China, People's Republic of: Yunnan Sustainable Road Maintenance (Sector) Project

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<thead>
<tr>
<th>Project Name</th>
<th>Yunnan Sustainable Road Maintenance (Sector) Project</th>
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<tbody>
<tr>
<td>Project Number</td>
<td>45030-002</td>
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<tr>
<td>Country</td>
<td>China, People's Republic of</td>
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<tr>
<td>Project Status</td>
<td>Active</td>
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<tr>
<td>Project Type / Modality of Assistance</td>
<td>Loan</td>
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<tr>
<td>Source of Funding / Amount</td>
<td>Loan 3074-PRC: Yunnan Sustainable Road Maintenance Project</td>
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<tr>
<td>Ordinary capital resources</td>
<td>US$ 80.00 million</td>
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**Strategic Agendas**
- Inclusive economic growth

**Drivers of Change**
- Governance and capacity development
- Private sector development

**Sector / Subsector**
- Transport - Road transport (non-urban)

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

**Description**
Yunnan is a poor, densely populated province with a population of 46 million. Because it is landlocked and mountainous, trade with other provinces and foreign countries involves transportation over long distances, which makes its products less competitive. These are still large pockets of poverty because of inadequate road access, limited land availability for agriculture, and cultural barriers to outward migration. In 2011, 27% of Yunnan’s rural population was considered poor, using the PRC’s official poverty line of CNY2,300 per year. Yunnan is strategically located along the PRC border with Laos, the Democratic Republic of Myanmar, and Viet Nam. About 60% of freight and 80% of passengers travel by road. The Yunnan Highway Administration Bureau (YHAB), under the Yunnan Provincial Department of Transport (YPDOT), manages a trunk road network of 24,089 km, which includes 45% of the province’s paved roads. These roads form part of or connect with the Greater Mekong Subregion (GMS) Northern Economic Corridor and North-South Economic Corridors. The project will improve the sustainability of Yunnan’s trunk road network. It will (i) rehabilitate about 890 km of trunk roads, (ii) introduce performance-based road maintenance on a pilot basis on 164 km of trunk roads, (iii) set up a road asset management system, and (iv) implement an institutional development plan.

**Project Rationale and Linkage to Country/Regional Strategy**
The government has asked ADB to support YHAB’s trunk road maintenance program and assist in sector reform and institutional strengthening. The proposed project represents a second phase of ADB support to road maintenance in Yunnan. By targeting a poor province and by advancing the agendas of road asset management and safety, the project is aligned with ADB’s PRC country partnership strategy and the Sustainable Transport Initiative.

**Impact**
The people of Yunnan have improved access to a quality and safe trunk road network.

**Geographical Location**
- Dali Baizu Zizhizhou
- Dehong Daizu Jingpozu Zizhizhou
- Jinning Xian
- Kunming, Kunming Shi
- Lincang Shi
- Wenshan Zhuangzu Miaozu Zizhizhou
- Yunnan, Yuxi, Yuxi Shi

**Safeguard Categories**
- Environment: B
- Involuntary Resettlement: B
- Indigenous Peoples: C
Summary of Environmental and Social Aspects

Environmental Aspects
The project is category B for environment. A consolidated initial environmental examination and environmental management plan was prepared for the seven subprojects chosen for rehabilitation during phase 1 and the pilot testing of the two performance-based road maintenance modalities. These documents comply with the PRC’s regulatory requirements and ADB’s Safeguard Policy Statement (2009) and were disclosed on the ADB website on 25 April 2013. Two of the subprojects have been classified as category B, and the rest as category C. The works will be confined to the original right-of-way of existing national, provincial, and county roads. All identified environmental impacts will be mitigated through activities under the environmental management plan. An environmental assessment review framework has been prepared to guide the assessment of subprojects to be identified and carried out later under the project’s three subsequent phases. YHAB accepted PPTA recommendations to increase its environmental capacity, and tools have been developed to manage environmental impacts and opportunities associated with maintenance activities.

Involuntary Resettlement
Due diligence indicated that no land acquisition or resettlement will be required for the first-year subprojects. While the subprojects yet to be selected for the remaining phases are expected to be similar, the project was classified as resettlement category B to allow for changes at detailed design stage if a future subproject involves modest resettlement due to road widening or straightening or to improve safety features. A resettlement framework and a sample resettlement plan have been prepared and were disclosed on the ADB website on 25 April 2013. Should a subproject require land acquisition or resettlement, the executing agency will prepare and submit resettlement plan(s) for ADB review and clearance; this will include a participatory consultation process, and other measures defined in the resettlement framework. The project will not finance a subproject that requires significant resettlement.

Indigenous Peoples
Due diligence conducted during the project preparatory TA found no significant adverse impacts on ethnic minorities in the project area that would trigger the indigenous peoples safeguard requirements, hence the project is classified as indigenous peoples category C.

Stakeholder Communication, Participation, and Consultation
During Project Design
Consultations have been organized during project preparation stage for project scope, environmental issue, and involuntary resettlement.

During Project Implementation
Consultation and participation strategy will continue during implementation.

Responsible ADB Officer
Zheng, Baochang

Responsible ADB Department
East Asia Department

Responsible ADB Division
PRC Resident Mission

Executing Agencies
Yunnan Provincial Department of Transport
No. 1 Huang Cheng Xi Road
Kunning, Yunnan
Harbin, People’s Republic of China

Timetable
Concept Clearance
12 Dec 2011
Fact Finding
24 Sep 2012 to 28 Sep 2012
MRM
18 Oct 2012
Approval
02 Dec 2013
Last Review Mission
- 
Last PDS Update
21 Mar 2019

Loan 3074-PRC

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<td>02 Dec 2013</td>
<td>30 May 2014</td>
<td>07 Aug 2014</td>
<td>31 Mar 2019</td>
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<td>Project Cost</td>
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Project Page
https://www.adb.org/projects/45030-002/main

Request for Information
http://www.adb.org/forms/request-information-form?subject=45030-002

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27 June 2019

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