipeline works for wastewater, stormwater, and reclaim water; reclaimed water facilities; stockyards or camps of activities during construction, etc. The lasting period of TLO is expected to be less than one year, as the ground excavation, pipeline laying and backfilling will be implemented section by section, for each section, the construction period will be 2–3 months. (iii) **Existing facilities:** consultation also indicated that construction or upgrading of some subproject facilities are expected to be carried out in locations without physical displacement involved and limited LAR impacts, e.g., upgrade and renovation of public buildings, wastewater treatment plants, pipeline networks, construction of centralized heating and cooling supply facilities (30–60 *mu*); construction of emergency pools and inflow channels as well as underwater biodiversity restoration during river or reservoir rehabilitation, etc. (iv) **Livelihood impacts:** young crops and attachments on the ground will be affected by potential land use and permanent land acquisition. There are no aquaculture activities in the waterways. In general, it is not expected to cause significant livelihood impacts to local communities. However, it is still important to identify and

¹ Refer to Supplementary Document 2: Involuntary Resettlement Safeguard Systems Assessment.

manage any potential impacts that may arise. The APMO confirms that (i) any subprojects that fall under category A for involuntary resettlement as defined in ADB SPS 2009; those with significant adverse impacts including impacts that are sensitive,² diverse,³ or unprecedented;⁴ or if there are any major and/or sensitive outstanding issues or legacy issues will be excluded from the RBL program; (ii) potential LAR impacts will be minimized and design further optimized including through selection of alternative locations; and (iii) institutional, contextual, and programmatic risks are well understood and manageable, given the nature of the subprojects proposed, existing capacities of the local governments in implementing land acquisition and minimizing involuntary resettlement impacts, and the identified gaps between the program safeguards systems and the ADB SPS (2009) involuntary resettlement requirements. None of the gaps identified will impede the borrower's capacity to effectively implement the land acquisition provisions. Therefore, based on the due diligence undertaken, the level of involuntary resettlement is category B when the SPS categorization guidance is applied.

7. It is also confirmed by the APMO that, where acquisition of agricultural land is unavoidable, resettlement and compensation measures will be implemented and national and local land use regulations, e.g., LAR, will be applied. For activities that involve new LAR impacts, the site selection will be subject to the land pre-examination approval of the CDG Planning and Natural Resources Bureau to avoid any contradiction with the land use policies and local economic development planning. For activities to be implemented on the land where LAR has been completed (past LAR) before the program preparation, due diligence will be carried out. If any outstanding legacy issues are identified, gap-filling measures will be developed and implemented and sites with past LAR that have major and/or sensitive legacy issues will be excluded. For activities to be implemented in existing facilities, social compliance audit will be carried. For detailed analysis and agreed detailed program actions related to the involuntary resettlement safeguard (footnote 1), and the Program Action Plan (PAP) in the Program Implementation Document (PID).

8. **Indigenous peoples.** The ethnic minority population within the program areas consists of 34,912 individuals as of the end of 2023, accounting for 4.2% of the total population in CGD, primarily the Tujia, and Miao, which represent 50.3% and 21.6% of the total ethnic minorities. Some of them live in Chongqing for several generations, and some of them came from other provinces and resettled in Chongqing due to work, marriage, business, etc. A key informant interview with competent government department United Front Work Department, interviews with representatives of 10 sample villages and communities, and also three focus group discussion with ethnic minority residents were conducted during the social survey from 26–29 April 2024.

² Generally means impacts which could have a major bearing on the environment and/or affected people and cause serious or irreversible damage or some reason requires special attention. For social safeguards, this could include, for example, vulnerable affected people losing or partially losing their way of life and livelihood, or physical displacement.

³ Means impacts that are multi-dimensional in nature, leading to multiple types of impacts or impacts that may affect an area larger than the sites or facilities subject to physical works and might have cumulative and synergistic effects. For social safeguards, this could include, for example, impacts that affect different types of affected people such as landless, non-titled, and seasonal workers as one type, and landowners as another, or impacts that involve different impact types, such as loss of land, physical displacement, economic displacement, crop losses, tree losses, other socioeconomic impacts, and/or cultural impacts. A combination of environmental and social impacts could also contribute to diversity of impacts.

⁴ Means impacts of a type, nature, or scale that have not occurred before or occur very rarely, or where little is known or understood about the likelihood and nature of the impacts, such that mitigation measures are not readily available or have not been tested within the program context. For social safeguards, this could include, for example, large-scale physical displacement of indigenous peoples communities from customary land and sources of livelihood, or households that have been previously displaced by earlier development projects and may be displaced again by the program.

The social impact assessment conducted for the program reveals that scattered ethnic minority residents are living together with Han people, and there is no ethnic minority concentrated community in the program area. Ethnic minorities residing in the program area show no differences with the social, economic, and political systems of, and will benefit equally with the Han people, as confirmed through key informant interviews and focus group discussions. The common language used by ethnic minorities is the local Chinese dialect (Chongqing Hua). All of them can speak Mandarin as well. There are no specific cultural customs of the ethnic minorities in CGD. None of the activities under the program will directly target specific ethnic groups, and no differentiated impacts are expected on them. On the other hand, the improved infrastructures and urban–rural public services will bring more employment and business opportunities for ethnic minorities, same as with the Han people residing in the program area. The program is not expected to trigger the indigenous peoples safeguard as discussed in the ethnic minority due diligence report. The program is therefore classified as *category C* for indigenous peoples safeguard as due diligence confirmed no SPS principles are triggered. No specific actions are required for ethnic minority development, but the PAP in the PID requires to systematically collect information on program beneficiaries disaggregated by ethnicity for inclusion in semiannual progress reports.

