

SUPPLEMENTARY DOCUMENT

DETAILED COST ESTIMATES AND FINANCING PLAN

1. The cost analysis summarizes costs using standard disbursement cost categories described in **Table 1**.

Table 1: Cost Analysis Categories *

Code	Component	Description
03	Civil Works	<ul style="list-style-type: none"> - Earth moving, excavation, cut and fill, and grouting etc - Concrete work including rebar and formwork (e.g. foundations, building components, tanks, and bridge components etc) - Metal fabrication (building framework, tanks, and other metal structures etc) - Building construction on roads, embankments, and pipelines etc - Landscaping, planting, and fences etc - Plumbing, electrical wiring and other utility services - Other construction services - The cost of special purpose construction equipment will normally be included in construction contracts and considered a civil cost (e.g. earth movers, cranes, arc welding equipment, and site dewatering pumps etc).
18	Materials	<ul style="list-style-type: none"> - Major purchases of project materials that are procured separately from associated construction services (e.g. aggregate, rock, steel, cement, sand, wood, rebar, pipes, asphalt, seedling trees, grass seeds and paving blocks etc)
15	Equipment, Vehicles, Furniture	<ul style="list-style-type: none"> - General purpose vehicles (cars and trucks etc) - General purpose tools (e.g. landscape and building maintenance equipment etc) - Office furniture and equipment (desks, cabinets, computers, copiers, and phones etc)
	Capital Goods	<ul style="list-style-type: none"> - Electrical equipment (e.g. motors, pumps, controllers, electrical panels, telecommunication antennae etc) - Mechanical equipment (e.g. overhead cranes, water and wastewater treatment process equipment, meters and other measuring devices, gates, refrigeration, heating and air conditioning etc) - Special purpose vehicles for project operations (e.g. bulldozers and compactors used in a landfill operation, and warehouse vehicles etc) - Other larger machinery and equipment manufactured off site
09	Research and Development	<ul style="list-style-type: none"> - Scientific investigations (e.g. water quality modelling, bench test of a treatment process, archaeological investigation, and survey of flora and fauna etc) - Technical support services (e.g. agricultural extension and small business etc) - Demonstration projects (crop production, soil conservation, and water harvesting etc)

Code	Component	Description
21	Consultancy and Training (Consulting Services)	- Any costs relating to consultant service during implementation
24	Other Training (Training and Fellowships)	<ul style="list-style-type: none"> - Technical training for project operations (training in water or wastewater treatment, SCADA, and hydrological modeling for reservoir operations etc) - Training in ADB procedures - Training in project and enterprise management (finance and accounting etc) - Other training (e.g. participatory methods, WUAs, and IWRM etc)
	Land acquisition and Resettlement	<ul style="list-style-type: none"> - Land purchase - Compensation for loss of assets and livelihood - Cost to resettle displaced persons (new housing, new land, retraining, moving costs, and costs to assist the host community etc) - LAR monitoring
	Environmental Protection	- Any costs of construction and procedure relating to environmental protection during project implementation
	Bidding Documents and Expenses	- Any costs relating to bidding documents and expenses
	Taxes and Duties	- VAT and other taxes and duties on goods and services
	Project Management and others	<ul style="list-style-type: none"> - Project reporting, project audits - Project accounting and financial management - Funds to purchase initial inventories of materials and supplies and finance startup activities for project administration and operation (do not double count with other items) - Implementation of management software and methods (e.g. accounting software and project management procedures etc) - Assistance to develop new institutions (e.g. WUAs etc) - Any other costs relating to project management

ADB = Asian Development Bank, IWRM = integrated water resources management, LAR = land acquisition and resettlement, SCADA = Supervisory Control and Data Acquisition, VAT = value added tax, WUA = water user association.

Source: Cost categories provided in ADB, 2005. Financial Management and Analysis of Projects (Section 3.4.3, page 6)

2. For estimation of total costs, physical and price contingencies and financing charges during implementation are estimated.

3. The following key assumptions have been made:

- Taxes and duties are shown separately. Tax assumptions are as follows:

Tax	Rate	Base
Value Added Tax	17.0%	Sales
Tax on civil works contracts	3.41%	Sales
Composite Tax on Other Items	5.0%	Sales

- Exchange Rate:¹ CNY6.6 = \$1
- All costs are in June 2010 prices.
- Physical contingencies are computed at 5%.
- Price contingencies based on expected cumulative inflation over the implementation period are as follows:

	2011	2012	2013	2014	2015
Foreign rate of price inflation (%/year)	0.7	0.0	0.5%	0.5%	0.5%
Domestic rate of price inflation (%/year)	4.0	3.6	4.1%	4.0%	4.0%

ADB provided the assumed foreign and domestic rates (2011 to 2014).

- Financing costs include capitalized interest and commitment fee charges. Interest during construction has been assumed at 2.36%, which comprises the London interbank offered rate (LIBOR) plus ADB margin. Front end fees are assumed to be waived. Interest rates and terms are as follows:

Interest Rates & Terms	Interest rate	Commitment charge	Total period of the loan in years	Grace Period	Interest capitalized into loan	Commitment fee capitalized into loan
ADB Loan	2.36%	0.15%	25	5	100%	100%

ADB = Asian Development Bank.

Project Investment Plan

4. The project investment cost is estimated at \$168.52 million, including taxes and duties of \$9.57 million. The total cost includes physical and price contingencies, interest during construction. The indicative project investment plan is summarized in **Table 2** below.

¹ Source: Agreed between Xinjiang and Altay PMO and ADB estimate of appreciating Yuan exchange rate.

Table 2: Project Investment Plan
(\$ million)

Items	Amount ^a
A. Base Costs ^b	
1. Roads construction and upgrading and park development	64.95
2. Water supply	22.72
3. Wastewater management	19.87
4. Heat supply	14.49
5. Solid waste management	19.87
6. Capacity Building	1.50
Subtotal (A)	143.38
B. Contingencies ^c	17.73
C. Financing Charges during Implementation ^d	7.41
D. Total Project Cost (A+B+C)	168.52

^a Includes taxes and duties of \$9.57 million to be financed from government and ADB loan. ADB loan will cover taxes and duties on items financed by ADB.

^b In June 2010 prices.

