

Project Summary for Public Disclosure

Project Overview	
Project Name	Luoyang Metro Project
Country	The People's Republic of China
Sector	Sustainable Infrastructure; Urban Transport
Approval Date (by the Board)	-
Total Project Cost	USD 2,775 million
Loan Amount	USD 300 million
Borrower	The People's Republic of China
Implementation Agency	Luoyang Rail Transportation Co., Ltd.

I. Introduction

Luoyang is a competitive city in China with economic growth higher than the national average and rapid urbanization that raises average standard of living. Luoyang, situated in Henan province, was once an ancient capital of China, endowed with rich historic and cultural heritage. Luoyang today faces many development challenges including the overburdened transport system. Current transportation infrastructure is no longer sufficient to service the population. The inadequate connectivity and accessibility of the city impacts people's quality of life. As a popular tourist destination, the large numbers of visitors Luoyang attracts every year add to the already severe congestion. The development of Luoyang's first metro will be a milestone for the city's development and to solve the city's critical challenge. The People's Government of Henan Province has designed a work plan to expand Luoyang's metro network. In this context, the Luoyang Metro Project (the Project) is designed to address the traffic congestion challenge and to improve the city's connectivity. The Project is in line with China's national policy priority, supported by China's State Council. The Project is also in close alignment with NDB's mandate of supporting sustainable infrastructure development.

II. Project Description

The Project consists of the construction of Luoyang City's first urban rail line (Line 1). NDB will finance Equipment for Line 1, which includes the equipment necessary to operate Line 1, such as rolling stock, power supply, control system, signaling system, communication system, monitoring system, fare collection system, safety and security system, ventilation and air conditioning system, water supply, sewerage and fire protection system and station auxiliary equipment.

The metro will connect the residential areas to the city center and provide easy access to

public services, business, commercial centers and cultural sites. It will enable (i) increased transport capacity, thus easing congestion on existing roads, (ii) faster commute and improved mobility, (iii) enhanced comfort, safety and reliability of traffic in the city, (iv) improved connectivity contributing to a balanced city spatial development, and (v) more robust socio-economic development of Luoyang.

III. Environmental and Social Aspects

The Project contributes to a lower carbon environment. Congestion on the roads is expected to be reduced. Travel conditions for residents and visitors will be improved. Commuters will have an alternative and more time-efficient way to travel daily. The Project will benefit metro riders as an efficient, safe and comfortable means of transportation, and will also benefit non-riders in Luoyang by diverting traffic away from the current overburdened transport infrastructure. The successful implementation of the Project will significantly improve Luoyang's urban infrastructure that will build a solid foundation for the city's economic growth and productivity.

The Project is classified as Category "A" in accordance with the NDB Environmental and Social Framework for its environmental and social impacts on resettlement of local residents from project site, local ecology and the vibration and dust impacts on cultural relics. Mitigation measures have been designed to minimize vibration, cover and water dust generating activities, use proper drainage, re-use waste water to avoid pollution of water sources, install silencers and enclose noise generating facilities. NDB will monitor the Project closely and engage with the Project Implementation Agency Luoyang Rail Transportation Co., Ltd. during implementation.

IV. Financials

The total cost of the Project is estimated to be USD 2,775 million. NDB will support the Project through a sovereign project loan with an amount of USD 300 million. The commercial banks will provide loans of USD 1,311 million. The balance of USD 1,164 million will be financed by the counterpart fund from the People's Government of Luoyang.

Financier	Amount (\$ million)
New Development Bank	300
Commercial Banks	1,311
People's Government of Luoyang	1,164

V. Implementation

The Project is estimated to be implemented between 2017 and 2021. Suppliers for the Project will be selected through a competitive and transparent bidding process.

VI. Contact

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