B. Safeguard Policy Principles Triggered

9. Upon review of national, municipal, and CGD regulations, and considering activities and potential impacts that may be associated with the activities the RBL program will support, this PSSA finds the following SPS principles to be triggered by the proposed program. The site selection for civil works will avoid critical habitats as it is prohibited by PRC laws and regulations,⁵ thus environmental policy principle 8 relating to critical habitats is not triggered. The table summarizes how the RBL program triggers the safeguard policy principles.

Safeguard Policy Principles Triggered

Principles	Description
Environment	
Principle 1. Use a screening process for each proposed project, as early as possible, to determine the appropriate extent and type of environmental assessment so that appropriate studies are undertaken commensurate with the significance of potential impacts and risks.	All subprojects with physical activities will be screened and categorized using the Directory of Environmental Impact Assessment Categorization for Construction Projects (<i>ShengHuan</i>, 2021),^a ADB Prohibited Investment Activities List, and rapid environmental assessment of ADB to ensure the appropriate environmental category is assigned. The PRC Law on Environmental Impact Assessment (<i>ShengHuan</i>, 2018) lays down the screening procedure, differentiating between major, light/slight, and very small environmental impacts.^b All subprojects with physical activities will be screened and categorized using the Directory of Environmental Impact Assessment Categorization for Construction Projects (<i>ShengHuan</i>, 2021, note a) and rapid environmental assessment checklists of ADB with support from an environmental expert to

⁵ National Forestry and Grassland Administration of the PRC. 2017. [Regulation on Nature Reserves Conservation of the PRC](#). Beijing (in Chinese); The National People's Congress of the PRC. 2018. [Wildlife Protection Law of the PRC](#). Beijing (in Chinese); and National Forestry and Grassland Administration of the PRC. 2017. [Regulation on Protection of Wild Plants](#). Beijing (in Chinese).

Principles	Description
	ensure the appropriate environmental category is assigned. Training and support will be provided, as necessary, to ensure that the categorization process is administered correctly. Activities with significant environmental impacts (equivalent to ADB's environment category A) will be excluded from the program. Activities with moderate impacts are expected to trigger the need to conduct environmental assessments and prepare EITs. Activities with minimal environmental impacts are required to fill out the EIRF. The EIRF will be prepared in accordance with the Administration on the EIRF for Construction Project (<i>ShengHuan</i>, 2017) which provides a template registration form.^c
Principle 2. Conduct an environmental assessment for each proposed project to identify potential direct, indirect, cumulative, and induced impacts and risks to physical, biological, socioeconomic (including impacts on livelihood through environmental media, health and safety, vulnerable groups, and gender issues), and physical cultural resources in the context of the project's area of influence. Assess potential transboundary and global impacts, including climate change. Use strategic environmental assessment where appropriate.	The program will only support facilities with valid PRC environmental impact assessment approved by relevant environmental protection authorities. An environmental category will be assigned to each subproject based on the screening results. Activities with significant environmental impacts (equivalent to ADB's environment category A) will be excluded from the program. Activities with moderate impacts are expected to trigger the need to conduct environmental assessments and prepare EITs. The EIT will be prepared in accordance with the PRC Law on Environmental Impact Assessment (<i>ShengHuan</i>, 2018, note b), Technical Guideline Regarding the Environmental Impact Assessment for Construction Projects – General (<i>ShengHuan</i>, 2016, HJ 2.1-2016),^d and other technical codes and regulations of the PRC. There are gaps in the domestic EITs compared to ADB SPS with respect to the following, as these are not necessarily required: identifying potential indirect, cumulative, and induced impacts, impacts on livelihoods caused by environmental media, assessment of associated facilities, assessment of impacts on physical and cultural resources, and climate change risks. The domestic EITs prepared under this project will address these gaps. Activities with minimal environmental impacts are required to fill out an EIRF. The EIRF will be prepared in accordance with the Administration on the EIRF for Construction Project, which became effective on 1 January 2017 and provides a template registration form. The PRC requirements align with SPS for category C projects.
Principle 3. Examine alternatives to the project's location, design, technology, and components and their potential environmental and social impacts and document the rationale for selecting the particular	Assessment of alternatives is not required for EITs. The EITs to be prepared under this project will address this gap.