^c Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency include provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^d Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Financing Plan

5. The Government of the PRC has requested a loan of \$100 million from ADB's ordinary capital resources to help finance the project. The loan will have a 25-year term including a grace period of five years, an interest rate determined in accordance with ADB's London interbank offered rate (LIBOR)-based lending facility, a commitment charge of 0.15% per year, the interest and other charges during construction to be capitalized in the loan, and such other terms and conditions set forth in the draft loan and project agreements. The loan will cover civil works, equipment, project management consulting services, and capacity building. The loan will also finance taxes and duties and financial charges during implementation. Xinjiang Uygur Autonomous Region Government (XUARG) will then on-lend the loan proceeds to Altay Prefecture Government (APG). APG will further on-lend the loan proceeds to county governments (PIAs) on the same terms and conditions as those of ADB loan. The PIAs will assume the foreign exchange and interest rate variation risks for the ADB loan. The Government will finance contingencies. The Government of the PRC has provided ADB with (i) the reasons for its decision to borrow under ADB's LIBOR-based lending facility based on these terms and conditions, and (ii) an undertaking that these choices were its own independent decision and not made in reliance on any communication or advice from ADB. The financing

plan is in **Table 3**.

Table 3: Financing Plan (\$ million)

Source	Amount	%
Asian Development Bank	100.00	59%
County Governments	68.52	41%
Total	168.52	100%

Source: TA Consultant's estimates

6. In addition to the \$100 million loan requested from ADB, XUARG confirmed that the county governments will contribute counterpart funding for the project activities in their respective county. To give assurance of availability of counterpart funds, the county governments will provide commitment letters to ADB through Xinjiang PMO. Below is the summary of loan and counterpart amount of each county government.

Table 4: Summary of Loan and Counterpart Amount of each County Government (\$ million)

Participating County	Counterpart Amount	ADB Loan Amount
Buerjin County	16.16	25.00
Fuhai County	15.43	20.00
Habahe County	13.07	20.00
Jimunai County	14.42	20.00
Qinghe County	9.44	15.00
Total	68.52	100.00

Source: TA Consultant's estimates

7. The overall total project cost by expenditure account is in **Table 5** while the overall detailed costs by financier and detailed costs by financier (broken down by county government) is in **Tables 6 and 7**, respectively.

8. The detailed cost estimates by year is in **Table 8** while the detailed costs by component is in **Table 9**.

9. The detailed costs by components and counties are presented in **Table 10** through **Table 40**.

Table 5: Detailed Costs by Expenditure Account – Overall Project

Item	CNY Million			\$ Million			% of Base Cost
	Foreign Exchange Costs	Local Currency Costs	Total Cost	Foreign Exchange Costs	Local Currency Costs	Total Cost ^a	
A. Base Costs ^b							
1. Civil Works	134.19	402.57	536.77	20.33	61.00	81.33	57%
2. Equipment and Materials	243.89	27.10	270.99	36.95	4.11	41.06	29%
3. Land Acquisition and Resettlement	0.00	52.84	52.84	0.00	8.01	8.01	6%
4. Environmental Assessment and Training	0.00	3.38	3.38	0.00	0.51	0.51	0%
5. Project Management and Supervision	0.00	72.46	72.46	0.00	10.98	10.98	8%
6. Capacity Building	9.90	0.00	9.90	1.50	0.00	1.50	1%
Subtotal (A)	387.98	558.36	946.34	58.79	84.60	143.38	100%
B. Contingencies ^c							
1. Physical	19.40	27.92	47.32	2.94	4.23	7.17	5%
2. Price	5.88	63.81	69.69	0.89	9.67	10.56	7%
Sub-total (B)	25.28	91.73	117.01	3.83	13.90	17.73	12%
C. Financing Charges During Implementation ^d							
1. Interest during construction	47.21	0.00	47.21	7.15	0.00	7.15	5%
2. Commitment charges	1.67	0.00	1.67	0.25	0.00	0.25	0%
Sub-total (C)	48.88	0.00	48.88	7.41	0.00	7.41	5%
Total Project Cost (A+B+C)	462.14	650.08	1,112.22	70.02	98.50	168.52	118%

^a Includes taxes and duties of \$9.57 million to be financed from government and ADB loan. ADB loan will cover taxes and duties on items financed by ADB.

^b In June 2010 prices.

^c Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency include provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^d Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates



Table 6: Detailed Costs by Financier – Overall Project

(\$ Million)

Item	Total Costs ^a	ADB		Government	
		Amount	% of Cost Category	Amount	% of Cost Category
A Investment Cost ^b					
1. Civil Works	81.33	50.04	62%	31.29	38%
2. Equipment and Materials	41.06	41.06	100%	0.00	0%
3. Land Acquisition and Resettlement	8.01	0.00	0%	8.01	100%
4. Environmental Assessment and Training	0.51	0.00	0%	0.51	100%
5. Project Management and Supervision	10.98	0.00	0%	10.98	100%
6. Capacity Building	1.50	1.50	100%	0.00	0%
Sub-total (A)	143.38	92.59	65%	50.79	35%
B Contingencies ^c					
1. Physical	7.17		0%	7.17	100%
2. Price	10.56		0%	10.56	100%
Sub-total (B)	17.73	0.00	0%	17.73	100%
C Financing Charges During Implementation ^d					
1. Interest during construction	7.15	7.15	100%	0.00	0%
2. Commitment charges	0.25	0.25	100%	0.00	0%
Sub-total (C)	7.41	7.41	100%	0.00	0%
Total Project Cost (A+B+C)	168.52	100.00	59%	68.52	41%
% of Total Project Cost	100%	59%		41%	

^a Includes taxes and duties of \$9.57 million to be financed from government and ADB loan. ADB loan will cover taxes and duties on items financed by ADB.

^b In June 2010 prices.

