

Project Summary for Public Disclosure

Project Overview	
Project Name	Guangxi Chongzuo Urban Water System Ecological Restoration Project
Country	The People's Republic of China
Sector	Water, sanitation and flood protection
Approval Date (by the Board)	31 March 2019
Total Project Cost	USD 522.9 million
Loan Amount	USD 300 million
Borrower	The People's Republic of China
Implementation Agency	People's Government of Chongzuo Municipality

I. Introduction

Chongzuo, a fast growing city located in Guangxi Zhuang Autonomous Region in southwestern China, has been facing challenges in ecological degradation and urban development. In the past few years when urbanization quickly took place in Chongzuo, large amounts of construction wastes were discharged into tributaries, canals, and lakes, which led to clogged water channels. Water quality in the city has been deteriorating due to the lack of hydraulic circulation and the degradation of natural purification system. Flood frequents the city and has been a threat to the city's residences, in addition to the challenge of ecological degradation. To address these environmental challenges, the Project is designed with an integrated approach to rehabilitating the water system in Chongzuo through enhancing water resources management and upgrading flood control facilities. The Project is well aligned with NDB's mandate of supporting sustainable infrastructure development.

II. Project Description

The objective of the Project is to improve urban water environment and enhance flood protection through removing urban wastes, connecting water bodies, rehabilitating river and lake embankments, creating vegetated buffer zones in water adjacent area, constructing drainage pumping stations, and establishing a smart water information and management system. The Project has three components: (i) restoration of lakes, rivers, wetlands, channels and their adjacent areas; (ii) development of water ecological

environment monitoring, control and management system; (iii) project management support and capacity building.

The NDB loan through the modality of Sovereign Project Loan will be used by the People’s Republic of China for on-lending to Guangxi Zhuang Autonomous Region.

III. Environmental and Social Aspects

The positive impacts of the Project include: (i) increased surface water supply in water-scarce areas; (ii) improved water quality and connectivity; (iii) increased wetland ecological function areas; (iv) enhanced urban flood protection capacities; (v) enhanced life safety for local residents; (vi) improved public health induced from better ecological environment and upgraded public facilities.

The Project has been classified as Category “B” in line with the NDB Environmental and Social Framework (ESF) and China’s environmental impact assessment regulations. Major project environmental and social impacts include dust, wastewater discharge, disposal of waste and sludge, erosion, change of modified habitats, land acquisition and compensation, occupational health and safety. These impacts are confined to project footprint and will be mitigated by adherence to requirements of E&S country system.

IV. Financials

The total cost of the Project is estimated to be USD 522.9 million. NDB will finance USD 300 million, accounting for 57.4% of the total cost. The remaining balance will be financed by government counterpart funds and bank loans.

Financier	Amount (\$ million)
New Development Bank	300.0
Government Counterpart Funds	119.2
Domestic Bank	103.7

V. Implementation

The Project is estimated to be implemented over five years. People’s Government of Chongzuo Municipality will be the Project Implementation Agency. Contractors for the Project will be selected through a competitive and transparent bidding process.