Principles	Description
alternative proposed. Also consider the no project alternative.	
Principle 4. Avoid, and where avoidance is not possible, minimize, mitigate, and/or offset adverse impacts and enhance positive impacts by means of environmental planning and management. Prepare an EMP that includes the proposed mitigation measures, environmental monitoring and reporting requirements, related institutional or organizational arrangements, capacity development and training measures, implementation schedule, cost estimates, and performance indicators. Key considerations for EMP preparation include mitigation of potential adverse impacts to the level of no significant harm to third parties, and the “polluter pays” principle.	Mitigation measures are required for a PRC EIT, but not a full EMP. The EITs will address this gap and will include EMPs. The EMPs will avoid, and where avoidance is not possible, minimize, mitigate, and/or offset adverse impacts and enhance positive impacts; and provide guidance to design institutes, contractors, construction supervisors, and construction units. Capacity building will be provided on EMP implementation. A generic EMP has been developed to facilitate the program implementation. This EMP will be expanded to site-specific EMPs based on the final design by the contractors.^e
Principle 5. Carry out meaningful consultation with affected people and facilitate their informed participation. Ensure women’s participation in consultation. Involve stakeholders, including affected people and concerned nongovernment organizations, early in the project preparation process and ensure that their views and concerns are made known to, and understood by, decision makers and taken into account. Continue consultations with stakeholders throughout project implementation as necessary to address issues related to environmental assessment. Establish a GRM to receive and facilitate resolution of the affected people’s concerns and grievances, regarding the project’s environmental performance.	Meaningful public consultation is not required for a PRC EIT or EIRF. Meaningful consultation will be conducted during domestic EIT/EIRF preparation, before and during construction, and into operation. Consultation will be conducted during the preparation of environmental impact assessment documents and will continue throughout the construction and operation phases, to address any environmental issues that may arise. In the PRC, grievances are addressed through the environmental complaints’ hotline operated by environment protection authorities (e.g., 12369 hotline, 12369 WeChat platform and website). However, a formal GRM is not required. A program-specific GRM will be developed to address and resolve complaints received. The capacity of the APMO and PIUs to respond to grievances will be enhanced.
Principle 6. Disclose a draft environmental assessment (including the EMP) in a timely manner, before project appraisal, in an accessible place and in a form and language(s) understandable to affected people and other stakeholders. Disclose the final environmental assessment, and its updates, if any, to affected people and other stakeholders.	The EITs and EIRFs will be disclosed on website of the PIU and/or Ecology and Environment Bureau. The summaries of the EITs and the EIRFs will also be disclosed on-site for the duration of the program implementation.
Principle 7. Implement the EMP and monitor its effectiveness. Document monitoring results, including the development and implementation of corrective actions, and disclose monitoring reports.	A mitigations chapter is presented in PRC EITs. However, construction site environment management, covering both environmental protection and occupational health and safety, is regulated in the Construction Site Environment and Sanitation Standard (JGJ146-2013),^f the Labor Law (<i>RenShe</i>, 1995, amended 2018),^g as well as

Principles	Description
	provincial regulations, and is not included within the EIT. During construction, EMP implementation is the responsibility of the contractor. EMP implementation supervision and monitoring are the responsibility of the PIU, supported by construction supervision companies. During operation, the environmental management responsibility will be handed over to the facilities' operators. Standard construction management practices referring to EHS guidelines of the World Bank Group are provided in the Environmental Safeguard Systems Assessment to facilitate implementation.
Principle 8. Do not implement project activities in areas of critical habitats, unless (i) there are no measurable adverse impacts on the critical habitat that could impair its ability to function, (ii) there is no reduction in the population of any recognized endangered or critically endangered species, and (iii) any lesser impacts are mitigated. If a project is located within a legally protected area, implement additional programs to promote and enhance the conservation aims of the protected area. In an area of natural habitats, there must be no significant conversion or degradation, unless (i) alternatives are not available, (ii) the overall benefits from the project substantially outweigh the environmental costs, and (iii) any conversion or degradation is appropriately mitigated. Use a precautionary approach to the use, development, and management of renewable natural resources.	The PRC and local requirements on protection of critical habitat will be followed. The PRC requirements are as stringent as SPS and no gaps need to be filled. During subproject screening and categorization, subprojects in areas of critical habitats and protected nature reserves will be excluded. The mitigation hierarchy should also be considered when siting projects, avoidance of impacts to biodiversity, often through design, should be prioritized.
Principle 9. Apply pollution prevention and control technologies and practices consistent with international good practices as reflected in internationally recognized standards such as the World Bank Group's EHS guidelines.^h Adopt cleaner production processes and good energy efficiency practices. Avoid pollution, or, when avoidance is not possible, minimize or control the intensity or load of pollutant emissions and discharges, including direct and indirect greenhouse gas emissions, waste generation, and release of hazardous materials from their production, transportation, handling, and storage. Avoid the use of hazardous materials subject to international bans or phaseouts. Purchase, use, and manage pesticides based on integrated pest management approaches, and reduce reliance on synthetic chemical pesticides.	Construction and operation of facilities may generate solid waste, dust, excessive noise, and wastewater, which will be reduced and disposed appropriately following international good practices presented in the World Bank Group's Environmental, Health, and Safety Guidelines. Hazardous materials subject to international bans or phaseouts will be avoided. Pesticides will not be utilized. Greenhouse gas reductions will be calculated during project implementation.
Principle 10. Provide workers with safe and healthy working conditions and prevent accidents, injuries, and disease. Establish preventive and emergency preparedness and response measures to avoid, and where avoidance is not possible, to minimize	Contractors and PIUs will be required to follow all relevant PRC occupational health and safety and gas safety regulations and requirements. Health and safety clauses will be incorporated into works contracts. Personal protection equipment will be