^c Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^d Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 7: Detailed Costs by Financier/County
(\$ Million)

Item	(¥ million)												Total Cost ^a
	ADB		Buerjin County		Fuhai County		Habahe County		Jimunai County		Qinghe County		
	% of		% of		% of		% of		% of		% of		
	Amount	Cost	Amount	Cost	Amount	Cost	Amount	Cost	Amount	Cost	Amount	Cost	
	Category		Category		Category		Category		Category		Category		
A. Investment Costs ^b													
1. Civil Works	50.04	62%	7.75	10%	6.82	8%	5.70	7%	6.72	8%	4.31	5%	81.33
2. Equipment and Materials	41.06	100%	0.00	0%	0.00	0%	0.00	0%	0.00	0%	0.00	0%	41.06
3. Land Acquisition and Resettlement	0.00	0%	1.77	22%	2.93	37%	1.55	19%	1.22	15%	0.53	7%	8.01
4. Environmental Assessment and Training	0.00	0%	0.09	18%	0.09	18%	0.12	23%	0.09	17%	0.12	24%	0.51
5. Project Management and Supervision	0.00	0%	2.48	23%	1.65	15%	2.22	20%	2.61	24%	2.02	18%	10.98
6. Capacity Building	1.50	100%	0.00	0%	0.00	0%	0.00	0%	0.00	0%	0.00	0%	1.50
Subtotal (A)	92.59	65%	12.09	8%	11.48	8%	9.59	7%	10.63	7%	6.99	5%	143.38
B. Contingencies ^c	0.00	0%	4.07	23%	3.95	22%	3.48	20%	3.79	21%	2.45	14%	17.73
C. Financing Charges During Implementation ^d	7.41	100%	0.00	0%	0.00	0%	0.00	0%	0.00	0%	0.00	0%	7.41
Total Project Cost (A+B+C)	100.00	59%	16.16	10%	15.43	9%	13.07	8%	14.42	9%	9.44	6%	168.52
% Total Project Cost		59%		10%		9%		8%		9%		6%	100%

^a Includes taxes and duties of \$9.57 million to be financed from government and ADB loan. ADB loan will cover taxes and duties on items financed by ADB.

^b In June 2010 prices.

^c Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^d Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 8: Detailed Cost Estimates by Component
(\$ Million)

Item	Total Cost	Road Construction & Upgrading		Water Supply		Wastewater		Heat Supply		Solid Waste Management		Park Infrastructure Improvement	
		% of		% of		% of		% of		% of		% of	
		Amount		Amount		Amount		Amount		Amount		Amount	
		Category		Category		Category		Category		Category		Category	
A. Base Costs													
1. Civil Works	81.33	42.68	52%	8.41	10%	10.31	13%	5.03	6%	11.86	15%	3.05	4%
2. Equipment and Materials	41.06	9.06	22%	12.23	30%	6.97	17%	7.33	18%	4.89	12%	0.58	1%
3. Land Acquisition and Resettlement	8.01	5.12	64%	0.22	3%	0.84	11%	0.39	5%	1.43	18%	0.00	0%
4. Environmental Assessment and Training	0.51	0.12	22%	0.07	13%	0.09	18%	0.08	16%	0.14	27%	0.02	4%
5. Project Management and Supervision	10.98	4.07	37%	1.79	16%	1.66	15%	1.66	15%	1.55	14%	0.25	2%
6. Capacity Building	1.50	0.32	21%	0.19	13%	0.33	22%	0.27	18%	0.31	20%	0.08	5%
Subtotal (A)	143.38	61.37	43%	22.91	16%	20.20	14%	14.76	10%	20.17	14%	3.97	3%
B. Contingencies													
1. Physical	7.17	3.07	43%	1.15	16%	1.01	14%	0.74	10%	1.01	14%	0.20	3%
2. Price	10.56	5.17	49%	1.25	12%	1.38	13%	0.88	8%	1.55	15%	0.33	3%
Sub-total (B)	17.73	8.24	46%	2.39	13%	2.39	13%	1.62	9%	2.56	14%	0.53	3%
C. Financing Charges During Development													
1. Interest during construction	7.15	2.79	39%	1.36	19%	1.01	14%	0.82	11%	0.96	13%	0.21	3%
2. Commitment charges	0.25	0.10	39%	0.04	17%	0.04	15%	0.03	12%	0.03	14%	0.01	3%
Sub-total (C)	7.41	2.89	39%	1.40	19%	1.05	14%	0.84	11%	1.00	13%	0.22	3%
Total Project Cost (A+B+C)	168.52	72.50	43%	26.71	16%	23.64	14%	17.23	10%	23.73	14%	4.72	3%

Table 9: Detailed Cost Estimates by Year

(\$ Million)

Item	Total Cost ^a	Year 1	Year 2	Year 3	Year 4	Year 5
A. Base Costs ^b						
1. Civil Works	81.33	10.44	37.10	26.54	7.25	0.00
2. Equipment and Materials	41.06	5.75	20.29	13.25	1.77	0.00
3. Land Acquisition and Resettlement	8.01	3.28	3.90	0.82	0.00	0.00
4. Environmental Assessment and Training	0.51	0.14	0.16	0.15	0.04	0.03
5. Project Management and Supervision	10.98	3.27	3.33	3.15	0.68	0.55
6. Capacity Building	1.50	0.57	0.46	0.31	0.09	0.08
Subtotal (A)	143.38	23.44	65.24	44.22	9.83	0.65
B. Contingencies ^c						
1. Physical	7.17	1.17	3.26	2.21	0.49	0.03
2. Price	10.56	0.97	4.11	4.02	1.31	0.14
Sub-total (B)	17.73	2.14	7.38	6.23	1.80	0.17
C. Financing Charges During Development ^d						
1. Interest during construction	7.15	0.15	0.82	1.71	2.18	2.29
2. Commitment charges	0.25	0.13	0.09	0.03	0.00	0.00
Sub-total (C)	7.41	0.28	0.91	1.75	2.18	2.29
Total Project Cost (A+B+C)	168.52	25.86	73.52	52.20	13.81	3.11
Percentage	100%	15%	44%	31%	8%	2%

^a Includes taxes and duties of \$9.57 million to be financed from government and ADB loan. ADB loan will cover taxes and duties on items financed by ADB.

^b In June 2010 prices.

