

Project Summary for Public Disclosure

Project Overview	
Project Name	Chongqing Small Cities Sustainable Development Project
Country	The People's Republic of China
Sector	Urban Infrastructure; Sustainable Infrastructure
Approval Date (by the Board)	28 May 2018
Total Project Cost	USD 568.5 million
Loan Amount	USD 300.0 million
Borrower	The People's Republic of China
Implementation Agency	Chongqing Project Management Office (CPMO)

I. Introduction

The rapid industrialization of China has contributed to high economic growth rates and rapid urbanization. Many rural areas were the beneficiaries of the urbanization with a large increase in residents. However, in some areas, the infrastructure needed for the increased population is far from being adequate. The uneven urban development brought more pronounced issues for small towns whose financing capacity is constrained to solve their infrastructure development issues on their own. Today, the focus of urbanization in China has shifted to more balanced development, including developing the lagging areas. The urban infrastructure in the identified project cities is underdeveloped with huge disparity from Chongqing's central area. As a result, living conditions for the local residents have not improved with the pace of economic development. Providing financing to these cities is critical to fuel the long overdue infrastructure development, and will help close the gap of financing as well as urbanization disparity. In this context, the Project is designed with financing from NDB to support the sustainable infrastructure development of seven small cities in Chongqing Municipality. The Project is in close alignment with NDB's mandate of supporting sustainable infrastructure development.

II. Project Description

The objective of the Project is to support the sustainable infrastructure development of seven small cities in Chongqing Municipality, through an integrated sustainable urban

infrastructure development scheme, consisting of sub-projects for urban infrastructure and ecological restoration. The Project will improve the living conditions of the local residents and support the sustainable development of the local economy.

The content of the Project includes: (i) adopting integrated urban planning to transform urban areas from unsustainable urban sprawl into planned urban extensions; (ii) improving urban connectivity, mobility and accessibility; (iii) ecological and environmental restoration, especially in water-front areas; (iv) re-vitalizing old urban areas through urban regeneration and public space upgrading.

III. Environmental and Social Aspects

The Project will bring benefits of improved spatial layout, increased connectivity and accessibility, reduced traffic congestion, and enhanced ecological environment of the seven small cities in Chongqing Municipality. Living conditions of the local residents will be improved with access to more convenient transportation services, sanitation facilities and public spaces. The Project will have significant positive impacts on environment and help conserving natural resources such as rivers and water bodies etc. Some of the sub-project cities have rich cultural heritage and enhanced infrastructure facilities will lead to increased tourism, resulting in economic benefits for the local population.

The Project is categorized as “A” in accordance with the NDB Environment and Social Framework. Negative impacts during implementation include vibrations, noise, dust, turbidity and sedimentation in the rivers, temporary disruption of urban services, loss of aesthetics, and resettlement. Adequate and appropriate mitigation measures have been designed and incorporated to address the identified adverse impacts.

IV. Financials

The total cost of the Project is estimated to be USD 568.5 million. NDB will support the Project through a sovereign project financing facility with a loan amount of USD 300.0 million, accounting for 53% of the total project cost. The balance of USD 268.5 million will be financed by the counterpart fund from district and county governments.

Financier	Amount (\$ million)
New Development Bank	300.0
Counterpart Fund	268.5



V. Implementation

The Project is estimated to be implemented between 2018 and 2023. Suppliers for the Project will be selected through a competitive and transparent bidding process.

VI. Contact

New Development Bank: projects@ndb.int