

## ODA Loans to the People's Republic of China (The Last Year of the "First Three Years" of the Fourth Series : Support Environmental Protection and Economic Development in China Interior Regions)

The OECF (The Overseas Economic Cooperation Fund, Japan; President, Chairman of the Board: Mr. Kyosuke Shinozawa) will provide the People's Republic of China with loans totaling 206.583 billion yen for the Heilongjiang Songhua River Basin Environmental Improvement Project, the Yantai Water Supply and Water Induced Management Project and 13 other projects.

The loan agreements were signed in Tokyo by Mr. Kyosuke Shinozawa, President, Chairman of the Board of OECF and Mr. Jin Liqun, Assistant Minister, Ministry of Finance of the People's Republic of China on December 25, 1998.

As a result, the cumulative total of ODA loans to China stands at 2,260.873 billion yen(239 commitments).

This year is the last year of the "first three years" of the fourth series of ODA loans to China, the series having begun in FY1996.

The loans provided this year attach the same importance to environmental protection and economic development in the regions as the loans in 1996 and 1997. Of 15 projects, 8 projects are for environmental protection, and, by regions, 12 are for economic development in China's interior regions. These projects are expected to contribute to improving living standards and health in the targeted regions as well as improving global environment.

### 1. Characteristics of ODA loans to China

#### (1) History of ODA loans to China

ODA loans to China, which began in FY 1979, are divided into four series. The first series loans was committed from FY 1979 to FY 1983, for 7 projects. The total commitment amount was 330.9 billion yen. All first-series projects were completed with satisfactory results. The second series (FY 1984-1989) included 16 projects and totaled 470 billion yen. In FY 1988, an additional loan of 70 billion yen was also committed for the Export Industries Promotion Program, as part of Japan's Financial Recycling Scheme. The third series of loans, amounting to 810 billion yen (including 40 billion yen under the Financial Recycling Scheme) for 52 projects, was committed from FY 1990 to FY 1995. In the three-year period 1996 - 1998, as the first three years of the fourth series, loans amounting to 580 billion yen have been committed for 51 projects.

#### (2) Loan Volume to China

The amount of the loans to China this year -the last year of the first three years of the fourth series- is more than 200 billion yen, approximately the same as in FY 1997. Loans to China accounted for 19.7% of total ODA loans in 1997 and 12.2% of the aggregate for ODA loans from 1966 to 1997. The amounts of the loans to China in the last five years are as follows:

Unit : billion Yen

FY	1994	1995	1996	1997	1998
Amount (Increase over the previous year )	140.3 (1.1%)	141.4 (0.8%)	170.5 (20.5%)	202.9 (19.0%)	206.6 (1.8%)

#### (3) Increased Emphasis on Environmental Protection

Compared with the projects of the first to third loan series, which were mainly economic infrastructure projects, such as projects in the transportation, electric power and telecommunications sectors, the fourth series of loans gives higher priority to environmental projects. 15 projects with total 206.583 billion yen this year include 8 environmental projects with 57.484 billion yen (see 1, 2, 3, 4, 7, 8, 9, 10 in the chart in page 4 and 5). Of these 8 projects, 6 projects (1, 2, 3, 4, 7, 8) aims for comprehensive environmental improvement in the targeted regions. The Shaanxi Hancheng No.2 Thermal Power Plant Construction Project (II), for example, is the first thermal power plant project financed with ODA loans that will introduce desulphurization equipment in order to reduce SO2 emissions. This project is expected to be a good model for similar projects in the future in China, now plagued with acid rain and other air pollution problems. In the case of the Power Distribution System Rehabilitation Project (Chongqing), OECF is working with the Chinese counterparts to reduce consumption of coal at a coal-fired power station and to reduce air pollution by rehabilitation and modernization of power distribution equipment. This project is expected to be a model case for environmental projects through efficiency improvement in power distribution. Environmental protection is now regarded as one of the most important areas to be assisted by means of ODA loans to China.