^c Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^d Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a

spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 10: Detailed Costs by Financier – Buerjin County (\$ Million)

Number	Item	Total Cost	ADB Loan		Buerjin County	
			Amount	% of Cost Category	Amount	% of Cost Category
A.	Investment Cost ^a					
1.	Civil Works	16.63	8.88	53%	7.75	47%
2.	Equipment and Materials	13.91	13.91	100%	0.00	0%
3.	Land Acquisition and Resettlement	1.77	0.00	0%	1.77	100%
4.	Environmental Assessment and Training	0.09	0.00	0%	0.09	100%
5.	Project Management and Supervision	2.48	0.00	0%	2.48	100%
6.	Capacity Building	0.30	0.30	100%	0.00	0%
	Sub-total (A)	35.17	23.09	66%	12.09	34%
B.	Contingencies ^b					
1.	Physical	1.76	0.00	0%	1.76	100%
2.	Price	2.31	0.00	0%	2.31	100%
	Sub-total (B)	4.07	0.00	0%	4.07	100%
C.	Financing Charges During Implementation ^c					
1.	Interest during construction	1.86	1.86	100%	0.00	0%
2.	Commitment charges	0.06	0.06	100%	0.00	0%
	Sub-total (C)	1.91	1.91	100%	0.00	0%
	Total Project Cost (A+B+C)	41.16	25.00	61%	16.16	39%
	% of Total Project Cost	100%	61%		39%	

^a In June 2010 prices.

^b Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^c Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 11: Water Supply Component – Buerjin County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
	1. Civil Works	30.75	4.66	35%	30%
	2. Equipment and Materials	49.37	7.48	56%	48%
	3. Land Acquisition and Resettlement	1.37	0.21	2%	1%
	4. Environment Assessment and Training	0.10	0.02	0%	0%
	5. Project Management and Supervision	6.05	0.92	7%	6%
	6. Capacity Building	0.50	0.08	1%	0%
	Sub-total (A)	88.13	13.35	100%	86%
B.	Contingencies				
	1. Physical	4.41	0.67	5%	4%
	2. Price	4.67	0.71	5%	5%
	Sub-total (B)	9.07	1.37	10%	9%
C.	Financing Charges During Implementation				
	1. Interest during construction	5.31	0.80	6%	5%
	2. Commitment charges	0.17	0.03	0%	0%
	Sub-total (C)	5.48	0.83	6%	5%
	Total Project Cost (A+B+C)	102.68	15.56	117%	100%

Table 12: Wastewater Treatment Plant Component – Buerjin County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	14.16	2.15	49%	42%
2.	Equipment and Materials	10.99	1.66	38%	33%
3.	Land Acquisition and Resettlement	0.80	0.12	3%	2%
4.	Environment Assessment and Training	0.10	0.02	0%	0%
5.	Project Management and Supervision	2.25	0.34	8%	7%
6.	Capacity Building	0.50	0.08	2%	1%
	Sub-total (A)	28.79	4.36	100%	86%
B.	Contingencies				
1.	Physical	1.44	0.22	5%	4%
2.	Price	1.80	0.27	6%	5%
	Sub-total (B)	3.24	0.49	11%	10%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.52	0.23	5%	5%
2.	Commitment charges	0.05	0.01	0%	0%
	Sub-total (C)	1.57	0.24	5%	5%
	Total Project Cost (A+B+C)	33.60	5.09	117%	100%

Table 13: Roads Component – Buerjin County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	56.65	8.58	64%	54%
2.	Equipment and Materials	16.39	2.48	19%	16%
3.	Land Acquisition and Resettlement	8.54	1.29	10%	8%
4.	Environment Assessment and Training	0.20	0.03	0%	0%
5.	Project Management and Supervision	5.93	0.90	7%	6%
6.	Capacity Building	0.50	0.08	1%	0%
	Sub-total (A)	88.21	13.37	100%	85%
B.	Contingencies				
1.	Physical	4.41	0.67	5%	4%
2.	Price	7.53	1.14	9%	7%
	Sub-total (B)	11.94	1.81	14%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	3.71	0.56	4%	4%
2.	Commitment charges	0.13	0.02	0%	0%
	Sub-total (C)	3.84	0.58	4%	4%
	Total Project Cost (A+B+C)	103.99	15.76	118%	100%

Table 14: Solid Waste Management Component – Buerjin County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	8.18	1.24	30%	26%
2.	Equipment and Materials	15.04	2.28	56%	48%
3.	Land Acquisition and Resettlement	1.00	0.15	4%	3%
4.	Environment Assessment and Training	0.20	0.03	1%	1%
5.	Project Management and Supervision	2.11	0.32	8%	7%
6.	Capacity Building	0.50	0.08	2%	2%
	Sub-total (A)	27.02	4.09	100%	86%
B.	Contingencies				
1.	Physical	1.35	0.20	5%	4%
2.	Price	1.26	0.19	5%	4%
	Sub-total (B)	2.61	0.40	10%	8%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.70	0.26	6%	5%
2.	Commitment charges	0.04	0.01	0%	0%
	Sub-total (C)	1.74	0.26	6%	6%
	Total Project Cost (A+B+C)	31.38	4.75	116%	100%

Table 15: Detailed Costs by Financier – Fuhai County (\$ Million)

Number	Item	Total Cost	ADB Loan		Fuhai County	
			Amount	% of Cost Category	Amount	% of Cost Category
A.	Investment Cost ^a					
	1. Civil Works	19.36	12.54	65%	6.82	35%
	2. Equipment and Materials	5.73	5.73	100%	0.00	0%
	3. Land Acquisition and Resettlement	2.93	0.00	0%	2.93	100%
	4. Environmental Assessment and Training	0.09	0.00	0%	0.09	100%
	5. Project Management and Supervision	1.65	0.00	0%	1.65	100%
	6. Capacity Building	0.30	0.30	100%	0.00	0%
	Sub-total (A)	30.05	18.57	62%	11.48	38%
B.	Contingencies ^b					
	1. Physical	1.50	0.00	0%	1.50	100%
	2. Price	2.44	0.00	0%	2.44	100%
	Sub-total (B)	3.95	0.00	0%	3.95	100%
C.	Financing Charges During Implementation ^c					
	1. Interest during construction	1.38	1.38	100%	0.00	0%
	2. Commitment charges	0.05	0.05	100%	0.00	0%
	Sub-total (C)	1.43	1.43	100%	0.00	0%
	Total Project Cost (A+B+C)	35.43	20.00	56%	15.43	44%
	% of Total Project Cost	100%	56%		44%	

^a In June 2010 prices.

