



China, People's Republic of: Jilin Urban Development Project

Project Name	Jilin Urban Development Project
Project Number	46048-002
Country	China, People's Republic of
Project Status	Active
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan 3211-PRC: Jilin Urban Development Project Ordinary capital resources US\$ 150.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development
Sector / Subsector	Transport - Urban roads and traffic management Water and other urban infrastructure and services - Other urban services - Urban solid waste management - Urban water supply
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	The project will address urgent infrastructure needs, introduce best practices, and pilot innovative municipal services solutions to develop Baishan and Baicheng cities in Jilin Province (in the northeast region of the People's Republic of China [PRC]) as livable and resource-efficient medium-sized cities. It will make provision for (i) urban roads and municipal services in Baicheng that promote people-centered urban transport; (ii) the introduction of integrated solid waste management (ISWM) in both cities, based on the reduce, reuse, recycle (3R) principle that includes composting solutions; and (iii) improvement of water supply services in Baishan, emphasizing water conservation, water supply safety, and energy efficiency.

Project Rationale and Linkage to Country/Regional Strategy

The PRC's National New Urbanization Plan, 2014-2020 aims to increase the urbanization rate from the current 54% to 60% by 2020 (representing about 100 million new urban residents), and to 70% by 2030 (equal to about 300 million new urban residents). Urbanization is perceived as a means to sustain economic growth through domestic consumption, and to achieve more balanced development by directing the future urban population away from large cities. The strategy focuses on the development of medium-sized cities (in which more than one-third of the urban population lives) as an important means of absorbing future urban residents in a sustainable, inclusive, and efficient manner. These cities have the potential to generate sufficient economies of scale to cluster local economic activities, while their proximity to the rural population supports rural and urban integration, and balances the development of industry and job markets nationally and in each province. Although they benefit from some advantages, they suffer from a deficit of infrastructure and municipal services, resulting in environmental pollution and constrained economic development. The capacity of medium-sized cities to pilot, implement, and replicate efficient urban infrastructure and municipal service delivery best practices will play an essential role in the quality and livability of the country's urban development.

Development in Jilin Province is centered in the cities of Changchun and Jilin, and improvements barely reach the remote, less-developed prefectures in the southeast and northwest, where Baishan (480,000 residents) and Baicheng (330,000 residents) cities, respectively, are located. The Jilin provincial government (JPG) has formulated a strategy that prioritizes development of the two cities, seeking to increase economic activity, decrease the poverty rates in their respective areas, and balance development within the province.

Critical infrastructure gaps that prevent sustainable development of Baichang and Baishan cities have been identified. Residential areas in western Baicheng, the Baicheng Economic Development Zone (BEDZ), have grown without proper access to central municipal services. An estimated 25,000 residents are not yet connected to the central wastewater treatment plant, and discharge wastewater into the surrounding environment or into unimproved septic tanks. A rational road network is absent within the BEDZ to provide adequate urban services to the existing population, properly connects the area to the rest of Baicheng, and facilitate the development of mixed-function areas to accommodate future residents and economic activities. The city's current road design allows little room for promoting public and nonmotorized transport.

The current daily generation of municipal solid waste (MSW) is 420 wet tons per day (t/d) in Baicheng and 330 wet t/d in Baishan. In Baicheng, a new sanitary landfill is under construction. In Baishan, the existing landfill is being rehabilitated and will reach its maximum capacity in 3 years. In the two cities, solid waste management relies on truck and dump operations, with little consideration for 3R principles, and limited disposal options. This results in pollution and inefficient use of waste resources. Baishan's water supply has reached its full capacity and cannot ensure 24-hour water services. Currently, 30% of the population (144,000 people) lacks full-time access to water. The recent decline in the quality and quantity of the main water source (Dayangcha River) in Jiangyuan district combined with the growing population of Hunjiang district are putting Baishan's water supply safety at significant risk. Previously inadequate technical standards, aging pipes, and poor water supply dispatching efficiency have resulted in nonrevenue water (NRW) in Baishan reaching 65%; this in turn has caused inefficient water use, loss of income, and excessive energy consumption.

Impact	Improved economic growth, resource efficiency, and quality of life in Baicheng and Baishan cities.
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Project Outcome

