



China, People's Republic of: Railway Energy Efficiency and Safety Enhancement Investment Program - Tranche IV

Project Name	Railway Energy Efficiency and Safety Enhancement Investment Program - Tranche IV	
Project Number	43332-053	
Country	China, People's Republic of	
Project Status	Active	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 3082-PRC: Railway Energy Efficiency and Safety Enhancement Investment Program - Tranche IV	
	Ordinary capital resources	US\$ 180.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development	
Sector / Subsector	Transport - Rail transport (non-urban)	
Gender Equity and Mainstreaming	No gender elements	
Description	Tranche 4 of the Investment Program will finance procurement of (i) environmental protection and (ii) railway safety enhancement. The outputs for this tranche are (i) environmental protection which comprises introduction of environmental protection equipment, and (ii) railway safety enhancement which comprises introduction of track safety operation and aintenance equipment, anti-seismic bridge bearings, enhanced railway fasteners, heavy duty switches, and signaling system facilities.	
Project Rationale and Linkage to Country/Regional Strategy	With railway network extension, energy efficiency, environmental sustainability and safety enhancement have been important elements of the ADB policy dialogue with the China Railway Corporation (CRC), formerly the Ministry of Railways (MOR). These were identified as the three most important areas of sustainable development in the Eleventh and Twelfth Five-Year Plans (11FYP and 12FYP). ADB helped create awareness of these three issues and encouraged the use of clean energy and energy-efficient technologies, safety enhancement, and environmental improvements in railway construction, operation, and maintenance so as to develop a sustainable, green, and safe railway system with high quality and efficient services in the PRC. On 8 December 2009, ADB approved a multitranche financing facility (MFF) in the amount of \$1.0 billion to the government for the Railway Energy Efficiency and Safety Enhancement Investment Program (Investment Program) from ADB ordinary capital resources with interest determined in accordance with ADB's LIBOR-based lending facility and such other terms and conditions set forth in the related loan agreement. The Framework Financing Agreement (FFA) was signed between the PRC and ADB on 10 November 2009. The impact of the investment program will be an improved transport system in the southwestern region of the PRC that supports sustainable socioeconomic development. The outcome will be an energy efficient, safe, reliable, affordable, and environment-friendly railway transport system developed in the region. The outputs of the investment program comprise (i) introduction of energy-efficient technologies and environment-friendly and safety equipment; (ii) integration and institutionalization of energy efficiency and environmental issues in railway management; (iii) safety and energy audits of a nominated railway administration; and (iv) capacity building support.	
Impact	Improved transport system in the southwestern region that supports sustainable socioeconomic development and the western region development strategy	

Project Outcome

Description of Outcome	An energy-efficient, safe, reliable, affordable, and environment-friendly railway transport system is developed in the region.
Progress Toward Outcome	To be assess at project completion.

Implementation Progress	
Description of Project Outputs	1. Environmental protection 2. Railway safety enhancement
Status of Implementation Progress (Outputs, Activities, and Issues)	The project is being implemented smoothly. About 70% progress has been achieved. It is expected that Chongqing-Guiyang Railway Line will be put in operation by the end of 2017.
Geographical Location	PRC

Safeguard Categories

Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	Tranche 4 is classified as category C for all safeguard aspects (environment, involuntary resettlement, and indigenous peoples). The investment program selection criteria require that equipment installation should not involve land acquisition, have adverse impacts on ethnic minorities, or have negative environmental impacts. The EA has confirmed that none of the equipment and materials to be financed under Tranche 4 will involve land acquisition, involuntary resettlement, have adverse impacts on ethnic minorities, or have negative environmental impacts. Tranche 4 has been prepared in accordance with the safeguards framework in the FFA. This is similar to the previous tranches and semi-annual safeguard assessments have confirmed there have been no impacts during implementation.
Involuntary Resettlement	Tranche 4 is classified as category C for all safeguard aspects (environment, involuntary resettlement, and indigenous peoples). The investment program selection criteria require that equipment installation should not involve land acquisition, have adverse impacts on ethnic minorities, or have negative environmental impacts. The EA has confirmed that none of the equipment and materials to be financed under Tranche 4 will involve land acquisition, involuntary resettlement, have adverse impacts on ethnic minorities, or have negative environmental impacts. Tranche 4 has been prepared in accordance with the safeguards framework in the FFA. This is similar to the previous tranches and semi-annual safeguard assessments have confirmed there have been no impacts during implementation.
Indigenous Peoples	Tranche 4 is classified as category C for all safeguard aspects (environment, involuntary resettlement, and indigenous peoples). The investment program selection criteria require that equipment installation should not involve land acquisition, have adverse impacts on ethnic minorities, or have negative environmental impacts. The EA has confirmed that none of the equipment and materials to be financed under Tranche 4 will involve land acquisition, involuntary resettlement, have adverse impacts on ethnic minorities, or have negative environmental impacts. Tranche 4 has been prepared in accordance with the safeguards framework in the FFA. This is similar to the previous tranches and semi-annual safeguard assessments have confirmed there have been no impacts during implementation.

Stakeholder Communication, Participation, and Consultation

During Project Design	Consultations were held with the National Development and Reform Commission (NDRC), Ministry of Finance (MOF), and China Railway Corporation (CRC) on structuring the Investment Program. MOF and NDRC have expressed support for the use of the MFF modality. MOF also noted that the framework approach may provide an opportunity for streamlining domestic procedures. The preliminary designs of the project have been completed. The project was approved by the steering committee and the government in December 2012. The PMO was established and staffed. Two tendering companies, CMC International Tendering Corporation and CITIC International Tendering Co., Ltd., were selected on a competitive basis to assist CRC in all ADB-financed procurements under Tranche 4. The EA is ready to draft the bidding documents for the first procurement in accordance with ADB's Procurement Guidelines. To assist in smooth implementation, an updated FAM has been prepared.
During Project Implementation	The consultation process will be continued to select the projects, as per the agreed selection criteria, to be financed under the Investment Program. Consultations will involve the design institutes, CRC, and the railway administrations. The steering committee established by CRC will help coordinate the selection of subsequent projects for ADB financing.

Business Opportunities

Procurement All procurement to be financed under Tranche 4 will be procured in accordance with ADB's Procurement Guidelines (2013, as amended from time to time), and as provided for in the Procurement Plan (Section VI of the FAM).

Responsible Staff

Responsible ADB Officer Chu, Chenglong

Responsible ADB Department	East Asia Department
Responsible ADB Division	PRC Resident Mission
Executing Agencies	<i>China Railway Corporation (Formerly Ministry of Railways) CRC_WZB@163.COM 10 Fuxing Road Beijing 100844 People's Republic of China</i>

Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	04 Dec 2013
Last Review Mission	-
Last PDS Update	13 Mar 2017

Loan 3082-PRC

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
04 Dec 2013	30 May 2014	10 Sep 2014	30 Jun 2019	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	547.60	Cumulative Contract Awards			
ADB	180.00	04 Dec 2013	195.78	0.00	109%
Counterpart	367.60	Cumulative Disbursements			
Cofinancing	0.00	04 Dec 2013	145.10	0.00	81%

Project Page	https://www.adb.org/projects/43332-053/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=43332-053
Date Generated	06 July 2017

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.