

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

Project Name	NDB Emergency Assistance Program in Combating COVID-19
Country	The People's Republic of China
Type	Sovereign
Area of Operation	COVID-19 Emergency Assistance
Financing Approval Date	19 March 2020
Total Project Cost	RMB 7 billion
Initial Limit of NDB Financing	RMB 7 billion
Current Limit of NDB Financing	RMB 7 billion
Borrower	The People's Republic of China
Project Entities	Hubei Provincial Government, Guangdong Provincial Government, and Henan Provincial Government
Project Context	<p>Since the outbreak of the Novel Coronavirus Disease (COVID-19) in December 2019, the lives of the Chinese people and the Chinese economy have been broadly impacted. While the outbreak touched all provinces in China, the three provinces that are hit the hardest are Hubei Province, Guangdong Province, and Henan Province, with confirmed cases of COVID-19 infection rank the top three among all Chinese provinces. Amid the outbreak, urgent but unexpected government expenditures related to immediately curbing the outbreak have been substantially increasing, which are causing pressures on the fiscal budgets of the governments at all levels in China, particularly for Hubei, Guangdong, and Henan. In this context and at this difficult time, NDB's commitment to helping the Chinese Government in combating the outbreak of COVID-19 through the emergency assistance Program was not only strategically relevant under NDB's mandate of promoting sustainable development of its member countries, but more importantly, it provided much needed emergency support to its member country, which was facing serious economic challenge and human hardship. While the outbreak was ongoing with growing number of cases being confirmed, at the time of the approval of the Program by NDB Board, NDB's support through this Program was timely and significant, as part of the global response to curb the outbreak of COVID-19.</p>
Project Description	The Program was NDB's first emergency assistance program in response to an outbreak in its member countries. The

	<p>preparation and processing time from the request to NDB by the Chinese Government to the approval of the Program by NDB's Board was about a month, which was a new record for NDB's loan preparation and processing time with efficiency and quality, in efforts to ensure the timeliness of the Program and to accommodate the urgency of the outbreak. The Program was designed with features of innovations in loan structuring, real-time outbreak situation and development dialogues with relevant governments at all levels, prioritization of most critical issues amid the outbreak, and expeditious response to the identified emergency needs, which are in line with NDB's strong commitment to supporting sustainable development of its member countries. The objective of the Program was to provide an emergency assistance to China in combating the outbreak of COVID-19, through fiscal support to key stakeholders, at the national level, the provincial levels of the three provinces, and the municipal levels within the provinces. The Program has contributed to China's efforts to minimize the health and economic consequences of the outbreak and laid a solid foundation for a more resilient health system and quicker economic recovery in near future.</p>
<p>Project Objective</p>	<p>The positive impacts of the Program include: (i) reduced loss of human lives; (ii) improved resilience of the public health sector and health emergency response system; (iii) containment of onward transmission of COVID-19; (iv) mitigated government financial gaps, due to the unexpected expenditures caused by the outbreak; (v) mitigation of adverse social and economic impacts from the outbreak; and (vi) recovery of social and economic activities for sustainable development. An outbreak like this respects no borders and all countries have a stake in controlling it. NDB's emergency support to help curb the outbreak has contributed to the global community. The beneficiaries of the Program were not only in China, but also all countries in the world, including NDB's member countries.</p>
<p>Implementation Arrangements</p>	<p>The Program duration was within one year, up to December 31, 2020. Provincial Governments of Hubei, Guangdong, and Henan were the Implementing Agencies of the Program. Procurement was conducted in compliance with China's country systems and regulations at the national level, and with NDB's procurement policy framework.</p>

Environmental and Social Information	The Program is Category “B” in line with NDB’s Environmental and Social Framework (ESF) and China’s environmental impact assessment regulations. Potential negative environmental and social impacts from the Program are minimal and limited to the safety of medical waste management, which were handled using standard medical hazmat management practices and mitigated by adherence to requirements of E&S country system.		
Financing	The Program financed the three Chinese provinces that were hit the hardest by the outbreak of COVID-19. The total Loan amount is RMB 7 billion. Disbursement was one tranche of the total loan amount.		
	Source of Fund		Amount (RMB billion)
	NDB		7.0
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