### 2. Loan Amount and Conditions

Project Name	Amount (Million yen)	Interest rate (%)		Repayment period (grace period) (years)		Tying Status	
		Goods and Services	Consulting Services	Goods and Services	Consulting Services	Goods and Services	Consulting Services
1 Liuzhou Environmental Improvement Project(III)	4,759	0.75**	0.75**	40 (10)**	40 (10)**	Partially Untied	Bilateral-Tied
2 Benxi Environmental Improvement Project(II)	3,237	0.75**	-	40 (10)**	-	Partially Untied	-
3 Huai River Henan Water Pollution Control Project(II)	7,230	0.75**	-	40 (10)**	-	Partially Untied	-
4 Xiang River Basin Hunan Environmental Improvement Project(II)	6,175	0.75**	-	40 (10)**	-	Partially Untied	-
5 Shaanxi Hancheng No.2 Thermal Power Plant Construction Project(II)	22,970	1.80 0.75***	-	30 (10) 40 (10)***	-	General- Untied General- Untied	-
6 Shanxi Wangqu Thermal Power Plant Construction Project(II)	27,082	1.80	-	30 (10)	-	General- Untied	-
7 Heilongjiang Songhua River Basin Environmental Improvement Project	10,541	0.75**	-	40 (10)**	-	Partially Untied	-
8 Jilin Song Liao River Basin Environmental Improvement Project	12,800	0.75**	-	40 (10)**	-	Partially Untied	-
9 Shandong Yantai Water Supply and Water Induced Management Project	6,008	1.30*	-	30 (10)*	-	General- Untied	-

10	Henan Panshitou Reservoir Construction Project	6,734	1.30* 0.75***	0.75**	30 (10)* 40 (10)***	-	General-Untied General-Untied	Bilateral-Tied
11	Wangqu - Laiyang Transmission and Substation Project	17,629	1.80	0.75**	30 (10)*	40 (10)**	General-Untied	Bilateral-Tied
12	Hunan Yuanshui River Basin Hydropower Development Project	17,664	0.75**	0.75**	40 (10)**	40 (10)**	Partially Untied	Bilateral-Tied
13	Power Distribution System Rehabilitation Project (Chongqing)	13,754	0.75**	-	40 (10)**	-	General-Untied	-
14	Hangzhou - Quzhou Expressway Construction Project	30,000	1.80	0.75**	30 (10)	40 (10)**	General-Untied	Bilateral-Tied
15	Wanxian - Liangping Highway Construction Project	20,000	1.80	0.75**	30 (10)	40 (10)**	General-Untied	Bilateral-Tied
Total : 15 Commitments		206,583						

Numbers in parentheses are interest rates for consulting services portion.

\* Standard Environmental Project

\*\* Special Environmental Project

\*\*\* Special Environmental Project for a part of goods and services

(This special interest rate is applied to the desulfurization portion of the Shaanxi Hancheng No.2 Thermal Power Plant Construction Project (II) and the power generation portion of the Henan Panshitou Reservoir Construction Project.)

### 3. Outline of the Projects

#### (1) Liuzhou Environment Improvement Project (III)

Liuzhou is an industrial city in the Guangxi Zhuangzu Autonomous Region in south-western China. In Liuzhou, both factories and households use great amounts of coal, which contains large percentages of sulfur and ash. The annual mean SO<sub>2</sub> concentration at ground level in 1997 was 0.164mg/m<sup>3</sup>N, 2.7 times as much as the Chinese national standard (0.06mg/m<sup>3</sup>N). The annual mean pH of acid rain in Liuzhou is about 4.94. The frequency of acid rain is about 63.7%.

This project is to construct a flue gas desulfurization system at the Liuzhou Power Plant in order to improve the environment in Liuzhou.

Two loans, 2.3 billion yen in December, 1996, and 3.679 billion yen in September, 1997, have been already committed for other environmental improvement projects, to expand the gas supply system, create land-fill sites for garbage disposal, equip factories with pollution-control equipment, etc. This year's loan is the third commitment in this region.

The proceeds of the loan will be used for the flue gas desulfurization systems and related consulting services. The executing agency is the Liuzhou Municipal People's Government (Address: No.70 Sanzhong Road, Liuzhou, Guangxi, China, P.O. Code 545001, Tel: 86-772-2859846, Fax: 86-772-2819914).

[back to project list](#)

#### (2) Benxi Environmental Improvement Project (II)

Benxi is an industrial city in the mountainous south-eastern part of Liaoning Province and plays an important role in raw materials production in China.

Because Benxi is surrounded by mountains and has limited available space, the residential areas and many large factories, such as steel plants, cement plants, etc., are located close together. In addition, in recent years, economic activity in Benxi has expanded rapidly and the population has been growing continuously. As a result of the combination of such factors, both air and water in Benxi are seriously polluted.

This project is to construct gas supply facilities and to equip factories with pollution-control equipment in order to improve the environment in Benxi.

Another loan of 4.11 billion yen has already been committed, in September, 1997, for a part of this project. This year's loan is the second commitment in this region.

The proceeds of the loan will be used for gas supply facilities and pollution-control equipment in factories.

The executing agency is the Benxi Municipal People's Government (Address: Benxi Japanese Loan Project Management Office, 57 Jiefang North Road, Mingshan District, Benxi, Liaoning, China, P.O. Code 117000, Tel: 86-414-3862090, Fax: 86-414-3860288).