Principles	Description
adverse impacts and risks to the health and safety of local communities.	provided to the workers. Facility design will adhere to energy efficiency and safety design codes. Emergency-response systems (fire, explosion, earthquake, and other natural disasters) will be established in accordance with PRC regulatory requirements during operation and construction. These policies and practices will be assessed against good international practice and strengthened as necessary.
Principle 11: Conserve physical cultural resources and avoid destroying or damaging them by using field-based surveys that employ qualified and experienced experts during environmental assessment. Provide for the use of “chance find” procedures that include a preapproved management and conservation approach for materials that may be discovered during project implementation.	The program will avoid impacts on physical cultural resources during site selection. As buried artifacts might be discovered during the construction phase of the program, chance find procedures for physical cultural relics will be included in the EMP.
Involuntary Resettlement	
Principle 1: Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.	New construction, expansion, or upgrading facilities may involve or result in resettlement impacts. Necessary screening and due diligence are needed at the early stage to identify the past, present, and potential LAR impacts and check if there is any unresolved grievance of affected people and legal disputes on the acquired land or legacy issues.
Principle 2: Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs.	Understanding the views of the affected communities and persons is important to providing effective and efficient risks and impacts mitigation measures. Meaningful consultation will be undertaken, including considering the needs of vulnerable groups, ensuring their participation, and a specific grievance redress mechanism will be established to receive and address any complaints.
Principle 3: Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.	Impacts on livelihoods will be carefully assessed and the necessary livelihood restoration measures will be developed in consultation with the affected people.
Principle 4: Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and	As above, impacts on livelihoods will be carefully assessed and the necessary livelihood restoration measures will be developed in consultation with the affected people. If house demolition cannot be avoided despite design optimization, households affected by house

Principles	Description
socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.	demolition will be consulted on their relocation options and the necessary assistance during transition will be provided.
Principle 5: Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards.	As part of the screening, vulnerable households will be identified to ensure that the necessary support and assistance to improve their living standards will be provided to them.
Policy Principle 6: Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.	Not applicable.
Principle 7: Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.	Where the RBL program affects persons without titles to land or any recognizable legal rights to land, proper social/risk analysis will be conducted during implementation to identify the displaced persons without titles to land or any recognizable legal rights to land and provide resettlement assistance and compensation for loss of non-land assets.
Principle 8: Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.	Where LAR is involved, resettlement plan will be prepared for subprojects following PRC regulations and ADB SPS (2009).
Principle 9: Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.	Under the RBL program, key information in the resettlement planning documents will be disclosed to the affected people and stakeholders, which should be easily accessible and understandable. The consultation and disclosure process will be properly documented.
Principle 10: Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits.	Where involuntary resettlement is involved, the resettlement plan will be developed to ensure proper implementation, including estimate and arrangement of full costs.
Principle 11: Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.	PRC's regulations generally require compensation and other financial forms of resettlement assistance to be paid before physical or economic displacement. This provision is consistent with the national requirements of the PRC and will be reflected in the resettlement planning documents and monitored.
Principle 12: Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results	The APMO will carry out the resettlement monitoring and evaluation to monitor and assess resettlement outcomes. The monitoring reports will be disclosed to relevant stakeholders and on ADB's website.

Principles	Description
of resettlement monitoring. Disclose monitoring reports.	

ADB = Asian Development Bank, EHS = environmental, health, and safety, EIRF = environmental impact registration form, EIT = tabular environmental impact report, EMP = environmental management plan, GRM = grievance redress mechanism, LAR = land acquisition and resettlement, PIU = program implementation unit, APMO = Administration of Chongqing Gaoxin District Program Management Office, PRC = People's Republic of China, RBL = results-based lending, SPS = Safeguard Policy Statement.

- ^a Ministry of Ecology and Environment of the PRC. 2021. [The Directory of Environmental Impact Assessment Categorization for Construction Projects](#). Beijing (in Chinese).
- ^b Ministry of Ecology and Environment of the PRC. 2018. [The PRC Law on Environmental Impact Assessment](#). Beijing (in Chinese).
- ^c Ministry of Ecology and Environment of the PRC. 2017. [The Administration on the Environmental Impact Registration Form for Construction Project](#). Beijing (in Chinese).
- ^d Ministry of Ecology and Environment of the PRC. 2016. [Technical Guideline for Environmental Impact Assessment of Construction Project—General Programme](#). Beijing (in Chinese).
- ^e The generic EMP is included in detailed Environment Safeguard System Assessment.
- ^f Ministry of Housing and Urban-Rural Development of the PRC. 2013. [The Construction Site Environment and Sanitation Standard](#). Beijing (in Chinese).
- ^g Ministry of Human Resources and Social Security of the PRC. 1995, amended 2018. [The Labor Law](#). Beijing (in Chinese).
- ^h World Bank Group. [Environmental, Health, and Safety Guidelines](#).

Source: ADB.

