Advance Contracting Notice

Date: 19 March 2013

Country/Borrower: People’s Republic of China

Title of Proposed Project: Xinjiang Integrated Urban Development Project

Name and Address of Executing Agency:

Xinjiang Uygur Autonomous Region Government
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Brief Description of the Project:

1. The project will help XUAR address one common yet major urban development constraint—to enhance water availability through strengthening wastewater reuse and improving water management in two medium-sized cities—Kelamayi and Kuitun, also two severely water-stressed cities in the XUAR located approximately 350 kilometers (km) and 220 km to the northwest of the regional capital, Urumqi, respectively. The project aims to help promote balanced and environmentally friendly urbanization, improve living conditions in the two cities and play a demonstration role for cities under similar geographic and climatic conditions in the XUAR and elsewhere. Both cities suffer from a very harsh climate, with sub-zero temperatures between November and March, and annual precipitation of about 100 millimeters (mm) in Kelamayi and 180 mm in Kuitun. The water management problems created by this lack of rainfall are compounded by high evaporation rates averaging over 2,000 mm per annum.

2. The overarching justification for ADB intervention in these two cities is to demonstrate how improvements in water management can facilitate sustainable economic urban development, even in cities with a desert adjacent location with an arid and unfavorable climate for water resource management. The project will address two priority water related issues faced by the cities, the solutions to which feature prominently in the local city development plans. In Kelamayi the major project theme is to improve wastewater management to facilitate wastewater reuse as a substitute for freshwater in the irrigation of urban green space. Further, there is an urgent need to connect existing arterial roads and smaller roads to ensure optimal development of the new west town in Kelamayi. In Kuitun the main theme is river rehabilitation to enhance flood protection standards, while at the same time creating a much improved urban environment that will promote economic growth and improve the living conditions of local residents. In each city, water management improvements will demonstrate the benefits to be obtained from active nonrevenue water (NRW) management and optimized water distribution networks. During project preparation, the design of the Kuitun City component was adjusted to include environmental sanitation improvements targeting a particularly deprived part of the project area and significantly improving the inclusiveness of the project design.
3. The project takes a multi-sector integrated approach to urban development planning in a situation where water availability is the critical constraint to economic development and the improvement of living conditions. The project will include three outputs as follows:

(i) **Output 1: Improvement of Kelamayi’s Urban Infrastructure** include (i) upgrading of Nanjiao wastewater treatment plant (WWTP) by the addition of new wastewater reclamation facilities with the treatment capacity of 100,000 m³ per day; (ii) construction of the Jiugongli wetland with a surface area of 13.31 square kilometers, an average depth of 2 meters and adequate water volume to receive treated effluent from the Nanjiao WWTP; (iii) construction of 31.1 km of wastewater reuse pipelines to supply reuse water from the wetland for urban forestry and landscaping; (iv) construction of 11.267 km of new urban roads; and (v) improved water management including rehabilitation of 7.9 km of water supply pipelines including establishment of an effective NRW management capacity.

(ii) **Output 2: Improvement of Kuitun’s Urban Infrastructure** include (i) rehabilitation of flood discharge ditches and channels, with a total length of 24.72 km together with auxiliary facilities needed to meet a protection standard of a 1 in 50 year flood; and planting of 200,400 trees covering 83.2 hectares, and construction of related roads for the purpose of access, ecological protection and a much improved urban visual environment; and (ii) improved water management including rehabilitation of 9.43 km of water supply pipes and significantly improved NRW management capacity.

(iii) **Output 3: Project Management and Capacity Building** include intensive project management and implementation training for the Xinjiang project management office (XPMO) and city project management offices (PMOs), and additional capacity assistance for other concerned agencies, and recruitment and management of the loan implementing consultants.

**Brief Description of Goods and Related Services, Works or Consulting Services to be Procured and Retroactive Financing:**

ADB has approved advance contracting, which includes the recruitment of consultants. Advance contracting will include (i) tendering and bid evaluation for civil works and goods contract packages; (ii) preparation of tender documents for the procurement of materials and equipment; and (iii) recruitment of consultants. The issuance of invitations to bid under advance contracting will be subject to ADB approval. Eight civil works contracts, one goods contract, and two consulting service contracts will be procured through advance contracting. The advance procurement actions will be undertaken in accordance with ADB’s *Procurement Guidelines* and ADB’s *Guidelines on the Use of Consultants*.

**Date of Advance Contracting and Retroactive Financing Approval:** 8 March 2013