[back to project list](#)

#### (3) Huai River Henan Water Pollution Control Project (II)

The Huai River, with a total length of 1,000 km, is located midway between the Yellow River and the Changjiang River, running through Henan, Anhui, Jiangsu and Shandong Provinces. The river basin, including important agricultural areas and industrial areas, has been developing rapidly, but the water has been increasingly polluted because of the growing volume of sewage.

Since Henan Province is on the uppermost reaches of the Huai River, water pollution in the river in Henan Province will also have three other provinces lower down adverse effects.

The project is to construct sewage-treatment plants and sewage pipeline networks in the major cities in the basin and to implement water pollution control countermeasures in factories currently discharging pollutants which violates the environmental standards.

Another loan, of 4.945 billion yen, has been already committed, in September 1997, for a part of this project. This year's loan is the second commitment in this region.

The proceeds of the loan will be used for the procurement of machinery and equipment needed for the construction of sewerage facilities and for taking countermeasures in paper mills and chemical plants.

The executing agency is the Henan Provincial People's Government (Address: Henan Japanese Loan Project Management Office, No.23 Wei Er Road, Zhengzhou, Henan, China, P.O. Code 450003, Tel: 86-371-5951256, FAX: 86-371-5951335).

[back to project list](#)

#### (4) Xiang River Basin Hunan Environmental Improvement Project (II)

The Xiang River, with a total length of 865 km, rises in Guangxi and flows into the Changjiang River, the largest river in China. The basin of the river includes agricultural and industrial areas. As the region's economy rapidly grew, the Xiang River has been increasingly polluted by a growing volume of sewage. Contamination of water is becoming so critical, because the river is the source of the area's drinking water. Consequently, it is necessary to construct sewerage facilities and take implement countermeasures to tackle pollution caused by industrial waste water in the major cities along the river.

Air pollution is also serious in this area. In 1995, the frequency of acid rain reached 100% in Changsha City, the capital of Hunan Province. Further, disposal facilities for garbage are not well developed, while the volume of such solid waste is increasing.

The project is to construct sewerage facilities and to take pollution control measures in factories in the major cities in the river basin in order to reduce pollution. Also, this project is to expand city gas supply in order to prevent air pollution and mitigate the harm caused by acid rain in the basin. Moreover, garbage disposal facilities are to be constructed in order to prevent pollution caused by seepage of garbage.

Another loan, of 5.678 billion yen, has been already committed, in September 1997, for a part of this project. This year's loan is the second commitment in this region.

The proceeds of the loan will be used for the procurement of machinery and equipment needed for sewerage facility construction, pollution control measures, and garbage disposal plant construction.

The executing agency is the Hunan Provincial People's Government (Address: Planning Committee of Hunan Province, Hunan Japanese Loan Project Management Office, 69 Wuyizhong Road, Changsha, Hunan, China, P.O. Code 410011, Tel: 86-731-2214177, FAX: 86-731-4439890).

[back to project list](#)

#### **(5) Shaanxi Hancheng No.2 Thermal Power Plant Construction Project (II)**

Shaanxi Province has abundant coal and it is estimated that the coal deposits of Hancheng City amount to 12.05 billion tons. The region around Hancheng City, called "The Black Belt," is one of the most important areas in Shaanxi because of its coal mines.

Shaanxi Province, abundant in energy resources, accounts for approximately 40% of the total power generating capacity of the Northwestern Power Grid, which is the country's seventh-largest power grid, and is the hub of the Northwestern Power Grid as well as the economic core of northwest China. Notwithstanding its abundant coal resources, Shaanxi Province suffers from a critical shortage of electricity because the demand for electric power has been increasing so rapidly. This project is to construct a thermal power plant with a capacity of 600MW x 2 in Hancheng City in Shaanxi Province in order to meet the increasing demand for electric power in Shaanxi Province and the Northwest Power Grid.

Another loan, of 35 billion yen, has been already committed, in September 1997, for a part of this project. This year's loan is the second commitment for this project. The proceeds of the loan will be used for the procurement of boilers, turbines, generators, desulphurization facilities.

The executing agency is the State Power Corporation of China (Address: 137 Fuyou Street, Beijing, China, P.O. Code 100031, Tel: 86-10-6054131, FAX: 86-10-6016077).

[back to project list](#)

#### **(6) Shanxi Wangqu Thermal Power Plant Construction Project (II)**

While many coal mines in China are located in the northern and central regions, the consuming areas are mainly in the eastern and southern coastal regions. Because of the limited transportation capacity for moving coal from the interior regions to the coastal regions, it is becoming increasingly important to construct large-capacity power plants close to mines, along with high-voltage transmission lines, in order to strengthen electricity supply capacity in an environmental friendly way.

Shanxi Province has most of China's coal and supplies about 80% of all coal for industrial use in China, also exporting electricity to Beijing and Tianjin, and to Shandong Province, where the shortage of electricity is critical.