C. Diagnostic Assessment

1. Assessment Methodology and Resources

10. The PSSA was conducted through (i) review of documents—a desk review of ADB's SPS; the policies, laws, and regulations related to environmental management and resettlement in the PRC, Chongqing and CGD, the Chongqing Gaoxin District Green Low-Carbon and High-Quality Development Program (2023–2035); (ii) a review and screening of the potential resettlement impacts of proposed subprojects under the RBL program; and (iii) consultation and field visits on 30 January, 26–28 February, and 16 April 2024, including green spaces, Green Eco-district and green building, wastewater and rainwater collection network, river and wetland/reservoir rehabilitation, municipal solid waste separation facilities, and new energy charging stations. Interviews took place with key informants from ACGD's planning and natural resources bureau, ecology and environment bureau, land use affairs center, construction bureau, reform and development bureau, urban development affairs center, ACGD, township governments, and local village/community leaders and residents potentially impacted by the program.

11. In addition to this PSSA, more detailed assessments for both environment and involuntary resettlement safeguards have been prepared that identify detailed actions needed to fill the gaps between local practices and adherence to SPS principles. The environment safeguard system assessment includes (i) a comparison of equivalence among national, provincial, and local environmental regulations to ADB SPS environment safeguard policy principles; (ii) an adequacy assessment of program-level environmental management practices with regard to capacity for environmental management planning, implementation, monitoring and reporting, and public engagement; (iii) identification of procedural gaps relating to environmental impact assessment (EIA), environmental management plan implementation, information disclosure, public consultation, grievance redress, and environmental monitoring and reporting; and (iv) recommended safeguard program actions to address gaps and weaknesses. For involuntary resettlement safeguards, the detailed assessment includes (i) an assessment of SPS resettlement policy principles and local regulations to be triggered, (ii) an adequacy assessment

of existing LAR assessment and management practices, (iii) identification of procedural gaps relating to LAR impact assessment, LAR implementation, information disclosure, public consultation, grievance redress, and monitoring and reporting; and (iv) recommendation on safeguard program actions to address gaps and weaknesses identified (footnote 1).

2. Environment

12. **Programmatic risks.** The desk review of the environmental regulatory framework in the PRC and Chongqing Municipality that is applicable to the program concludes that it is generally equivalent to ADB SPS environment policy principles. Relevant regulations require environmental assessment based on clearly defined screening and classification criteria. Equivalent regulations are also in place for environmental management planning and implementation, including inspection of impact mitigation measures and health and safety concerns. Public engagement is mandated through requirements for public disclosure of environmental assessments, requirements for stakeholder consultation, and the establishment of an environment hotline system to address grievances, managed by the Chongqing Municipal Ecology and Environment Bureau. Legislation is in place to identify and address specific environment, health, and safety issues. The gaps that have been identified, mainly relate to (i) inadequate EIA and lack of a formal environmental management plan for the facilities, as the EIA procedures for those facilities are simplified according to the Directory of EIA Categorization for Construction Projects (*ShengHuan*, 2021),⁶ and (ii) inadequate public engagement and lack of a dedicated grievance redress mechanism. These weaknesses, as well as other potential environmental and/or institutional risks identified in the assessment, will be addressed in the PAP. Implementation of the program safeguard actions will be reported to ADB through the semiannual environmental monitoring reports and resettlement monitoring reports. APMO will prepare semiannual environmental monitoring reports and submit to ADB for review and disclosure in January and July each year during the program's implementation.

13. **Institutional risk.** The APMO has appointed six focal persons for safeguard issues (two for environmental, three for resettlement, and one for social and indigenous peoples) during program preparation who have the background in social development (social and indigenous peoples), urban planning and building technology (resettlement), land resources management and road engineering design (environment). PIU will appoint at least one qualified, full-time staff member with an environmental or civil engineering background to conduct activity preparation and implementation activities, including activity environmental screening and classification; preparation of environmental documents (including a rapid environmental assessment checklist, environmental impact registration form, and environmental site inspection and monitoring report); and coordination of safeguard issues with stakeholders. An environmental specialist will be recruited by the APMO to support activity screening and classification, and preparation of environmental documents. An environmental safeguards supplementary technical guidance (Appendices 1, 2-a to 2-d of Environmental Safeguard Systems Assessment) has been developed to support the APMO, ACGD, and PIU in the program's environmental assessment and management.⁷ The environmental safeguards supplementary technical guidance will be translated into Chinese. The APMO, ACGD, and PIU will follow the guidance during subsequent activity preparation. The initial environmental screen and categorization of the subprojects will be determined utilizing the rapid environmental assessment checklist and should obtain clearance/no-objection from ADB. Training workshops on ADB's SPS and implementation of the

⁶ Ministry of Ecology and Environment of the PRC. 2021. [The Directory of Environmental Impact Assessment Categorization for Construction Projects](#). Beijing (in Chinese).

⁷ Refer to Supplementary Document 1: Environmental Safeguard Systems Assessment.

technical guidance will be provided by environmental specialist (program implementation consultant engaged by AMPO) to the APMO, ACGD, and PIUs throughout program implementation.

14. **Likely contextual risks.** The RBL program will support the CGD's activities to develop a low-carbon, climate-resilient, and nature-based livable city and is not expected to result in any reputational risks. Any environment category A activities will be excluded from the program. Detailed program environment safeguard actions have been prepared to guide the APMO and PIUs in environmental safeguard procedures and preparation of environmental safeguard documents.