^b Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^c Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 16: Wastewater Treatment Plant Component – Fuhai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	12.95	1.96	53%	45%
2.	Equipment and Materials	8.29	1.26	34%	29%
3.	Land Acquisition and Resettlement	0.73	0.11	3%	3%
4.	Environment Assessment and Training	0.10	0.02	0%	0%
5.	Project Management and Supervision	1.76	0.27	7%	6%
6.	Capacity Building	0.50	0.08	2%	2%
	Sub-total (A)	24.32	3.69	100%	85%
B.	Contingencies				
1.	Physical	1.22	0.18	5%	4%
2.	Price	1.97	0.30	8%	7%
	Sub-total (B)	3.19	0.48	13%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.06	0.16	4%	4%
2.	Commitment charges	0.06	0.01	0%	0%
	Sub-total (C)	1.13	0.17	5%	4%
	Total Project Cost (A+B+C)	28.64	4.34	118%	100%

Table 17: Heating Component – Fuhai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	4.59	0.69	22%	19%
2.	Equipment and Materials	14.30	2.17	69%	59%
3.	Land Acquisition and Resettlement	0.00	0.00	0%	0%
4.	Environment Assessment and Training	0.10	0.02	0%	0%
5.	Project Management and Supervision	1.25	0.19	6%	5%
6.	Capacity Building	0.50	0.08	2%	2%
	Sub-total (A)	20.73	3.14	100%	86%
B.	Contingencies				
1.	Physical	1.04	0.16	5%	4%
2.	Price	0.95	0.14	5%	4%
	Sub-total (B)	1.99	0.30	10%	8%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.33	0.20	6%	6%
2.	Commitment charges	0.05	0.01	0%	0%
	Sub-total (C)	1.38	0.21	7%	6%
	Total Project Cost (A+B+C)	24.11	3.65	116%	100%

Table 18: Roads Component – Fuhai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	86.09	13.04	72%	61%
2.	Equipment and Materials	11.44	1.73	10%	8%
3.	Land Acquisition and Resettlement	15.74	2.38	13%	11%
4.	Environment Assessment and Training	0.20	0.03	0%	0%
5.	Project Management and Supervision	5.78	0.88	5%	4%
6.	Capacity Building	0.50	0.08	0%	0%
	Sub-total (A)	119.74	18.14	100%	85%
B.	Contingencies				
1.	Physical	5.99	0.91	5%	4%
2.	Price	10.66	1.61	9%	8%
	Sub-total (B)	16.64	2.52	14%	12%
C.	Financing Charges During Implementation				
1.	Interest during construction	5.09	0.77	4%	4%
2.	Commitment charges	0.19	0.03	0%	0%
	Sub-total (C)	5.28	0.80	4%	4%
	Total Project Cost (A+B+C)	141.67	21.46	118%	100%

Table 19: Solid Waste Management Component – Fuhai County

Number	Item	Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	24.12	3.65	72%	61%
2.	Equipment and Materials	3.80	0.58	11%	10%
3.	Land Acquisition and Resettlement	2.88	0.44	9%	7%
4.	Environment Assessment and Training	0.20	0.03	1%	1%
5.	Project Management and Supervision	2.06	0.31	6%	5%
6.	Capacity Building	0.50	0.08	1%	1%
	Sub-total (A)	33.55	5.08	100%	85%
B.	Contingencies				
1.	Physical	1.68	0.25	5%	4%
2.	Price	2.54	0.39	8%	6%
	Sub-total (B)	4.22	0.64	13%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.61	0.24	5%	4%
2.	Commitment charges	0.05	0.01	0%	0%
	Sub-total (C)	1.66	0.25	5%	4%
	Total Project Cost (A+B+C)	39.42	5.97	118%	100%

Table 20: Detailed Costs by Financier – Habahe County (\$ Million)

Table 20: Detailed Costs by Parameter - Habahe County (¥ million)						
Number	Item	Total Cost	ADB Loan		Habahe County	
			Amount	% of Cost Category	Amount	% of Cost Category
A.	Investment Cost ^a					
	1. Civil Works	18.74	13.07	70%	5.70	30%
	2. Equipment and Materials	5.08	5.08	100%	0.00	0%
	3. Land Acquisition and Resettlement	1.55	0.00	0%	1.55	100%
	4. Environmental Assessment and Training	0.12	0.00	0%	0.12	100%
	5. Project Management and Supervision	2.22	0.00	0%	2.22	100%
	6. Capacity Building	0.30	0.30	100%	0.00	0%
	Sub-total (A)	28.01	18.42	66%	9.59	34%
B.	Contingencies ^b					
	1. Physical	1.40	0.00	0%	1.40	100%
	2. Price	2.08	0.00	0%	2.08	100%
	Sub-total (B)	3.48	0.00	0%	3.48	100%
C.	Financing Charges During Implementation ^c					
	1. Interest during construction	1.53	1.53	100%	0.00	0%
	2. Commitment charges	0.04	0.04	100%	0.00	0%
	Sub-total (C)	1.58	1.58	100%	0.00	0%
	Total Project Cost (A+B+C)	33.07	20.00	60%	13.07	40%
	% of Total Project Cost	100%	60%		40%	

^a In June 2010 prices.

^b Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^c Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 21: Water Supply Component – Habahe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	1.75	0.26	41%	35%
2.	Equipment and Materials	1.91	0.29	45%	38%
3.	Land Acquisition and Resettlement	0.00	0.00	0%	0%
4.	Environment Assessment and Training	0.08	0.01	2%	2%
5.	Project Management and Supervision	0.41	0.06	10%	8%
6.	Capacity Building	0.10	0.02	2%	2%
	Sub-total (A)	4.25	0.64	100%	85%
B.	Contingencies				
1.	Physical	0.21	0.03	5%	4%
2.	Price	0.25	0.04	6%	5%
	Sub-total (B)	0.46	0.07	11%	9%
C.	Financing Charges During Implementation				
1.	Interest during construction	0.27	0.04	6%	5%
2.	Commitment charges	0.01	0.00	0%	0%
	Sub-total (C)	0.27	0.04	6%	5%
	Total Project Cost (A+B+C)	4.98	0.76	117%	100%

Table 22: Roads Component – Habahe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	63.62	9.64	73%	62%
2.	Equipment and Materials	10.99	1.66	13%	11%
3.	Land Acquisition and Resettlement	5.16	0.78	6%	5%
4.	Environment Assessment and Training	0.13	0.02	0%	0%
5.	Project Management and Supervision	6.55	0.99	8%	6%
6.	Capacity Building	0.40	0.06	0%	0%
	Sub-total (A)	86.85	13.16	100%	85%
B.	Contingencies				
1.	Physical	4.34	0.66	5%	4%
2.	Price	6.57	1.00	8%	6%
	Sub-total (B)	10.91	1.65	13%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	4.79	0.73	6%	5%
2.	Commitment charges	0.12	0.02	0%	0%
	Sub-total (C)	4.92	0.74	6%	5%
	Total Project Cost (A+B+C)	102.68	15.56	118%	100%

