# China, People's Republic of: Xinjiang Municipal Infrastructure and Environmental Improvement Project

**Project Name:** Xinjiang Municipal Infrastructure and Environmental Improvement Project  
**Project Number:** 39228-033  
**Country:** China, People's Republic of  
**Project Status:** Closed  
**Project Type / Modality of Assistance:** Loan  
**Source of Funding / Amount:**  
| Source of Funding / Amount | Loan 2420-PRC: Xinjiang Municipal Infrastructure and Environmental Improvement Project  
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           | Ordinary capital resources  
|                           | US$ 105.00 million  

**Strategic Agendas:**  
- Environmentally sustainable growth  
- Inclusive economic growth  

**Drivers of Change:**  
- Governance and capacity development

**Sector / Subsector:**  
- Energy - Energy utility services  
- Transport - Urban roads and traffic management  
- Water and other urban infrastructure and services - Other urban services - Urban sewerage - Urban solid waste management - Urban water supply

**Gender Equity and Mainstreaming:** Some gender elements

**Description:** The impact of the Project is sustained socioeconomic growth and improved living standards in the border areas of northern Xinjiang (Altay Administrative District, Boertala Mongolian Autonomous Prefecture, and Yili Kazak Autonomous Prefecture). The outcome is improved municipal infrastructure and a better living and ecological environment in Alashankou Land Port, Kanas Scenic Region, and Yining City.

The Project has three components broken down into 13 subcomponents. The three components are:  
(i) Component I: Yining City roads and municipal services,  
(ii) Component II: Alashankou Land Port municipal infrastructure and environmental protection, and  
(iii) Component III: Kanas Scenic Region infrastructure and environmental protection.

The Project also provides for institutional development and capacity building to ensure effective implementation of the Project and sustainable operations and maintenance of the project facilities.

The Project will also be complemented by a Gender and Development Fund-financed grant ($150,000) for the Kanas Women's Enterprise Development Project, which is aimed to support activities on capacity building in local tourism and demonstration projects in health and hygiene for ethnic minority women in the Kanas component of the Project.

**Project Rationale and Linkage to Country/Regional Strategy:** The Project is the first ADB-financed municipal infrastructure and environmental management project in Xinjiang to support environmentally sustainable economic growth and poverty reduction and facilitate regional trade between the PRC and the Central Asian republics (CARs).

Xinjiang shares borders with eight countries and is the gateway between the PRC and the CARs. As the historic Silk Road passes through it, Xinjiang has a wealth of history and ethnic culture, and this has encouraged tourism development. The region is also rich in natural resources including oil, metals, and minerals that provide a sound basis for economic development. Although Xinjiang's foreign trade has grown rapidly since 1992, the province remains one of the poorest in the country. To maximize growth potential and raise the living standard of the people (particularly that of the ethnic minorities), the Xinjiang Uygur Autonomous Region government in its Eleventh Five-Year Plan accorded high priority to sustainable economic development through construction and upgrade of infrastructure, particularly in major border ports and cities.

**Impact:** Sustained socioeconomic growth and improved living standards in the border areas of northern Xinjiang (Altay Administrative District, Boertala Mongolian Autonomous Prefecture, and Yili Kazak Autonomous Prefecture).

**Project Outcome**

**Description of Outcome:** Improved municipal infrastructure, and a better living and ecological environment in Alashankou land port, Kanas scenic region, and Yining City.

**Progress Toward Outcome:** To be assessed upon completion.

**Implementation Progress**

**Description of Project Outputs**

1. Component 1: Yining City Roads and Municipal Services
   1.1 Four new main roads and upgraded local roads opened to traffic and related municipal services operational.
   1.2 Newly built and procured environmental sanitation facilities and equipment operational.
2. Component 2: Alashankou land port municipal infrastructure and environmental protection
   2.1 12 new roads opened to traffic.
   2.2 New water treatment plant and associated facilities operational.
   2.3 New wastewater treatment plant and associated sewer network operational.
   2.4 New heating supply works operational.
   2.5 New environmental sanitation and solid waste treatment facilities operational.
   2.6 Ecological protective forests completed.
3. Component 3: Kanas scenic region infrastructure and environmental protection
   3.1 New village roads and village parking areas opened to traffic.
   3.2 New water supply system operational.
   3.3 New wastewater treatment system operational.
   3.4 New environmental sanitation and solid waste treatment facilities operational.
   3.5 Vegetation recovery completed.
Status of Implementation Progress (Outputs, Activities, and Issues)
All physical construction works completed. Loan account will be closed after all disbursements complete.

