



## China, People's Republic of: JILIN WATER SUPPLY AND SEWERAGE DEVELOPMENT PROJECT

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| Project Name   | JILIN WATER SUPPLY AND SEWERAGE DEVELOPMENT PROJECT  |                     |
| Project Number   | 36507-013  |                     |
| Country  | China, People's Republic of  |                     |
| Project Status   | Closed   |                     |
| Project Type / Modality of Assistance                      | Loan   |                     |
| Source of Funding / Amount                                 | <b>Loan 2175-PRC: Jilin Water Supply and Sewerage Development</b>  |                     |
|  | Ordinary capital resources   | US\$ 100.00 million |
| Strategic Agendas  | Environmentally sustainable growth<br>Inclusive economic growth  |                     |
| Drivers of Change  | Governance and capacity development<br>Knowledge solutions   |                     |
| Sector / Subsector   | <b>Water and other urban infrastructure and services</b> - Urban sewerage - Urban water supply   |                     |
| Gender Equity and Mainstreaming                            | Some gender elements   |                     |
| Description  | <p>The Jilin Water Supply and Sewerage Development Project is a key urban infrastructure initiative of the Jilin provincial government (JPG). The Project will help (i) reduce water pollution; (ii) protect water resources; (iii) address water shortage through recycling effluent and meet the demand for high-quality treated water by 2010; (iv) promote sustainable economic development; and (v) improve the environment, living conditions, and public health standards in three cities and one district of Jilin Province. The Project has five components involving the improvement and expansion of (i) the Changchun wastewater treatment and sewerage system; (ii) the Shuangyang water supply system; (iii) the Changchun Yongchun River flood control capacity; (iv) the Liaoyuan water supply system; and (v) the Meihekou water supply system. The Project will provide capacity building and training on project management, institutional and wastewater management, and tariff analysis for all the project implementing agencies (IAs). The Project supports the Government's objectives for the water and wastewater sector as set out in the Tenth Five-Year Plan (2001-2005), to improve living conditions and health in the project cities, and promote their sustainable economic development.</p>  |                     |
| Project Rationale and Linkage to Country/Regional Strategy | <p>The Songhua River Basin (SRB) is the third largest river basin in the PRC and intersects Jilin and Heilongjiang provinces and the Inner Mongolia Autonomous Region. The SRB has a catchment area of 557,000 square kilometers and a population of 62 million. The Songhua River is one of the most polluted of the 47 major rivers in the PRC, and is contaminated with a number of organic chemicals, heavy metals, and conventional pollutants. This imposes a major constraint to sustainable economic development in the region. The Yitong and Yongchun rivers in Changchun, which flow into the SRB, are highly polluted due to inadequate wastewater treatment in Changchun. As a result of rapid economic growth and urbanization, water pollution and water scarcity have become major problems. The Project will contribute significantly to controlling water pollution in the Yitong and Yongchun rivers and in the upstream section of the SRB. The Project will also help solve the current water shortages in the project cities and meet future demand for high-quality treated water. Further, ADB is developing an integrated plan and an immediate action plan for pollution control in the SRB through the ongoing advisory Songhua River Water Quality and Pollution Control Management technical assistance (TA). The Project fits well within the strategic framework for pollution control in the SRB as it was developed under the Songhua Pollution Control TA.</p> |                     |
| Impact   | Enhanced urban environment, and improved public health and quality of life for the urban residents in the cities of Changchun, Liaoyuan, and Meihekou  |                     |

### Project Outcome

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| Description of Outcome | Improved management and utilization of water resources in the upper Songhua River Basin |
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Progress Toward Outcome 4 subprojects completed. 2 subprojects cancelled from ADB financing. 1 subproject ongoing.