Table 23: Park Infrastructure Improvement for White Birch Forest Component – Habahe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	20.10	3.05	77%	65%
2.	Equipment and Materials	3.84	0.58	15%	12%
3.	Land Acquisition and Resettlement	0.00	0.00	0%	0%
4.	Environment Assessment and Training	0.14	0.02	1%	0%
5.	Project Management and Supervision	1.63	0.25	6%	5%
6.	Capacity Building	0.51	0.08	2%	2%
	Sub-total (A)	26.22	3.97	100%	84%
B.	Contingencies				
1.	Physical	1.31	0.20	5%	4%
2.	Price	2.17	0.33	8%	7%
	Sub-total (B)	3.48	0.53	13%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.38	0.21	5%	4%
2.	Commitment charges	0.05	0.01	0%	0%
	Sub-total (C)	1.43	0.22	5%	5%
	Total Project Cost (A+B+C)	31.13	4.72	119%	100%

Table 24: Solid Waste Management Component – Habahe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	18.54	2.81	67%	57%
2.	Equipment and Materials	3.17	0.48	11%	10%
3.	Land Acquisition and Resettlement	3.33	0.50	12%	10%
4.	Environment Assessment and Training	0.19	0.03	1%	1%
5.	Project Management and Supervision	2.23	0.34	8%	7%
6.	Capacity Building	0.33	0.05	1%	1%
	Sub-total (A)	27.79	4.21	100%	85%
B.	Contingencies				
1.	Physical	1.39	0.21	5%	4%
2.	Price	2.24	0.34	8%	7%
	Sub-total (B)	3.62	0.55	13%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.33	0.20	5%	4%
2.	Commitment charges	0.04	0.01	0%	0%
	Sub-total (C)	1.37	0.21	5%	4%
	Total Project Cost (A+B+C)	32.78	4.97	118%	100%

Table 25: Wastewater Treatment Plant Component – Habahe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	15.64	2.37	57%	49%
2.	Equipment and Materials	7.17	1.09	26%	22%
3.	Land Acquisition and Resettlement	1.75	0.27	6%	5%
4.	Environment Assessment and Training	0.12	0.02	0%	0%
5.	Project Management and Supervision	2.25	0.34	8%	7%
6.	Capacity Building	0.30	0.05	1%	1%
	Sub-total (A)	27.24	4.13	100%	85%
B.	Contingencies				
1.	Physical	1.36	0.21	5%	4%
2.	Price	1.93	0.29	7%	6%
	Sub-total (B)	3.29	0.50	12%	10%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.51	0.23	6%	5%
2.	Commitment charges	0.04	0.01	0%	0%
	Sub-total (C)	1.55	0.23	6%	5%
	Total Project Cost (A+B+C)	32.08	4.86	118%	100%

Table 26: Heating Component – Habahe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	4.06	0.61	32%	28%
2.	Equipment and Materials	6.45	0.98	51%	44%
3.	Land Acquisition and Resettlement	0.01	0.00	0%	0%
4.	Environment Assessment and Training	0.12	0.02	1%	1%
5.	Project Management and Supervision	1.58	0.24	13%	11%
6.	Capacity Building	0.34	0.05	3%	2%
	Sub-total (A)	12.55	1.90	100%	86%
B.	Contingencies				
1.	Physical	0.63	0.10	5%	4%
2.	Price	0.54	0.08	4%	4%
	Sub-total (B)	1.17	0.18	9%	8%
C.	Financing Charges During Implementation				
1.	Interest during construction	0.85	0.13	7%	6%
2.	Commitment charges	0.02	0.00	0%	0%
	Sub-total (C)	0.87	0.13	7%	6%
	Total Project Cost (A+B+C)	14.59	2.21	116%	100%

Table 27: Detailed Costs by Financier – Jimunai County

(\$ Million)

Number	Item	Total Cost		ADB Loan		Jimunai County	
				Amount	% of Cost Category	Amount	% of Cost Category
A.	Investment Cost ^a						
	1. Civil Works	17.00	10.28	60%		6.72	40%
	2. Equipment and Materials	8.01	8.01	100%		0.00	0%
	3. Land Acquisition and Resettlement	1.22	0.00	0%		1.22	100%
	4. Environmental Assessment and Training	0.09	0.00	0%		0.09	100%
	5. Project Management and Supervision	2.61	0.00	0%		2.61	100%
	6. Capacity Building	0.30	0.30	100%		0.00	0%
	Sub-total (A)	29.23	18.59	64%		10.63	36%
B.	Contingencies ^b						
	1. Physical	1.46	0.00	0%		1.46	100%
	2. Price	2.33	0.00	0%		2.33	100%
	Sub-total (B)	3.79	0.00	0%		3.79	100%
C.	Financing Charges During Implementation ^c						
	1. Interest during construction	1.35	1.35	100%		0.00	0%
	2. Commitment charges	0.06	0.06	100%		0.00	0%
	Sub-total (C)	1.41	1.41	100%		0.00	0%
	Total Project Cost (A+B+C)	34.42	20.00	58%		14.42	42%
	% of Total Project Cost	100%	58%			42%	

^a In June 2010 prices.^b Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.^c Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 28: Wastewater Treatment Plant Component– Jimunai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	11.73	1.78	49%	42%
2.	Equipment and Materials	8.70	1.32	37%	31%
3.	Land Acquisition and Resettlement	0.81	0.12	3%	3%
4.	Environment Assessment and Training	0.09	0.01	0%	0%
5.	Project Management and Supervision	2.02	0.31	9%	7%
6.	Capacity Building	0.41	0.06	2%	1%
	Sub-total (A)	23.77	3.60	100%	86%
B.	Contingencies				
1.	Physical	1.19	0.18	5%	4%
2.	Price	1.52	0.23	6%	5%
	Sub-total (B)	2.70	0.41	11%	10%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.18	0.18	5%	4%
2.	Commitment charges	0.05	0.01	0%	0%
	Sub-total (C)	1.23	0.19	5%	4%
	Total Project Cost (A+B+C)	27.70	4.20	117%	100%

