Advance Contracting Notice

Date: 5 August 2015

Country/Borrower: People’s Republic of China

Title of Proposed Project: PRC: Shaanxi Mountain Road Safety Demonstration Project

Name and Address of Executing Agency:

Shaanxi Provincial Transport Department
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Brief Description of the Project:

1. Shaanxi Province is one of the least developed provinces with per capita rural income in 2012 at 73% of the national average, ranking 26th among the 31 administrative provinces and autonomous regions in the PRC. On a gross domestic product (GDP) per capita basis (CNY38,564 in 2012), Shaanxi ranks 15th. Fifty of its 107 counties are designated national poverty counties.\(^1\) Shaanxi has a total land area of 205,800 square kilometers and a population of 37.53 million (2013 census). The southern prefectures of Ankang and Shangluo (in which the project roads are located) have GDPs per capita of CNY18,878 and CNY18,097 respectively, approximately 49% of the Shaanxi average. The net average income per head for rural households is CNY5,763 compared to CNY20,734 for urban Shaanxi households.

2. The Qinba Mountains area is especially poor with a poverty incidence exceeding 30% in 2012. It is one of 11 high-poverty areas targeted for concentrated interventions under the China Rural Poverty Alleviation and Development Program (2011–2020). Both Ankang and Shangluo, two prefecture-level cities in the Qinba Mountains area, have strong potential for expansion of the agriculture, mineral and hydropower industries, and for the development of tourism.

3. A lack of transport infrastructure is constraining economic growth and poverty reduction. Due to road network and capacity limitations the rural population suffers from a lack of access to markets and economic opportunities. High transport costs directly limit the extent of trade and constrain residents’ income-earning potential. Better road connections, with improved capacity, will enable southeast Shaanxi to realize its full economic potential.

4. The project area, Xunyang, Hanyin and Shangnan counties in Ankang and Shangluo, contains many high-risk trunk and rural roads with significant traffic volume and a mix of heavy

\(^1\) A national poverty county designation represents a county with an average annual rural per capita net income of less than CNY2,300.
vehicles, automobiles, motorcycles, non-motorized vehicles and pedestrians. Many of the crashes in the area are attributed to driver error aggravated by the steep, mountainous terrain. In many cases the dangerous road conditions can be addressed by modest design interventions at relatively low cost. The development and institutionalization of modern road safety design and management approaches will lead to a sustainable reduction in road deaths and injuries.

5. The expected impacts of the project include the provision of efficient and safe all-weather accessibility, and reductions in road crash fatalities and serious injuries, in southeast Shaanxi Province. The expected outcome of the project is a safer and improved trunk and rural road network in southeast Shaanxi Province, in line with the demonstration project objectives and the Twelfth Five-Year Plan.

6. The project has the following outputs:

   (i) **Output 1: Trunk roads upgraded.** Three trunk roads (approximately 187 km) in the cities of Angkang and Shangluo will be upgraded from Class III/IV to Class II/III² standard incorporating major safety design enhancements.

   (ii) **Output 2: Rural roads upgraded.** Eight rural roads (approximately 139.6 km) of rural roads in poor agricultural areas will be upgraded from earthen roads to paved Class IV standards, including improved safety design enhancements.

   (iii) **Output 3: Crash reduction program.** This includes road safety only investments on an additional 569.66 km of rural roads.

   (iv) **Output 4: Institutional development.** This will (i) improve the capacity of the road safety unit in SPTD and local traffic bureaus in road safety management, road safety implementation, enforcement, use of road safety equipment, software and training, and public awareness building; and (ii) involve a road safety education and community awareness campaign.

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

ADB has approved advance contracting and retroactive financing. Advance action includes civil works and consultant contracts. 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:** 3 June 2015

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² PRC Road Classification Information (accessible from the list of linked documents in Appendix 2).