3. Involuntary Resettlement (refer also to details in Involuntary Resettlement Safeguards System Assessment).

15. **Likely programmatic risks.** The legal and regulatory framework for different land use approaches, for example land acquisition and resettlement and temporary land occupation, in PRC consists of laws, regulations and administrative decrees issued by the State Council and the Ministry of Natural Resources. The main aspects of the legal system include the way, procedure, policies, and related standards of transferring collective land to state-owned land, or transferring farmland to construction land. The PRC has established a comprehensive legal system governing LAR and TLO issues. For PLA and house demolition of rural houses and/or structures on collective land, the new amendments on Land Administration Law (*RenDa* [2019]),⁸ effective from 1 January 2020, strengthens upfront risk management for land acquisition to better protect the interests of affected farmers (Article 47) and substantially improves the key principles on compensation for land acquisition and resettlement to secure legal rights and livelihood sustainability for affected farmers. The Notice of the People's Government of Chongqing Municipality on the Announcement of Matters Relating to Compensation and Resettlement Standards for Land Acquisition (*YuFuFa* [2021] No. 14),⁹ effective from 1 July 2021, established the standards of land value of different counties and districts based on the comprehensive land survey and replacement cost. The Notice of the ACGD on the Issuance of the Implementation Measures for Compensation and Resettlement of Permanent Land Acquisition of Collective Land in CGD (CGD [2021] No 24), effective from 1 July 2021, stipulated the detailed compensation standards for land acquisition and resettlement measures for 3 subdistricts and 7 townships. Regarding TLO, the Notice of the Ministry of Natural Resources on Regulating the Management of Temporary Land Use (*ZiRanZiGui* [2021] No.2) published on 4 November 2021,¹⁰ and the Notice of Chongqing Municipal Planning and Natural Resources Department on Regulating the Management of Temporary Land Use (*YGZGF* [2022] No.1) published on 22 February 2022,¹¹ regulated the TLO application scope, site selection, period, procedures, compensation standard, restoration and supervision at the national and municipal level. In addition, the Notice on Doing a Good Job in Employment Training and Social Security for Land-expropriated Farmers (*GuoBanFa* [2006] No.29),¹² the Notice of the Ministry of Labor and Social Security, the Ministry of Land and

⁸ The National People's Congress of the PRC. 2019. [Land Administration Law](#). Beijing (in Chinese).

⁹ Chongqing Municipal People's Government. 2021. [The Notice of the People's Government of Chongqing Municipality on the Announcement of Matters Relating to Compensation and Resettlement Standards for Land Acquisition](#). Chongqing (in Chinese).

¹⁰ Ministry of Natural Resources of the PRC. 2021. [The Notice of the Ministry of Natural Resources on Regulating the Management of Temporary Land Use](#). Beijing (in Chinese).

¹¹ Chongqing Planning and Natural Resources Bureau. 2022. [The Notice of Chongqing Municipal Planning and Natural Resources Department on Regulating the Management of Temporary Land Use](#). Chongqing (in Chinese).

¹² General Office of the State Council of the PRC. 2006. [The Notice on Doing a Good Job in Employment Training and Social Security for Land-expropriated Farmers](#). Beijing (in Chinese).

Resources on Doing a Substantially Good Job in Social Security for Land-Expropriated Farmers (*LaoSheBuFa* [2007] No.14),¹³ and the Measures for Basic Endowment Insurance for Farmers converting to Non-farmers due to New Land Acquisition in Chongqing after 1 January 2008 (*YuFuFa* [2021] No.14)¹⁴ are in place for ensuring the livelihood of people affected by land use to keep restored to at least the pre-project level.

16. There are still some gaps between the ADB SPS and the PRC system and local requirements. These include (i) lack of impact screening and categorization at the early stage of the project; (ii) no requirement for resettlement plan preparation (unless large and medium-scale water conservation and hydropower projects), due diligence regarding past land acquisition and associated facilities, and social compliance audits for existing facilities where lands have been acquired before the subproject preparation; (iii) lack of identification of poor and vulnerable groups during the involuntary resettlement screening and preparation; (iv) inadequate documentation of consultation and information disclosure activities and grievances received; and (v) inadequate monitoring and evaluation. None of the gaps identified will impede the borrower's capacity to effectively implement the land acquisition, where it is required. The programmatic risks are not expected to be significant given the nature of the components proposed, existing capacities of the local governments in implementing land acquisition following the national and local policies and regulations, the relatively small scale of involuntary resettlement impacts, and the limited gaps between the national requirements and ADB SPS involuntary resettlement requirements.