Table 29: Solid Waste Management Component– Jimunai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	15.19	2.30	61%	52%
2.	Equipment and Materials	5.57	0.84	22%	19%
3.	Land Acquisition and Resettlement	1.39	0.21	6%	5%
4.	Environment Assessment and Training	0.17	0.03	1%	1%
5.	Project Management and Supervision	2.09	0.32	8%	7%
6.	Capacity Building	0.41	0.06	2%	1%
	Sub-total (A)	24.82	3.76	100%	85%
B.	Contingencies				
1.	Physical	1.24	0.19	5%	4%
2.	Price	2.31	0.35	9%	8%
	Sub-total (B)	3.55	0.54	14%	12%
C.	Financing Charges During Implementation				
1.	Interest during construction	0.92	0.14	4%	3%
2.	Commitment charges	0.06	0.01	0%	0%
	Sub-total (C)	0.98	0.15	4%	3%
	Total Project Cost (A+B+C)	29.35	4.45	118%	100%

Table 30: Water Supply Component– Jimunai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	5.44	0.82	31%	27%
2.	Equipment and Materials	10.12	1.53	58%	50%
3.	Land Acquisition and Resettlement	0.00	0.00	0%	0%
4.	Environment Assessment and Training	0.07	0.01	0%	0%
5.	Project Management and Supervision	1.52	0.23	9%	8%
6.	Capacity Building	0.18	0.03	1%	1%
	Sub-total (A)	17.32	2.62	100%	86%
B.	Contingencies				
1.	Physical	0.87	0.13	5%	4%
2.	Price	0.84	0.13	5%	4%
	Sub-total (B)	1.71	0.26	10%	8%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.15	0.17	7%	6%
2.	Commitment charges	0.03	0.00	0%	0%
	Sub-total (C)	1.18	0.18	7%	6%
	Total Project Cost (A+B+C)	20.22	3.06	117%	100%

Table 31: Heating Component– Jimunai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	14.59	2.21	41%	35%
2.	Equipment and Materials	13.67	2.07	39%	33%
3.	Land Acquisition and Resettlement	1.91	0.29	5%	5%
4.	Environment Assessment and Training	0.14	0.02	0%	0%
5.	Project Management and Supervision	4.64	0.70	13%	11%
6.	Capacity Building	0.45	0.07	1%	1%
	Sub-total (A)	35.39	5.36	100%	85%
B.	Contingencies				
1.	Physical	1.77	0.27	5%	4%
2.	Price	2.61	0.39	7%	6%
	Sub-total (B)	4.38	0.66	12%	11%
C.	Financing Charges During Implementation				
1.	Interest during construction	1.77	0.27	5%	4%
2.	Commitment charges	0.06	0.01	0%	0%
	Sub-total (C)	1.83	0.28	5%	4%
	Total Project Cost (A+B+C)	41.60	6.30	118%	100%

Table 32: Roads Component– Jimunai County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	65.25	9.89	71%	60%
2.	Equipment and Materials	14.82	2.25	16%	14%
3.	Land Acquisition and Resettlement	3.91	0.59	4%	4%
4.	Environment Assessment and Training	0.11	0.02	0%	0%
5.	Project Management and Supervision	6.98	1.06	8%	6%
6.	Capacity Building	0.53	0.08	1%	0%
	Sub-total (A)	91.60	13.88	100%	85%
B.	Contingencies				
1.	Physical	4.58	0.69	5%	4%
2.	Price	8.10	1.23	9%	7%
	Sub-total (B)	12.68	1.92	14%	12%
C.	Financing Charges During Implementation				
1.	Interest during construction	3.88	0.59	4%	4%
2.	Commitment charges	0.17	0.03	0%	0%
	Sub-total (C)	4.05	0.61	4%	4%
	Total Project Cost (A+B+C)	108.33	16.41	118%	100%

Table 33: Detailed Costs by Financier – Qinghe County
(\$ Million)

Number	Item	Total Cost		ADB Loan		Qinghe County	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	
A.	Investment Cost ^a						
	1. Civil Works	9.60		5.29	55%	4.31	45%
	2. Equipment and Materials	8.33		8.33	100%	0.00	0%
	3. Land Acquisition and Resettlement	0.53		0.00	0%	0.53	100%
	4. Environmental Assessment and Training	0.12		0.00	0%	0.12	100%
	5. Project Management and Supervision	2.02		0.00	0%	2.02	100%
	6. Capacity Building	0.30		0.30	100%	0.00	0%
	Sub-total (A)	20.92		13.92	67%	6.99	33%
B.	Contingencies ^b						
	1. Physical	1.05		0.00	0%	1.05	100%
	2. Price	1.40		0.00	0%	1.40	100%
	Sub-total (B)	2.45		0.00	0%	2.45	100%
C.	Financing Charges During Implementation ^c						
	1. Interest during construction	1.04		1.04	100%	0.00	0%
	2. Commitment charges	0.04		0.04	100%	0.00	0%
	Sub-total (C)	1.08		1.08	100%	0.00	0%
	Total Project Cost (A+B+C)	24.44		15.00	61%	9.44	39%
	% of Total Project Cost	100%		61%		39%	

^a In June 2010 prices.

^b Physical contingencies computed at 5%. Price contingencies computed at an average of 0.4% on foreign exchange costs and an average of 3.96% on local currency includes provision for potential exchange rate fluctuation under the assumption of the purchasing power parity exchange rate.

^c Includes interest and commitment charges. Interest during construction for ADB loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.3%. Commitment charges for the ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Note: Numbers may not sum precisely because of rounding.

