

PROJECT INFORMATION DOCUMENT (PID) CONCEPT STAGE

Report No.: PIDC3722

Project Name	Tongren Rural Transport Project (P148071)
Region	EAST ASIA AND PACIFIC
Country	China
Sector(s)	Rural and Inter-Urban Roads and Highways (100%)
Theme(s)	Rural services and infrastructure (100%)
Lending Instrument	Investment Project Financing
Project ID	P148071
Borrower(s)	People's Republic of China
Implementing Agency	Tongren Project Leading Group
Environmental Category	B-Partial Assessment
Date PID Prepared/ Updated	06-Mar-2014
Date PID Approved/ Disclosed	11-Mar-2014
Estimated Date of Appraisal Completion	28-Feb-2015
Estimated Date of Board Approval	29-Sep-2015
Concept Review Decision	Track I - The review did authorize the preparation to continue

I. Introduction and Context

Country Context

For the past twenty years, the Chinese economy has grown at a remarkable average rate of more than 8 percent per year. However, this growth has not been spread evenly throughout the country, with growing wealth disparities between the coastal and inland regions and between the urban and rural areas. In support of shared prosperity for all Chinese people, the Government of China has been addressing this issue by giving priority to economic development in the lagging western and central regions and by providing financial support to transport infrastructure development in rural areas.

Guizhou Province (pop. 35 million), on a GDP per capita basis, is the poorest province in China -- its GDP per capita is about USD 3,000, which is only 50 percent of the national average and about 20 percent the GDP per capita in Beijing. This poverty stems, in part, from Guizhou's heavily mountainous, landlocked location in southwestern China.

Tongren Municipality (pop. 4.2 million) is a prefectural city located in northeastern Guizhou Province, which comprises 6 districts, 3 counties and 1 county-level city. Tongren's GDP per capital is less than USD 2,000, making it one of the poorest municipalities in Guizhou Province. About 25 percent of the Tongren population's annual income falls below the national poverty line. This poverty may be partially attributed to Tongren's geography, where more than 96 percent of its 18,000 square-km area comprises hilly and mountainous terrain. To overcome these topographical barriers to development, the Guizhou Provincial Government and Tongren Municipal Government have been focusing on improvement of the rural road network through the 12th Five-Year Plan.

Sectoral and Institutional Context

The current development of rural road system in China is guided by the prevailing national 12th Five-Year-Plan for Transport Development, which spans 2011 through 2015. According to this plan, the strategy for rural roads development is to (a) provide all administrative villages in the western region with asphalt or cement concrete paved roads, in order to meet the basic travel demand of the farmers; (b) improve the infrastructure and facilities for rural roads, including reconstruction of bridges and provision of safety and safeguard facilities, in order to enhance climate-linked risks and improve the traffic safety; and (c) improve the overall condition of rural roads network, including the improvement of county and township roads, in order to upgrade the comprehensive service capacity of the rural roads network. The plan aims to achieve a total length of 3.9 million km paved rural roads in China by the end of 2015.

Tongren Municipality has aligned its Rural Roads Development 12th Five-Year-Plan (2011-2015) with this national strategy. The plan proposes targets for rural road development by the end of 2015, which include: (a) connect 70 percent of all villages with paved roads; (b) enhance rural roads maintenance management, improve supporting facilities, optimize the road network, and increase the level of service and disaster risk management; and (c) extend the road network for passenger travel and connect the public transport services between urban and rural areas.

In addition to the 12th Five-Year Plan, Tongren has proposed key principles for rural road development for 13th Five-Year Plan (2015-2020), with the following targets: (a) connect 100% of the county and villages with asphalt pavement and operating buses; (b) establish basic rural logistics systems and improve the efficiency of passenger and freight transport; and (c) enhance disaster risk management and capacity of road safety and emergency response.

The proposed Project will support completion of Tongren's Rural Roads Development 12th Five-Year Plan in two counties that are key to Tongren's regional development plan – Dejiang and Sinan, with populations of 540,000 and 680,000, respectively – thereby providing the necessary foundation upon which to implement the proposed 13th Five-Year Plan.

This will be the first transport project that the Bank has financed in Tongren Municipality. The Bank has financed two similar projects in the same province: the Guiyang Transport Project (closed on December 31, 2013) and the Guiyang Rural Roads Project (board date on March 6, 2014). The proposed Tongren Rural Transport Project heavily draws upon lessons learned from these programs.

Relationship to CAS

The proposed project is aligned with the 2013-2016 World Bank Group Country Partnership Strategy (CPS) for China, agreed upon by the Board on November 6, 2012. The 2013-2016 CPS focuses on three main pillars: support greener growth, promote more inclusive development, and

advance mutually beneficial relations with the world. The CPS is aligned with China's 12th Five-Year Plan, and the proposed Project supports the first two CPS pillars for green and inclusive development by reducing transport costs for rural road users and increasing accessibility for the rural people of Tongren.

II. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The project development objective is to improve transport accessibility in Dejiang and Sinan counties in a sustainable manner.

This objective will be achieved through the upgrading of existing gravel/earth rural roads, construction of new bridges, and implementation of rural road maintenance and management activities. The project beneficiaries are rural road users and residents in the project area.

Key Results (From PCN)

The achievement of the PDO will be monitored through the following proposed key indicators, which will be finalized prior to Appraisal: (a) Travel time savings (percentage change for upgraded roads and for bridges); (b) Number of beneficiaries (core indicator); and (c) Length of roads served by maintenance pilot activities. Also during Project preparation, additional intermediate indicators will be developed.

III. Preliminary Description

Concept Description

The proposed Project is designed to improve rural accessibility in Dejiang and Sinan counties in Tongren Municipality by upgrading of existing gravel/earth rural roads, construction of new bridges to connect villages separated by large rivers, and implementation of rural road maintenance and management activities.

The Project proposal tentatively comprises four components:

Component 1: Rural Roads (USD 205.77million): Upgrading of 88 rural road segments to Class IV, covering a total length of 705 km.

Component 2: Bridges (USD 5.78 million): Construction of bridges connecting existing roadways, including: 12 medium-sized bridges with a total length of 631meters and 16 small bridges with a total length of 359 meters.

Component 3: Rural Road Maintenance Stations (USD 2.00 million): Improvement and construction of two rural road maintenance stations, one in Dejiang County and one in Sinan County.

Component 4: Capacity Building (USD 0.25 million): Training for 300 staff on management, construction, and maintenance best practices.

These components will be further refined during Project preparation.

IV. Safeguard Policies that might apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01	x		
Natural Habitats OP/BP 4.04			x
Forests OP/BP 4.36		x	
Pest Management OP 4.09		x	
Physical Cultural Resources OP/BP 4.11			x
Indigenous Peoples OP/BP 4.10		x	
Involuntary Resettlement OP/BP 4.12	x		
Safety of Dams OP/BP 4.37		x	
Projects on International Waterways OP/BP 7.50		x	
Projects in Disputed Areas OP/BP 7.60		x	

V. Financing (in USD Million)

Total Project Cost:	213.80	Total Bank Financing:	150.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			63.80
International Bank for Reconstruction and Development			150.00
Total			213.80

VI. Contact point

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