### Implementation Progress

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| Description of Project Outputs                                      | 1. Improve and expand wastewater services in Changchun and Liaoyuan.<br>2. Improve and expand water supply services in Changchun, Liaoyuan, and Meihekou.<br>3. Increase the institutional capacity of the IAs in Changchun, Liaoyuan, and Meihekou.<br>4. Resettlement                  |
| Status of Implementation Progress (Outputs, Activities, and Issues) | Beijiao WWTP completed; Nanjiao WWTP substantially complete, expected completion is June 2011. 64% and 48.7% of wastewater collected and treated for Changchun and Liaoyuan achieved, respectively. Wastewater services improved significantly. 590 households (2,428 persons) resettled |
| Geographical Location   | Changchun, Shuangyang, Liaoyuan and Meihekou   |

### Safeguard Categories

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| Environment              | A |
| Involuntary Resettlement |   |
| Indigenous Peoples       |   |

### Summary of Environmental and Social Aspects

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| Environmental Aspects    | The Project will improve the urban environment and surface water quality, primarily in the Yitong and Yongchun rivers, which flow into the SRB. The Project will target substantial improvements in wastewater management in Changchun and Liaoyuan, which will have significant positive effects on water pollution control in the upper reaches of the SRB. The Project will provide clean and reliable water supply to Liaoyuan, Meihekou, and Shuangyang district in Changchun, secured from rivers and existing reservoirs instead of from overexploited groundwater. The Project will have an overwhelming positive environmental impact and any environmental risks during construction will be mitigated through measures in the SEIA. The SEIA summarizes the environmental impacts, mitigation measures, and monitoring plans. About 100 million m <sup>3</sup> annually of untreated wastewater will be treated under the Project. The environmental management plan, prepared as part of the SEIA, will guide environmental mitigation and monitoring under the Project. |
| Involuntary Resettlement | Impacts related to resettlement (physical and economic displacement) include people affected by (i) permanent acquisition of land for the WWTP and pumping stations, (ii) temporary use of land for installation of trunk sewers and water pipelines, and (iii) demolition of houses and shops. Resettlement requirements have been carefully considered and incorporated into the project design. All project components were planned to minimize disruption of residential areas and villages, and maintain village cohesion. The Project will require the permanent acquisition of 78 hectares (ha) of land, temporary acquisition of 202 ha, and dismantling of 62,700 m <sup>2</sup> of residential houses and 2,077 m <sup>2</sup> of commercial buildings. In total, 244 households with 911 people will be permanently affected by land acquisition, and 502 households with 1,799 people by the dismantling of houses. In addition, two enterprises and 18 shops will be affected.  |
| Indigenous Peoples       | Ethnic minorities of Manchu and Korean reside in the project area; they are mixed with the Han majority. The social assessment shows that they are not negatively affected by the Project and are among the project beneficiaries.   |

### Stakeholder Communication, Participation, and Consultation

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| During Project Design | Participatory approach has been part of the project design and will be continued during project implementation, monitoring, and evaluation. During project preparation, public hearing meetings on water supply and wastewater treatment, and government policies and efforts to develop water supply service were held in the project cities. The participants unanimously concluded that a tariff adjustment was necessary to recover costs, assist with the sustainable development of water supply and sewerage system, conserve water, protect the environment, improve services, and help poor families. Further public consultations will be held during project implementation to discuss and get feedback from consumers and other key stakeholders, particularly the poor, on cost recovery, tariff adjustment, affordability, public participation, water conservation, hygiene program, and environmental protection.<br>Two rounds of five public consultations in project cities were carried out in preparing the environmental impact assessment. The purpose of public consultations and disclosure was to (i) introduce the project components to the stakeholders; (ii) solicit ideas, suggestions, comments, concerns, and critiques on the potential environmental implications of the Project; and (iii) present the findings of the environmental impact assessment, summarizing potential environmental impacts and mitigation measures, and provide answers raised by workshop participants in the first round. Plans for public involvement during the design and construction stages of the Project were developed. These plans will provide forums for periodically updating the stakeholders on project progress and implementation of mitigation measures.<br>Public consultation and disclosure of resettlement plans have been conducted on various occasions during measurement surveys, village meetings, interviews, and workshops. Results of these meetings and concerns of those affected are integrated in the resettlement plans. |
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## Business Opportunities