Geographical Location
Kanas Lake, Yining

Safeguard Categories

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<td>Involuntary Resettlement</td>
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<tr>
<td>Indigenous Peoples</td>
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Summary of Environmental and Social Aspects

Environmental Aspects
The Project is classified as environment category A. Extensive public consultations involving surveys, meetings with stakeholders, and focus-group discussions were undertaken during project preparation. The summary environmental impact assessment was circulated to ADB’s Board of Directors and posted on the ADB website on 22 October 2007. The Project will improve the living environment for the residents in Alashankou land port, Kanas scenic region, and Yining City. An environmental management plan (EMP) has been developed for the design, construction, and operational phases of the Project. The EMP includes the institutional strengthening for implementing the mitigation measures and undertaking the monitoring requirements.

Involuntary Resettlement
The Project comprises three components, of which, the construction of Yining Component and Kanas Component involves land acquisition and resettlement. Two separate resettlement plans were prepared and approved by ADB during the project preparation in 2007.

Indigenous Peoples
Xinjiang is a region with a high number and proportion of ethnic minorities (24% of the population in Alashankou, 97% in Kanas, and 82% in Yining). The Project is classified as category A for ethnic minorities. In line with ADB’s Policy on Indigenous Peoples (1998) and PRC requirements, the Yining and Kanas PMOs have prepared and endorsed an ethnic minority development plan (EMDP) for the respective components and have disclosed the EMDPs to the affected persons at public meetings and posted in the neighborhood committee and/or village offices in mid-October 2007. The EMDPs set out measures and identify the budget sources needed in order to enhance positive impacts and mitigate any negative impacts ethnic minorities may experience. Importantly, the EMDPs also set out a detailed participation plan to ensure that ethnic minorities are heard and to inform project design, implementation, and actions to specifically target ethnic minorities.

Stakeholder Communication, Participation, and Consultation

During Project Design
Consultations with stakeholders, including various levels governments, implementing agencies, and beneficiaries were undertaken.

During Project Implementation
Consultations with stakeholders, including various levels governments, implementing agencies, and beneficiaries were undertaken.

Business Opportunities

Consulting Services
A total of 102 person-months of international and domestic consultants will be engaged through a consulting firm in accordance with ADB’s Guidelines on the Use of Consultants (2007, as amended from time to time) using the standard quality and cost based selection method and simplified technical proposal. The consulting services will cover (i) support to Xinjiang and city PMOs and IAs in project preparatio and management, (ii) project performance management system (PPMS), (iii) transport planning and traffic control for Yining PMO and IA, (iv) financial management, (v) social development, (vi) environmental management, (vii) O&M, and (viii) institutional strengthening.

Procurement
Goods, works and services financed under the loan will be procured in accordance with ADB's Procurement Guidelines (2007, as amended from time to time). Contracts for goods estimated to cost $1.0 million or more and contract for works estimated to cost $10 million or more shall be procured using international competitive bidding. Contracts for goods and works estimated to cost less than the above ICB thresholds but more than $100,000 shall be procured on the basis of national competitive bidding procedures in accordance with the PRC Tendering and Bidding Law, subject to modifications agreed with ADB. Contracts for goods and works estimated to cost $100,000 or less shall be procured using shopping procedures.

Responsible ADB Officer
Wang, Lan

Responsible ADB Department
East Asia Department

Responsible ADB Division
PRC Resident Mission

Executing Agencies
Government of Xinjiang Uygur Autonomous Region
Mr. Li Xiangqun
jstjhcwc@xjjs.gov.cn
Fax: 86 991 2818291

Timetable

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<td>MRM</td>
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Loan 2420-PRC

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Financing Plan

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### Status of Covenants

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Project Page: https://www.adb.org/projects/39228-033/main

Request for Information: http://www.adb.org/forms/request-information-form?subject=39228-033

Date Generated: 13 November 2019

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