17. **Institutional risk.** The CMG will be the executing agency with overall policy guidance and supervision. The CMG's Chongqing Foreign Loan Project Management Office oversees Chongqing's internationally financed loan projects and programs and will provide overall municipal-level coordination, guidance, and oversight of the proposed RBL program. ACGD is the implementing agency with a dedicated ACGD Program Management Office (APMO) for the RBL program implementation established in February 2024. The APMO is responsible for day-to-day supervision, coordination, and guidance of program preparation and implementation. The PIU is the Chongqing Gaoxin Development and Construction Investment Group Co., Ltd., responsible for procurement, contract and construction management, operation and maintenance of the program infrastructure and facilities. Additional bureaus or agencies such as ACGD's Construction Bureau, Urban Development Affairs Center, Ecology and Environment Bureau, and Government Affairs Service Center will also be involved in some program activities and sector development, such as capacity building and institutional strengthening. APMO has assigned three focal persons to coordinate resettlement safeguards planning and implementation. The ACGD will be responsible for managing the PLA and TLO for all subprojects within the jurisdictions. While there have been ADB and other international financing institutions funded projects in Chongqing Municipality, i.e., Loan 3897-PRC: Chongqing Innovation and Human Capital Development Project and Loan 3704-PRC: Chongqing Longxi River Basin Integrated Flood and Environmental Risk Management Project,¹⁵ ACGD did not engage in the implementation of these projects. Additionally, since CGD was established in 2020 as a new development area, the institutional organization of ACGD is newly established and lacks experience in implementing projects funded by ADB and other international financing institutions. Clear coordination is crucial within CGD

¹³ The former Ministry of Labor and Social Security of the PRC. 2007. [*The Notice of the Ministry of Labor and Social Security, the Ministry of Land and Resources on Doing a Substantially Good Job in Social Security for Land-expropriated Farmers*](#). Beijing (in Chinese).

¹⁴ Chongqing Municipal People's Government. 2021. [*Trail Measures for Basic Endowment Insurance for Farmers converting to Non-farmers due to New Land Acquisition in Chongqing*](#). Chongqing (in Chinese).

¹⁵ ADB. [People's Republic of China: Chongqing Innovation and Human Capital Development Project](#); and ADB [People's Republic of China: Chongqing Longxi River Basin Integrated Flood and Environmental Risk Management Project](#).

departments and between CGD and CMG departments during the preparation and implementation of the RBL program. The ADB's technical assistance resettlement specialist delivered training on involuntary resettlement of ADB's SPS to the officers of the APMO, PIU, and Program Preparation Institute face-to-face during the ADB inception mission from 29 January to 1 February 2024 and site survey from 23 to 28 February 2024 and 7 April, and during the loan fact-finding mission in April 2024. The training covered an introduction to the RBL program and the procedure in relation to involuntary resettlement policy requirements, screening and categorization, information disclosure and meaningful consultation, document preparation, and monitoring and evaluation. The APMO will recruit a resettlement specialist within 3 months of loan effectiveness and maintained throughout the program cycle to support the PIUs in subproject screening and classification, preparation of resettlement plans and/or land use due diligence reports and other related social safeguard documents. Training workshops on ADB's SPS and implementation of the resettlement plans will be provided by environmental and resettlement specialists (program implementation consultants engaged by AMPO) throughout program implementation.

18. **Likely contextual risks.** The RBL program will support the government's Chongqing Gaoxin District Green Low-Carbon and High-Quality Development Program (2023–2035) and is not expected to result in any reputational risks. Any category A subprojects for involuntary resettlement safeguards will be excluded from the RBL program. Also, subproject sites with major and/or sensitive resettlement-related legacy or outstanding issues will be excluded from the program. This will be ensured during the screening of the individual subprojects during the implementation stage. In addition, the RBL program will include capacity building of the APMO and PIUs in preparation and implementation of resettlement plans, due diligence of past land acquisition and social compliance audit of existing facilities, and will cover consultations to identify any past or unresolved grievances or complaints related to land acquisition and involuntary resettlement.

19. Institutional, contextual, and programmatic risks are understood and limited. Given the (i) nature of the activities, (ii) existing capacities of the local governments in implementing LAR following the national and local policies and regulations, and (iii) limited gaps between the national requirements and ADB SPS involuntary resettlement requirements, none of the gaps identified will impede the borrower's capacity to effectively implement the land acquisition activities the program requires. The PSSA assesses the overall resettlement safeguard risk of the proposed RBL program as moderate. Details of this assessment and the corresponding required safeguards program actions are in the Involuntary Resettlement Safeguards System Assessment (footnote 1) and in the PID (see para. 20).

D. Safeguard Program Actions

20. Based on the PSSA findings, detailed program safeguard actions have been developed that are deemed necessary to ensure compliance with the SPS environmental and involuntary resettlement policy principles.

SUMMARY OF PROGRAM SAFEGUARD SYSTEMS ASSESSMENT
for People's Republic of China: Chongqing Gaoxin District Green and Low-Carbon Urban
Development Program

