China, People's Republic of: Lanzhou Sustainable Urban Transport Project

Project Name: Lanzhou Sustainable Urban Transport Project

Project Number: 40625-013

Country: China, People's Republic of

Project Status: Closed

Project Type / Modality of Assistance: Loan

Source of Funding / Amount: Loan 2601-PRC: Lanzhou Sustainable Urban Transport Project
Ordinary capital resources
US$ 150.00 million

Strategic Agendas:
- Environmentally sustainable growth
- Inclusive economic growth

Drivers of Change:
- Governance and capacity development
- Knowledge solutions

Sector / Subsector:
- Transport
  - Transport policies and institutional development
  - Urban public transport
  - Urban roads and traffic management

Gender Equity and Mainstreaming

Description:
The proposed Project is also in line with the key pillars of the new Country Partnership Strategy (CPS) of PRC namely: (i) inclusive growth and balance development, (ii) resource efficiency and environmental sustainability, and (iii) enabling environment for private sector development.

Project Rationale and Linkage to Country/Regional Strategy:
Lanzhou, capital of Gansu Province, is one of the regional hubs between the eastern and western regions of the People's Republic of China (PRC) and is home to 3.1 million inhabitants. It is the economic, political, and cultural center of Gansu province. The city presently comprises four distinct development zones, of which three are on the south bank of the Yellow River where the current city centre of business, commerce and government is located. The fourth zone is on the north bank of the river at Anning. The Lanzhou Municipal Government (LMG) has adopted a strategy of “one river, two centers, seven groups” as a key concept of its urban master plan to optimize land use, and the economic and social functions of the city; and has decided to develop a second city center in Anning. As Anning will become the new political, administrative, economic, and cultural center of the city, there will be a significant increase in the demand for transport to, from and within Anning. The Project will contribute to the realization of the urban master plan by supporting development of the urban road network and the urban mass transport system serving the new city center. It will focus on providing a sustainable urban transport system in Lanzhou City.

Impact:
Sustainable economic growth, effective environmental improvement, poverty reduction, and inclusive social development in Lanzhou will be achieved.

Project Outcome

Description of Outcome:
An efficient, safe, and clean urban transport system in Lanzhou will be provided.

Progress Toward Outcome:
The project was completed in 31-Dec-2018.

Implementation Progress

Description of Project Outputs:
1. Urban roads including BRT facility and NMT lanes are constructed or reconstructed.
2. Advanced traffic management system established
3. Advanced environmental monitoring system established
4. BRT institutional management capacity strengthened

Status of Implementation Progress (Outputs, Activities, and Issues):
(1) Bike lanes were already completed since Dec 2012. A total of 19.16 km of NMT lanes were constructed along with the completed roads. 12.4 km or 100% of the target were completed in September 2015. Of the 13 km BRT lanes, about 8.5 km including the BRT stations and bike lanes were already completed and operation since 2012. 0.8 km was removed from the project scope, around 11.86 km were completed.
(2) The system will be assessed after project completion.
(3) The environmental system has already been covered by the central government’s Environmental Protection Bureau. ADB financing will no longer be required.
(4) Specialists from the Institute for Transport and Dev't Study and Guangzhou Municipal Eng’g and Research Institute have been working with the EA to strengthen capacity building including a study tour fielded in 2012.

Geographical Location:
Anning Qu, Lanzhou Shi, Qilihe Qu

Safeguard Categories

Environment: A
Involuntary Resettlement: A
Indigenous Peoples: C

Summary of Environmental and Social Aspects
Environmental Aspects

The environmental impact assessment (EIA) was prepared in accordance with ADB's Environment Policy (2002) and Environmental Assessment Guidelines (2003) by the Gansu Environmental Science and Design Research Institute and, in February 2009, approved by the Lanzhou Environmental Protection Bureau. ADB has reviewed, through its environment committee, the EIA and its summary, which was circulated to ADB's Board of Directors and posted on its website on 5 June 2009. The EIA assessed the environmental impacts of Project components and prescribed environmental protection and mitigation measures. To ensure that all potentially adverse environmental impacts of the Project are mitigated, the PMO will implement an environmental management plan, whose measures will be incorporated into bidding documents and contracts for civil works.

Involuntary Resettlement

The Project will require significant resettlement, as 122 hectares (ha) of land will be acquired, including 49 ha of farmland, affecting 780 households. Also, 1,409 houses and 288 businesses will be demolished and relocated. The Project will adversely affect 8,000 people, nearly all of whom are rural residents or have recently registered for urban residence. As Anning is an urban district of Lanzhou, compensation standards for land acquisition and the relocation policy for rural residents there are very reasonable and have gained the support of affected households. Some efforts have been made to minimize land acquisition by considering alternative road designs, but the area has already been zoned for redevelopment so villagers will eventually be relocated. The focus of resettlement planning has therefore been to integrate affected people into the new city development zone, where they will benefit from improved living conditions and higher property values. Most people will select exchange housing in four resettlement sites that will be constructed by the Anning district government. These sites will serve other future resettlement needs, as Anning continues implementing its urban master plan, which will ensure better-quality housing, public facilities, social amenities, and commercial opportunities. The impact on income is not significant for most affected households because (i) the land lost is relatively small for the road sections and (ii) most of their income is already derived from the farm. Nonetheless, some seriously affected households and vulnerable people will receive training, employment arrangements, and/or other assistance to ensure their livelihoods are improved and sustainable. The resettlement plan and other information have been disclosed to affected villages and households.

Indigenous Peoples

The Project area has very few members of ethnic minorities, and they will not be significantly affected by the Project or its land acquisition and resettlement.

Stakeholder Communication, Participation, and Consultation

During Project Design
Consultation with communities has included focus group discussions, meetings with villages, and surveys of beneficiary and adversely affected households. Consultation were also carried out with various local government agencies and with the All China Women's Federation and the Disable People's Federation.

During Project Implementation
Being conducted.

Business Opportunities

Consulting Services
Consultants will be recruited in line with ADB's Guidelines on the Use of Consultants (2007), as amended from time to time. The Government will engage and finance qualified consultants for detailed engineering design, construction supervision, environmental supervision and monitoring, monitoring and evaluation of resettlement, project performance monitoring, studies and capacity building. The proposed consulting services to be financed from the ADB loan are for (i) BRT operation and management planning, (ii) traffic demand management strategy, (iii) NMT strategies in Lanzhou city, and (iv) capacity building.

Procurement
All procurement to be financed under an ADB loan will be carried out in accordance with ADB's Procurement Guidelines (2007), as amended from time to time. ADB will finance (i) construction and rehabilitation of urban roads including BRT facility and NMT lanes, (ii) smart traffic management, (iii) advanced environmental monitoring, (iv) land acquisition and resettlement, and (v) capacity building.

Loan 2601-PRC

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