



China, People's Republic of: Guangxi Hezhou Mountain Mining Areas Vitalization

Project Name	Guangxi Hezhou Mountain Mining Areas Vitalization
Project Number	51384-001
Country	China, People's Republic of
Project Status	Proposed
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan: Guangxi Hezhou Mountain Mining Areas Revitalization Ordinary capital resources US\$ 100.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships
Sector / Subsector	Agriculture, natural resources and rural development - Land-based natural resources management Water and other urban infrastructure and services - Other urban services
Gender Equity and Mainstreaming	Some gender elements
Description	The Project will allow ecological rehabilitation of abandoned mountain mining areas, restoration of former mining land to operational farmland, regeneration of urban areas and villages, stimulation of lagging economies in selected mining-affected areas, and promotion of green-mining. The Project outcome will be environment, livability, and livelihood in Hezhou-Kedashan mountain mining areas restored; and the Project will be aligned with the following impact: abandoned mountain mining areas in Guangxi Province revitalized.
Project Rationale and Linkage to Country/Regional Strategy	After sustained exploitation, by intensive mining, Hezhou-Kedashan has seen severe ecological damage. While significant mining operations ceased by the early-1990s, legacy issues have remained and worsened due to the areas abandoned' status. The rural environment and the urban built-infrastructure of the Hezhou-Kedashan mountain mining area has suffered land degradation and soil erosion, associated deforestation and loss of vegetation, the blighting or outright loss of traditional farmland, surface water and ground water contamination, flooding along the Hejiang River and its tributaries, and an overall lack of urban and rural infrastructure. The statutory authority responsible for maintaining and managing these mining areas was an enterprise which was declared bankrupt in 2002. Since that time little has been done to manage the lands, nor mitigate ongoing damage. The Hezhou-Kedashan mountain mining area is one of the largest such blighted and abandoned areas. The void created by any active management to contain further deterioration of the land, and the absence of any meaningful program of reclamation coupled with illegal mining activities have exacerbated the poor condition of the area's natural resources. In Hezhou, most mining sites were not properly closed and restored leaving a legacy of heavy metals, contaminated slag, sediments, and toxic water. During rainy season, contaminated runoff can flow into the Hejiang River. This is a threat to water resources in downstream cities and rural residents along the Pearl River, along which there are many major cities such as Guangzhou, Foshan, Macao, and others, with a combined population of over approximately 57 million, and this area accounts for about 12% of PRC's economic output. In July 2013, Hejiang River was heavily contaminated by runoff from these abandoned mining sites. The concentrations of Thallium and Cadmium in the upstream reaches of the Pearl River were 2.14 times and 6.6 times higher than the water quality standards, respectively. The accident caused water supply intakes to shut-down for 15 days in many cities of Guangdong Province along the Pearl River. This major water pollution incident still resonates today. Hezhou mining sites have been therefore under scrutiny and HMG is required to commence ecological restoration of mining sites in 2018. Linked with this, large areas of abandoned mining sites, which used to be farmland, have been planned for full restoration back to farming function. To align with new guidelines in PRC on rural revitalization, key elements of the Project will focus on: demonstrating the remediation of large-scale abandoned mountain mining sites and restoration to farmland; the regeneration of urban and rural areas to improve the built-environment and drive livelihood opportunities; and the application of best practice to promote sustainable land and water management.
Impact	Abandoned mountain mining areas in Guangxi Province vitalized
Outcome	Environment, livability, and livelihood in Hezhou-Kedashan mountain mining areas restored

Outputs	Contaminated land and abandoned mountain mining areas remediated Former farmland in abandoned mountain mining areas reinstated Established urban and rural communities in mountain mining areas regenerated Capacity for implementation enhanced, and models and demonstration-level studies on vitalization of mountain mining areas developed
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Geographical Location	Hezhou Shi
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Safeguard Categories

Environment	A
Involuntary Resettlement	A
Indigenous Peoples	B

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services	tbd
Procurement	tbd

Responsible ADB Officer	Sasaki, Shotaro
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Responsible ADB Department	East Asia Department
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Responsible ADB Division	Urban and Social Sectors Division, EARD
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Executing Agencies	<i>Hezhou Municipal People's Government No. 1, Hezhou Avenue, Babu District, Hezhou Guangxi, China</i>
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Timetable

Concept Clearance	09 Nov 2018
Fact Finding	31 Jul 2019 to 31 Jul 2019
MRM	30 Sep 2019
Approval	-
Last Review Mission	-
Last PDS Update	14 Nov 2018

Project Page	https://www.adb.org/projects/51384-001/main
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Request for Information	http://www.adb.org/forms/request-information-form?subject=51384-001
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