

**MANAGEMENT RESPONSE TO THE PROJECT PERFORMANCE EVALUATION
REPORT FOR THE HEBEI ROADS DEVELOPMENT PROJECT IN
THE PEOPLE'S REPUBLIC OF CHINA (Loan 1617-PRC)**

On 18 December 2006, the Director General, Operations Evaluation Department, received the following response from the Managing Director General on behalf of Management:

A. Overall Assessment

1. Management appreciates OED's endeavor to conduct an evaluation of the Hebei Roads Development Project. Implementation of the Project commenced in 1998 and was completed in 2002. It is noted that the Project Performance Evaluation Report (PPER) rated this project as highly successful, the same rating given in the related Project Completion Report prepared in 2005 and that the Project was rated as highly relevant, highly effective, highly efficient, and its operations as likely to be sustainable.

B. Findings, Lessons Learned, and Follow-Up Actions

2. On the issue of vehicle overloading and road safety, we note from the PPER that these are being addressed by the Jing-Hu Expressway Management Office by taking adequate actions. For example, weigh-in motion equipment is being installed on the project expressway to curb overloading by vehicles. Given the significance of such issues, recent ADB-financed road projects in the PRC have included specific road safety components and provisions for operation of vehicle weigh stations, prescribed axle-load, and speed limits and penalties for violation. These measures were introduced under recently completed road projects and are being effectively implemented.

3. The PPER highlights the need for ADB to carefully identify and clearly specify an associated local road component during appraisal to enhance the utilization of the allocated loan amount for such component. During preparation of recent road projects, local road components have been developed under PPTA, based on selection criteria, such as local accessibility, economic development potential, and poverty and social impacts.

4. The PPER suggests that ADB's project supervision lacked continuity due to several changes in ADB project officers due to promotion and job rotation. The current project administration practices in ADB's responsible division (EATC) seeks to mitigate any disruption to effective supervision resulting from reassignment of project officers by ensuring that an alternate project officer is actively involved throughout the life of the Project.

5. For the suggested follow-up actions, we support the time-bound actions and will accordingly notify and advise the Hebei Provincial Communications Department and the Jing-Hu Expressway Management Office to implement the actions.