Source: TA Consultant's estimates

Table 34: Heating Component– Qinghe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	9.98	1.51	35%	30%
2.	Equipment and Materials	13.93	2.11	48%	42%
3.	Land Acquisition and Resettlement	0.64	0.10	2%	2%
4.	Environment Assessment and Training	0.17	0.03	1%	1%
5.	Project Management and Supervision	3.50	0.53	12%	10%
6.	Capacity Building	0.52	0.08	2%	2%
	Sub-total (A)	28.73	4.35	100%	86%
B.	Contingencies				
1.	Physical	1.44	0.22	5%	4%
2.	Price	1.74	0.26	6%	5%
	Sub-total (B)	3.18	0.48	11%	10%
C.	Financing Charges During Implementation				
1.	Interest	1.42	0.22	5%	4%
2.	Commitment charges	0.06	0.01	0%	0%
	Sub-total (C)	1.48	0.22	5%	4%
	Total Project Cost (A+B+C)	33.40	5.06	116%	100%

Table 35: Water Supply Component– Qinghe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	9.64	1.46	39%	34%
2.	Equipment and Materials	12.26	1.86	50%	43%
3.	Land Acquisition and Resettlement	0.04	0.01	0%	0%
4.	Environment Assessment and Training	0.09	0.01	0%	0%
5.	Project Management and Supervision	2.27	0.34	9%	8%
6.	Capacity Building	0.29	0.04	1%	1%
	Sub-total (A)	24.59	3.73	100%	86%
B.	Contingencies				
1.	Physical	1.23	0.19	5%	4%
2.	Price	1.42	0.21	6%	5%
	Sub-total (B)	2.64	0.40	11%	9%
C.	Financing Charges During Implementation				
1.	Interest	1.34	0.20	5%	5%
2.	Commitment charges	0.05	0.01	0%	0%
	Sub-total (C)	1.39	0.21	6%	5%
	Total Project Cost (A+B+C)	28.63	4.34	116%	100%

Table 36: Wastewater Component– Qinghe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	7.56	1.15	48%	42%
2.	Equipment and Materials	5.42	0.82	35%	30%
3.	Land Acquisition and Resettlement	0.81	0.12	5%	4%
4.	Environment Assessment and Training	0.10	0.02	1%	1%
5.	Project Management and Supervision	1.41	0.21	9%	8%
6.	Capacity Building	0.29	0.04	2%	2%
	Sub-total (A)	15.59	2.36	100%	86%
B.	Contingencies				
1.	Physical	0.78	0.12	5%	4%
2.	Price	1.03	0.16	7%	6%
	Sub-total (B)	1.81	0.27	12%	10%
C.	Financing Charges During Implementation				
1.	Interest	0.74	0.11	5%	4%
2.	Commitment charges	0.03	0.00	0%	0%
	Sub-total (C)	0.77	0.12	5%	4%
	Total Project Cost (A+B+C)	18.17	2.75	117%	100%

Table 37: Solid Waste Management Component– Qinghe County

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	12.24	1.86	61%	52%
2.	Equipment and Materials	4.69	0.71	23%	20%
3.	Land Acquisition and Resettlement	0.82	0.12	4%	3%
4.	Environment Assessment and Training	0.15	0.02	1%	1%
5.	Project Management and Supervision	1.77	0.27	9%	7%
6.	Capacity Building	0.29	0.04	1%	1%
	Sub-total (A)	19.96	3.02	100%	84%
B.	Contingencies				
1.	Physical	1.00	0.15	5%	4%
2.	Price	1.86	0.28	9%	8%
	Sub-total (B)	2.86	0.43	14%	12%
C.	Financing Charges During Implementation				
1.	Interest	0.81	0.12	4%	3%
2.	Commitment charges	0.04	0.01	0%	0%
	Sub-total (C)	0.85	0.13	4%	4%
	Total Project Cost (A+B+C)	23.66	3.59	119%	100%

Table 38: Roads Component– Takeshiken

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	10.09	1.53	54%	46%
2.	Equipment and Materials	6.15	0.93	33%	28%
3.	Land Acquisition and Resettlement	0.45	0.07	2%	2%
4.	Environment Assessment and Training	0.12	0.02	1%	1%
5.	Project Management and Supervision	1.63	0.25	9%	7%
6.	Capacity Building	0.19	0.03	1%	1%
	Sub-total (A)	18.64	2.82	100%	85%
B.	Contingencies				
1.	Physical	0.93	0.14	5%	4%
2.	Price	1.26	0.19	7%	6%
	Sub-total (B)	2.19	0.33	12%	10%
C.	Financing Charges During Implementation				
1.	Interest	0.95	0.14	5%	4%
2.	Commitment charges	0.03	0.00	0%	0%
	Sub-total (C)	0.98	0.15	5%	5%
	Total Project Cost (A+B+C)	21.81	3.31	117%	100%

Table 39: Wastewater Component– Takeshiken

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	5.97	0.90	44%	38%
2.	Equipment and Materials	5.43	0.82	40%	34%
3.	Land Acquisition and Resettlement	0.67	0.10	5%	4%
4.	Environment Assessment and Training	0.10	0.02	1%	1%
5.	Project Management and Supervision	1.23	0.19	9%	8%
6.	Capacity Building	0.20	0.03	1%	1%
	Sub-total (A)	13.61	2.06	100%	86%
B.	Contingencies				
1.	Physical	0.68	0.10	5%	4%
2.	Price	0.87	0.13	6%	5%
	Sub-total (B)	1.55	0.24	11%	10%
C.	Financing Charges During Implementation				
1.	Interest	0.67	0.10	5%	4%
2.	Commitment charges	0.03	0.00	0%	0%
	Sub-total (C)	0.70	0.11	5%	4%
	Total Project Cost (A+B+C)	15.86	2.40	117%	100%

Table 40: Water Supply Component– Takeshiken

Number	Item	CNY Million	\$ Million	% of Base Cost	% of Total Cost
		Total Cost	Total Cost		
A.	Base Costs				
1.	Civil Works	7.91	1.20	47%	40%
2.	Equipment and Materials	7.09	1.07	42%	36%
3.	Land Acquisition and Resettlement	0.07	0.01	0%	0%
4.	Environment Assessment and Training	0.09	0.01	1%	0%
5.	Project Management and Supervision	1.54	0.23	9%	8%
6.	Capacity Building	0.20	0.03	1%	1%
	Sub-total (A)	16.91	2.56	100%	86%
B.	Contingencies				
1.	Physical	0.85	0.13	5%	4%
2.	Price	1.06	0.16	6%	5%
	Sub-total (B)	1.90	0.29	11%	10%
C.	Financing Charges During Implementation				
1.	Interest	0.89	0.14	5%	5%
2.	Commitment charges	0.03	0.00	0%	0%
	Sub-total (C)	0.92	0.14	5%	5%
	Total Project Cost (A+B+C)	19.74	2.99	117%	100%