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| Consulting Services | Consulting services will be required to (i) build the capacity of the staff of the Project Management Office (PMO) and IAs; (ii) monitor construction and operations; and (iii) monitor resettlement. The consultants will be recruited in accordance with ADB's Guidelines on the Use of Consultants. The Project would require 44 person-months (pm) of international and 105 pm of domestic consultants. The tasks include (i) reviewing designs and specifications, and tender documents; (ii) construction supervision, quality control and related monitoring of progress over the project implementation period; (iii) training to the PMO and IAs in finance, accounting, mechanical, and O&M training, including leakage detection; (iv) developing a management information system for the PMO and the IAs; (v) social, resettlement and environmental monitoring; (vi) review of project water and wastewater tariffs and impact on retail tariffs based on actual investment cost; (vii) project management; (viii) efficient operating procedures; (ix) preventive maintenance; (x) financial management; (xi) human resources development; (xii) corporate governance; and (xiii) providing advice to the PMO and IAs on performance improvements including management of non-revenue water. |
| Procurement         | Equipment, materials, goods, and services financed by the loan will be procured in accordance with ADB's Guidelines on Procurement and ADB's procedures for international competitive bidding (ICB) for packages each with a value greater than \$1 million. Packages valued \$1 million or less will be procured following international shopping, local competitive bidding (LCB) for packages valued between \$0.5 million and \$1 million, and direct purchase procedures for packages not exceeding \$100,000. Prequalification, selection, and engagement of contractors will be subject to the approval of ADB.   |

## Responsible Staff

|                            |  |
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| Responsible ADB Officer    | Penjor, Sangay   |
| Responsible ADB Department | East Asia Department   |
| Responsible ADB Division   | Urban and Social Sectors Division, EARD  |
| Executing Agencies         | <i>Jilin Provincial Government<br/>Mr. Chu Minhua<br/>Changchun City<br/>Jilin</i> |

## Timetable

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|---------------------|----------------------------|
| Concept Clearance   | 07 Mar 2004                |
| Fact Finding        | 22 Nov 2004 to 10 Dec 2004 |
| MRM                 | 22 Feb 2005                |
| Approval            | 18 Jul 2005                |
| Last Review Mission | -                          |
| PDS Creation Date   | 10 Nov 2006                |
| Last PDS Update     | 13 Dec 2011                |

## Loan 2175-PRC

| Milestones  |              |                  |             |             |             |
|-------------|--------------|------------------|-------------|-------------|-------------|
| Approval    | Signing Date | Effectivity Date | Closing     |             |             |
|             |              |                  | Original    | Revised     | Actual      |
| 18 Jul 2005 | 29 Sep 2005  | 13 Dec 2005      | 30 Jun 2010 | 31 Dec 2011 | 13 Jul 2012 |

| Financing Plan |                                | Loan Utilization           |       |        |                |
|----------------|--------------------------------|----------------------------|-------|--------|----------------|
|                | Total (Amount in US\$ million) | Date                       | ADB   | Others | Net Percentage |
| Project Cost   | 232.20                         | Cumulative Contract Awards |       |        |                |
| ADB            | 100.00                         | 18 Jul 2005                | 92.72 | 0.00   | 100%           |
| Counterpart    | 132.20                         | Cumulative Disbursements   |       |        |                |
| Cofinancing    | 0.00                           | 18 Jul 2005                | 92.72 | 0.00   | 100%           |

| Status of Covenants |        |            |        |              |          |              |
|---------------------|--------|------------|--------|--------------|----------|--------------|
| Category            | Sector | Safeguards | Social | Financial    | Economic | Others       |
| Rating              | -      | -          | -      | Satisfactory | -        | Satisfactory |

Project Page <https://www.adb.org/projects/36507-013/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=36507-013>

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