1. **Background.** The program safeguard system assessment (PSSA) was carried out to evaluate system soundness and recommended actions to enhance environmental and social (E&S) management performance for the proposed Chongqing Gaoxin District Green and Low-Carbon Urban Development Program (the program) in Chongqing Gaoxin District (CGD) of the Chongqing Municipality, People's Republic of China. A combination of approaches, including desktop review, site visits, review and screening of the potential E&S impacts and stakeholder engagements were applied during the assessment. The main findings and conclusions of the PSSA report are summarized as following.
2. **E&S risk screening and rating.** A thorough E&S screening has been conducted to exclude any activities that would trigger a safeguards category A classification under the Asian Development Bank (ADB) Safeguard Policy Statement (SPS) (2009). Identified typical E&S risks and impacts under the program include **(i) environment (category B)**: short-term and site-specific risks/impacts of noise, vibration, soil erosion, dust, solid waste, waste water, occupational health and safety risks, community health and safety risks; No significant operation phase environmental impacts are anticipated during the operation of facilities to be supported under the program; **(ii) involuntary resettlement (category B)**: outputs 2 and 3 of the program are expected to involve limited land acquisition and resettlement impacts, including permanent land acquisition of collective land, permanent occupation of state-owned land, temporary land occupation of collective land and/or state-owned land, and upgrading of existing facilities are expected to be involved during program implementation; **(iii) indigenous peoples (category C)**: scattered ethnic minority residents are living together with Han people, and there is no ethnic minority concentrated community in the program area. Ethnic minorities residing in the program area show no differences with the social, economic, cultural, and political systems of, and will benefit equally with, the Han people. None of the activities under the program will directly target specific ethnic groups, and no differentiated impacts are expected on them.
3. **Safeguard diagnostic assessment.** A comprehensive assessment of E&S management relevant to program activities was carried out, including the programmatic, institutional, and likely contextual risks. Overall, the program is likely to pose only low to moderate environmental and social risks, while significant environmental and social benefits will be derived. The assessment found that the existing regulatory framework, technical capacity, and implementation practices of the program safeguards system in Chongqing Municipality and CGD are adequate for managing likely risks. The PSSA assesses the overall environment and resettlement safeguard risks of the proposed results-based lending program as moderate. Detailed assessments for both environment and involuntary resettlement safeguards systems were prepared to identify detailed actions needed to fill the gaps between local practices and adherence to Safeguard Policy Statement principles.
4. **Gaps in E&S management.** Several minor gaps, mostly relating to program safeguard systems management and coordination; safeguard document preparation monitoring, evaluation and data management; identification of vulnerable affected persons; and public engagement processes, were identified during PSSA preparation, and corresponding measures to strengthen safeguards system performance have been agreed with the Administration of CGD.
5. **Safeguard program actions.** Detailed safeguards program actions have been developed to ensure compliance with the Safeguard Policy Statement environmental and involuntary resettlement policy principles. These are in the PID and in the detailed environmental and involuntary resettlement safeguards assessments packaged with the PSSA.

中华人民共和国：重庆高新区绿色低碳城市发展项目
保障体系评估摘要

1. **背景。**为评价保障体系的健全性，开展项目保障体系评估（PSSA），并为拟在中华人民共和国重庆高新区（CGD）实施的重庆高新绿色低碳城市发展项目（以下简称“本项目”）提出行动建议，以提高项目的环境和社会（E&S）管理绩效。评估过程中采用了多种方法，包括案头审查、实地考察、对潜在的环境和社会影响进行审查和筛选以及利益相关者的参与。项目保障体系评估报告的主要结果和结论概述如下。
2. **环境和社会风险的筛选和评级。**根据亚洲开发银行（ADB）的《保障政策声明》（SPS）（2009年），本项目已进行了全面的筛选，以排除任何会触发保障类别A类的活动。本项目已确定的典型环境与社会风险和影响包括：(i) 环境（B类）：噪音、振动、土壤侵蚀、粉尘、固体废物、废水、职业健康与安全风险、社区健康与安全风险等短期和特定地点的风险/影响；在本项目支持的设施运营期间，预计不会产生重大环境影响；(ii) 非自愿移民安置（B类）：本项目产出2和产出3预计将涉及有限的土地征用和移民安置影响，包括永久征用集体土地和/或国有土地、临时占用集体土地和/或国有土地，以及在项目实施期间对现有设施进行升级改造；(iii) 原住民（C类）：零散的少数民族居民与汉族人聚居在一起，项目区内没有少数民族聚居社区。居住在项目区的少数民族与汉族的社会、经济、文化和政治制度没有差异，并将与汉族人群平等受益。本项目下的所有活动都不直接针对特定的民族群体，预计也不会对他们产生不同的影响。
3. **保障诊断评估。**对与项目活动相关的环境和社会管理进行了全面评估，包括项目层面、制度层面和可能的背景风险。总体而言，本项目预计只会带来中低程度的环境和社会风险，同时会产生巨大的环境和社会效益。评估发现，重庆市和重庆高新区现有的监管框架、技术能力和项目保障体系的实施实践足以管理可能的风险。根据项目保障体系评估，拟议的结果导向型贷款项目的总体环境和移民安置保障风险为中等。已对环境和非自愿移民安置保障体系进行了详细的评估，以确定需要采取的具体行动，填补当地实践和《保障政策声明》原则之间的差距。
4. **环境和社会管理的差距。**在项目保障体系评估的编制过程中识别了一些细微差距，主要涉及项目保障体系的管理和协调；保障文件编制的监测、评估和数据管理；受影响的弱势群体的识别；以及公众参与过程。加强保障体系绩效的相应措施已征得重庆高新区管委会的同意。
5. **项目保障行动计划。**已经制定了详细的保障计划行动，以确保符合《保障政策声明》中的环境和非自愿移民安置政策原则。相关内容均记录在项目实施文件以及与项目保障体系评估配套的详细环境和社会影响评估中。