Description of Outcome	Improved delivery and efficiency of municipal services in Baicheng and Baishan cities.
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Progress Toward Outcome	An inception mission was fielded on 6-10 February 2015. The loan was signed on 27 February and became effective on 8 May 2015. All consultants were hired by Q2 2015. A special project administration mission was fielded on 13-16 October 2015, and a review mission was fielded on 25-29 July 2016. Two minor changes to the project have been approved: (i) updating the procurement plan following the new thresholds under ADB's Procurement Reform 10-Point Action Plan (5 November 2015), and (ii) changing the PIU for the Baishan water supply subproject to Baishan Hengda Drainage Engineering Co., Ltd. (27 November 2015). The first advance of \$2 million for the imprest account was disbursed in Q4 2015. Counterpart funds have been confirmed for 2017. Procurement activities are ongoing and are at various stages of completion. Three contracts for the Baishan water supply management component have been awarded. BERs are expected for the Baishan and Baicheng integrated solid waste management components, and the Baicheng urban infrastructure component. The midterm review mission is planned for August 2017.
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Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> 1. Improved urban infrastructure in Baicheng 2. Integrated solid waste management system in Baicheng 3. Integrated solid waste management system in Baishan 4. Improved water supply management in Baishan 5. Improved capacity and institutional arrangements
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Status of Implementation Progress (Outputs, Activities, and Issues)	<p>1. Baicheng urban infrastructure. The first civil works package (CBC6) is proposed for rebidding. Construction drawings have been completed for all packages except for CBC1, CBC2 and CBC3. The BERs for CBC4 and CBC5 have been approved. Contracts for CBC8 and CBC10 have been awarded.</p> <p>2. Baicheng integrated solid waste management. The first goods packages (EBC4 and EBC6) were advertised in Q4 2015 but were rebid in Q3 2016. The BERs are being finalized.</p> <p>3. Baishan integrated solid waste management. Construction for CBSSW1 has commenced. The BERs of EBSSW1 and EBSSW2 have been approved.</p> <p>4. Baishan water supply management. Contracts for CBSW1, CBSW2, and EBSW2 have been awarded.</p> <p>5. Local trainings on PPMS, reporting system, and filing system were conducted in July and October 2015. The third round of training was completed in April 2016. Technical support and training for water supply sector road map implementation were provided by the national NRW expert in May 2016. The PPMS training was completed in September 2016. Consultants provided training to the newly recruited construction contractors and construction supervision agencies in October 2016.</p>
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Geographical Location	Jilin Province
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Safeguard Categories

Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The environmental safeguard category is "B". Environmental impacts will be assessed in detail during project preparation and a project initial environmental examination, including environmental management plan, will be prepared and disclosed on ADB's website in accordance with ADB's Safeguard Policy Statement (2009).
Involuntary Resettlement	The involuntary resettlement safeguard category is "A". It is expected that land acquisition will have minimal impacts on land-based livelihoods. Draft resettlement plans will be prepared for those components involving land acquisition and house demolition. The resettlement plans will be finalized and disclosed before the management review meeting in accordance with the Safeguard Policy Statement (2009). The total affected persons from involuntary resettlement are preliminary estimated to be 250.
Indigenous Peoples	The indigenous peoples safeguard category is "C".

Stakeholder Communication, Participation, and Consultation

During Project Design	The project was designed in close consultation with (i) the national government, (ii) Jilin provincial government and two city' municipal governments, [including at both provincial and municipal level (a) environmental protection bureau, (b) land resources bureau, (c) financial bureau, (d) housing and construction bureau, (e) development and reform commission, (f) water affairs bureau, (g) urban planning department]; and (iii) the following main stakeholders: urban investment and construction company, design institutes, ethnic minority and poverty bureaus, adversely affected people, and project beneficiaries. The PPTA conducted a poverty and social analysis and addressed social safeguards. A socioeconomic survey, stakeholder workshops, focus group discussions, and informant interviews were conducted during the PPTA. This work was complemented by survey and consultations done under the resettlement and environmental safeguards. Scoping for the indigenous peoples safeguard took place, including necessary consultations and assessment.
During Project Implementation	Project information will be communicated through public consultation, information disclosure mechanism in ADB's and the government's websites, meetings, interviews, focus group discussions, and community consultation meetings, in accordance with ADB's Public Communications Policy.

Business Opportunities

Consulting Services	In accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time), a consulting firm was engaged using the quality- and cost-based selection method with a ratio of 90:10 using the simplified technical proposal procedure. An external resettlement monitoring agency was engaged using consultants' qualifications selection.
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines (2015, as amended from time to time).

Responsible Staff

Responsible ADB Officer	Heckmann, Arnaud
Responsible ADB Department	East Asia Department
Responsible ADB Division	Urban and Social Sectors Division, EARD

Timetable

Concept Clearance	13 Sep 2012
Fact Finding	15 Jan 2014 to 28 Jan 2014
MRM	30 May 2014
Approval	05 Dec 2014
Last Review Mission	-
Last PDS Update	27 Mar 2017

Loan 3211-PRC

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
05 Dec 2014	27 Feb 2015	08 May 2015	30 Jun 2019	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	386.84	Cumulative Contract Awards			
ADB	150.00	05 Dec 2014	33.23	0.00	22%
Counterpart	236.84	Cumulative Disbursements			
Cofinancing	0.00	05 Dec 2014	6.57	0.00	4%

Project Page	https://www.adb.org/projects/46048-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=46048-002
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