



Advance Contracting Notice

Date: 11 March 2015

Country/Borrower: People's Republic of China

Title of Proposed Project: PRC (46049): Xinjiang Akesu Integrated Urban Development and Environment Improvement Project

Name and Address of Executing Agency:

Xinjiang Uygur Autonomous Regional (XUAR) Government

Address: Room 1203, Xinjiang Regional Department of Housing and Urban-Rural Construction, No.462 Zhongshan Road, Urumqi, Xinjiang, 830002, PRC

Tele/Fax No.: +86 991 284 1298

Email: jstjhcwc@sina.com

Contacts: Yao Yuzhen, Director, Xinjiang Project Management Office

Brief Description of the Project:

1. The project will improve much needed urban infrastructure facilities and the environment in Akesu City (Akesu), XUAR. As the first proposed Asian Development Bank (ADB) urban sector loan in southern XUAR, the project will contribute to sustainable economic growth and improve the quality of life for about 509,200 urban residents in Akesu, with a specific focus on the rehabilitation and upgrading of existing urban areas with high ethnic minorities populations.

2. The project has three outputs:

- (i) **Output 1: Urban infrastructure and services improved.** Output 1 is composed of six components supported by inclusive employment opportunities: (a) 75.0 kilometer (km) of urban roads constructed or upgraded, including upgrading of 19 roads, construction of two new roads with, upgrading of alleys in four ethnically-concentrated, peri-urban communities and two pilot "living streets", construction of 178 bus stops, construction of 19.1 km of separated motorized and non-motorized lanes, construction of one universal access underpass, construction of two new bridges, and construction and/or upgrading of associated traffic signals, street lights, utility pipelines, and landscaping; (b) six public and street parks upgraded, with a total of 122,826 square meters (m²) of construction area, including 97,017 m² of green space and the construction of a 64 hectares (ha) nursery; (c) 38.0 km of urban water supply pipes constructed; (d) 78.0 km of urban sewers and 2,024 inspection manholes constructed; (e) 43.6 km of central heating pipelines and 28 heat exchange stations constructed; and (f) street cleaning and waste collection and transportation equipment and vehicles procured and a one 600 ton-per-day waste transfer station constructed.

- (ii) **Output 2: Akesu Duolang wetland rehabilitated and protected.** Interventions toward this output are located within the ecological conservation and restoration zone of the Akesu Duolang River National Wetland Park, and include (a) rehabilitation of 95.7 ha of degraded wetland; (b) establishing 4.3 ha of wetland forest shelter belts; (c) constructing wetland protection infrastructure, including management station and patrol roads; (d) improving wildlife protection through a wetland and biodiversity research laboratory, monitoring sites and monitoring equipment, and the establishment of a wildlife rescue and disease control center; and (e) establishing wetland public education facilities.
- (iii) **Output 3: Project and urban environmental management and inclusive capacity enhanced.** Output 3 will build the capacity of key local project partners for the successful implementation, and operation and management of project facilities. This is achieved through the following components: (a) project performance management system prepared and updated; (b) tendering, procurement, contract management, and financial management undertaken; (c) construction supervision undertaken; (d) stakeholder consultations conducted; (e) environmental and social safeguards ensured; (f) regular monitoring and evaluation undertaken; (g) reporting requirements met; (h) 2,000 person-times of training provided, including 50% women and ethnic minorities; and (i) technical guidance provided on environmentally sustainable and socially inclusive urban infrastructure.

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

ADB has approved advance contracting and retroactive financing for smooth project implementation. Advance contracting will include (i) tendering, bid evaluation, and award of contracts for civil works and equipment contract packages up to the recommendation of contract award; and (ii) recruitment of consultants. The issuance of invitations to bid and bidding documents under advance procurement action will be subject to ADB approval. The government was informed that as a general rule, retroactive financing is permitted only if (i) it is specifically agreed by ADB and the Borrower; (ii) the goods, works, services, and consultants for which it is requested are procured in accordance with ADB's Procurement Guidelines (2013, as amended from time to time) and ADB's Guidelines on the Use of Consultants (2013, as amended from time to time); (iii) the amount to be retroactively financed does not exceed 20% of the loan amount; and (iv) the expenditures must have been incurred before effectiveness of the relevant loan but, generally, no earlier than 12 months before signing of the Loan Agreement. In either instance, detailed assessments (due diligence) on each retroactive financing proposal must demonstrate that (a) the expenditures incurred are genuine, reasonable, and material to getting the project off the ground; and (b) they were incurred for proper reasons, in a transparent manner over a reasonable period of time. The retroactive financing will include four civil works contract packages (all national competitive bidding), six goods/equipment contract packages (four national competitive bidding and two shopping) and two consulting services contract packages (one quality- and cost- based selection and one individual consultant selection).

Date of Advance Contracting: 23 January 2015

Date of Retroactive Financing Approval: 6 March 2015