China, People's Republic of: Qingdao Water Resources and Wetland Protection

Project Name: Qingdao Water Resources and Wetland Protection
Project Number: 40017-013
Country: China, People's Republic of
Project Status: Closed
Project Type / Modality of Assistance: Loan, Technical Assistance
Source of Funding / Amount:
- Loan 2494-PRC: Qingdao Water Resources and Wetland Protection: US$ 45.00 million
- TA 7219-PRC: Enabling the Protection of Jiaozhou Bay Water Quality and Wetland Ecosystem: US$ 350,000.00
- Multi-Donor Trust Fund under the Water Financing Partnership Facility: US$ 400,000.00

Strategic Agendas:
- Environmentally sustainable growth
- Inclusive economic growth

Drivers of Change:
- Private sector development

Sector / Subsector:
- Agriculture, natural resources and rural development - Water-based natural resources management
- Water and other urban infrastructure and services - Urban flood protection - Urban sewerage

Gender Equity and Mainstreaming:
- Some gender elements

Description:
Most of the water management problems in the People's Republic of China (PRC), particularly for coastal cities, are the result of a fragmented approach to development. There is a need to move towards a more integrated management approach whereby the different tasks associated with water management (water supply, wastewater management, drainage) and ecosystem rehabilitation are managed together in close coordination with land use planning, coastal zone management and water resource management, and pollution control at the river basin level. To reduce pollution in the country's coastal waters and sustain ecosystems, a number of specific actions are needed, including (i) adopting a holistic approach to water management in river basins and coastal zones, (ii) reducing land-based pollution sources particularly industrial and urban point sources, and (iii) continuing institutional and financial management reforms to facilitate sustainable environment management.

Project Rationale and Linkage to Country/Regional Strategy:
The coastal wetlands of Jiaozhou Bay surrounded by Qingdao Municipality (including the city of Jiaozhou situated at the head of the Bay) are vital, representing the most important marine ecosystem of the Qingdao coastal region and the Shandong Peninsula. They provide breeding grounds for many types of fish and shellfish, a resting place for migratory birds, as well as maintaining coastal biological diversity. In addition, they play a key role in absorbing excessive nutrients from land-based activities, before they enter the waters of the bay proper, thereby helping to prevent eutrophication in the bay. Finally, the wetlands play a key role in flood management and coastal protection which will become of increasing significance to coastal cities as sea levels continue to rise as a result of global warming. Since the 1950s, the coastal wetlands around Jiaozhou Bay have been severely impacted by human activities, notably in relation to excessive pollution generation; it is estimated since 1950 that the wetland area has shrunk by 30%. Moreover, the area of natural wetlands has decreased with artificial wetlands such as salt and aquaculture ponds doubling in area. These observations indicate that effective upstream environmental and water resources management (reducing pollution loads, preserving river regimes) together with effective coastal zone management zoning is required to reduce further wetlands loss and degradation, and thereby ensuring the preservation of the jiaozhou Bay environment.

Impact:
Improved water quality in the Jiaozhou Bay area

Geographical Location:
Jiaozhou, Jiaozhou Wan, Qingdao Shi, Shaohai Lake
## Safeguard Categories

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<thead>
<tr>
<th>Environment</th>
<th>B</th>
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<tbody>
<tr>
<td>Involuntary Resettlement</td>
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<tr>
<td>Indigenous Peoples</td>
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</table>

## Summary of Environmental and Social Aspects

### Environmental Aspects
- **Involuntary Resettlement**
- **Indigenous Peoples**

### Stakeholder Communication, Participation, and Consultation

#### During Project Design
Consultations have been held with government agencies, including National Development and Reform Commission, Ministry of Finance, Ministry of Environmental Protection, Qingdao Development and Reform Commission, and Qingdao Finance Bureau. Various meetings have been held with senior representatives (Vice Mayor) of JCG, and relevant Jiaozhou government agencies. The poverty and social assessment (PSA) utilized a number of participation processes to solicit the input of a cross section of stakeholders. Stakeholder analysis was conducted during the PSA. Various methods and approaches have been conducted, including 400 households sampling socio-economic survey, stakeholder consultation meetings and workshops, 8 focus group discussion, and 28 key informant interviews. The main stakeholder groups include women, poor, enterprise owner, and local decision makers including relevant government agencies at county/committee levels, project management office, project implementation agencies, and private sector. Formulation of the Short Resettlement Plan has utilized separate socio-economic surveys, community meetings, opinion surveys, and specific impact studies in May 2008.

#### During Project Implementation
Public consultation and participation, which have been key elements of the project design, will continue during project implementation, monitoring, and evaluation. Ongoing consultations also will be carried out by the PMO to (i) meet the evolving needs and expectations of the users, (ii) increase the awareness of the public about the benefits of the Project, (iii) encourage the active involvement of local communities to maximize their support for the Project, (iv) promote environmental protection, and (v) raise the social acceptance of tariff increases.

### Business Opportunities
- **Consulting Services**
  - About 31 person-months of international consulting and 100 person-months of national consulting, to be funded under the Project, will be required for project management support and implementation of non-structural measures. Consulting services will be provided in the following specific areas: (i) development of an integrated information system for management of drainage and wastewater assets in Jiaozhou, (ii) ecological upgrading of the Shaohai Lake wetlands, (iii) construction supervision and quality control, (iv) financial management and corporate governance, and (v) operation and maintenance improvements. The international consultants will also provide training and capacity building in wastewater management and treatment planning, industrial pollution control, hydrological and hydraulic analysis, storm water source control financial management, and environmental monitoring and management. Contract for consulting services will be awarded to consulting firms using the quality-and cost-based selection procedures (80:20), in accordance with ADB's Guidelines on the Use of Consultants (2007, as amended from time to time).

- **Procurement**
  - All procurement of goods and works shall be carried out in accordance with ADB's Procurement Guidelines (2007, as amended from time to time). Contracts for goods estimated to exceed $1.0 million and contracts for works estimated to exceed $10.0 million shall be procured using international competitive bidding (ICB) procedures. Contracts for goods and works estimated to cost equal or less than the above ICB values but more than $100,000 shall be procured through national competitive bidding procedures in accordance with the PRC Tendering and Bidding Law (1999), subject to modifications agreed with ADB. Contracts for goods and works estimated to cost $100,000 or less shall be procured using shopping procedures. The relevant sections of ADB's Anti-corruption Policy (1998 as amended to date) will be included in all procurement documents and contracts.

## Responsible ADB Officers
- **Responsible ADB Officer**: Rabindra P. Osti
- **Responsible ADB Department**: East Asia Department
- **Responsible ADB Division**: Environment, Natural Resources & Agriculture Division, EARD

## Executing Agencies
- Jiaozhou City Government
- Jiaozhou Development and Reform Bureau
- The 7th Floor, City Administration Bldg, Beijing Road, New Town District

## Timetable
- **Concept Clearance**: 24 Jul 2008
- **Fact Finding**: 28 Jul 2008 to 02 Aug 2008
- **MRM**: 29 Aug 2008
- **Approval**: 17 Dec 2008
- **Last Review Mission**: -
- **PDS Creation Date**: 19 Feb 2008
- **Last PDS Update**: 25 Sep 2017

## Loan 2494-PRC

### Loan Approval Timelines

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<th>Effectivity Date</th>
<th>Original Closing Date</th>
<th>Revised Closing Date</th>
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### Financing Plan

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### TA 7219-PRC

#### Status of Covenants

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**Request for Information**


**Date Generated**

13 December 2019

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