

Project Summary for Public Disclosure
(after approval of NDB financing)

Project Name	Jiangxi Industrial Low Carbon Restructuring and Green Development Pilot Project
Country	The People's Republic of China
Type	Sovereign
Area of Operation	Environmental Protection
Financing Approval Date	30 August 2017
Total Project Cost	N/A (Project Finance Facility)
Initial Limit of NDB Financing	USD 200 million
Current Limit of NDB Financing	USD 200 million
Borrower	The People's Republic of China
Project Entities	The People's Government of Jiangxi Province Jiangxi Provincial Industry and Information Technology Commission
Project Context	<p>The rapid pace of industrialization with China's economic rise has boosted Jiangxi province's GDP with the industry sector's contribution to GDP increased by more than 10% in the past 6 years. Along with industrialization, a range of environmental problems have also surfaced. Industrial energy consumption currently accounts for over 70% of the province's total energy consumption. Low energy efficiency in heavy industry exacerbates the environmental impact. Incentives for companies to invest in upgrading their factories to meet energy conservation goals are low, due to a perceived low financial return. To provide tax incentives to the industry, the provincial government is establishing a fund with the ultimate goal of enhancing energy efficiency and reducing energy consumption. In this context, the Jiangxi Industrial Low Carbon Restructuring and Green Development Pilot Project (the Project) is designed, supported by the New Development Bank to enhance energy efficiency and conservation. This is in alignment with the NDB's objective to promote infrastructure and sustainable development.</p>
Project Description	<p>The lending modality is Project Finance Facility (PFF). The Project comprises of a series of subprojects, which on an aggregate level will promote energy conservation, reduce waste regeneration and pollutants emission and increase industrial water reutilization in the Jiangxi Province. The PFF modality will allow the preparation of</p>

	subprojects in a sequencing approach, with benefits from the lessons drawn from previous subprojects in the early phases. NDB will appraise the fitness of the subprojects for fund allocation and will promote lessons learned across the subprojects to benefit the overall Project.		
Project Objective	The objective of the Project is to upgrade traditional industries to achieve energy conservation, emissions reduction and better waste management.		
Implementation Arrangements	The Jiangxi Provincial Industrial and Information Technology Commission will be the Project Implementation Agency, with a four level institutional arrangement put in place for effective management and implementation of the Project. Procurement for the Project will be carried out in accordance with the requirement of China's national procurement laws and regulations, and the principles of NDB's procurement policy.		
Environmental and Social Information	The approved subprojects will contribute to an energy saving level of 95,118 tons of coal equivalent per annum and a carbon emission reduction of 263,476 tons per annum on an aggregate level, through increased recycling ratios, upgraded factory machinery, increased utilization of heat waste, enhanced institutional capacity and improved energy conservation. NDB's due diligence on environmental and social aspects found the Project unlikely to have any significant negative impact on the environment or involuntary resettlement. The Project is classified as Category "B", according to NDB's environment and social framework.		
Financing			
	Source of Fund		Amount (USD million)
	NDB		200.0
	Subprojects		155.9
Contacts	NDB	Borrower	Project Entity
	Project Portfolio Management Department Danwei Zhang	Ministry of Finance Lei Zhang mof_operation1@mof.gov.cn	Project Management Office for Jiangxi Industrial Low Carbon Restructuring and Green Development Pilot Project Jie Yang jxgrhzhxsfzc@jxcit.gov.cn