The project is to construct a thermal power plant with a capacity of 600MW x 2 in Lucheng City of Shanxi Province in order to supply electric power to Shandong Province and accelerate economic development in both Shandong Province and Shanxi Province.

Another loan, of 30 billion yen, has been already committed, in September 1997, for a part of this project. This year's loan is the second commitment for this project.

The proceeds of the loan will be used for the procurement of boilers, turbines, generators, and so on.

The executing agency is the State Power Corporation of China (Address: 137 Fuyou Street, Beijing, China, P.O. Code 100031, Tel: 86-10-6054131, FAX: 86-10-6016077).

[back to project list](#)

#### **(7) Heilongjiang Songhua River Basin Environmental Improvement Project**

The Songhua River, with a total length of 2,308 km, which flows through Heilongjiang and Jilin Provinces, has been contaminated by industrial and domestic waste water. 60% of the monitoring sections of the Songhua River in Heilongjiang Province show contamination by organic matter of above Class 4 of China's national standards, and 30% of those sections show contamination above Class 5.

Air pollution caused by the coal burning in many cities in Heilongjiang Province has been becoming increasingly serious.

This project is to construct sewerage facilities and to take pollution control measures in factories in the major cities in the river basin in order to reduce pollution. Also, this project is to prevent air pollution, which can contribute to more effective utilization of resources.

The proceeds of the loan will be used for the procurement of machinery and equipment needed for sewerage facility construction and water and air pollution-control measures.

The executing agency is the Heilongjiang Provincial People's Government (Address: Japanese Loan Office for Heilongjiang Province Environmental Protection, 6, Hengshan Road, Harbin, Heilongjiang, China, P.O. Code 150036, Tel: 86-451-2331019, FAX: 86-451-2331019, 2331247).

[back to project list](#)

#### **(8) Jilin Song Liao River Basin Environmental Improvement Project**

For Jilin Province, how to implement water pollution control on the Songhua River (total length 2,308km) which flows from Jilin Province into Heilongjiang Province, and the Liao river which flows into Liaoning Province, is a major issue.

Because of serious contamination in the Songhua River, worse than Class 5 of the national standards, Heilongjiang Province, lower down to the river, has called on Jilin Province to improve the water quality of the border section to Class 3 or better.

In addition, to take pollution control measure on the Liao River, the Huai River and the Hai river is given top priority in the Ninth-Five-Year Plan. Especially, water pollution control in Liaoyuan City, on the border between Jilin Province and Liaoning Province, is urgently required in order to protect drinking water.

This project is to construct sewerage facilities and to take water pollution control measures in factories in the Songhua and Liao River basins in order to improve water quality.

The proceeds of the loan will be used for the procurement of machinery and equipment needed for sewerage facility construction, water and air pollution control facilities and environmental monitoring.

The executing agency is the People's Government of Jilin Province (Address: Fu 54 Renmin Street, Changchun, Jilin, China, P.O. Code 130051, Tel: 86-431-2717215, FAX: 86-431-2719168).

[back to project list](#)

#### **(9) Shandong Yantai Water Supply and Water Induced Disaster Management Project**

Yantai City is located in the eastern part of the Shandong Peninsula, The GDP of the area has grown at an average annual rate of 15% during the Ninth Five-Year Plan.

Expansion of both industrial and domestic water supply is needed.

With total annual rainfall in the city 692 mm on average, the volume of water resources per capita is 418 m<sup>3</sup> in 1996 (the national average of 2,288m<sup>3</sup>), and water consumption per capita only 104 liter/person/day (national average 209 liter/person/day), the area suffers from an acute water shortage.

For water for agricultural, industrial and domestic needs, the area depends mainly on underground water, and lowering of the watertable because of excessive extraction is causing seawater to seep in.

The project is to improve and construct water supply facilities, reservoirs and tidal embankments in order to secure water resources, meet the increasing demand for water, and, in addition, to prevent seawater from seeping in and mingling with groundwater.

The proceeds of the loan will be used for the procurement of equipment and materials for construction of reservoirs, water supply systems and tidal embankments.

The executing agency is the Yantai Municipal People's Government (Address: No.25 Xiliugou, Zhifu District, Yantai, China P.O. Code 264000, Tel: 86-535-6657964, FAX: 86-535-6246365).

[back to project list](#)

#### **(10) Henan Panshitou Reservoir Construction Project**

Flooding of the Haihe River basin in the Huabei Plain of northern China has caused serious damage since the dawn of history. The north-eastern part of Henan Province has experienced floods many times. Particularly, flooding in 1963 caused the greatest damage since the People's Republic of China was established. The province, with a population of 22 million and 4.86 million square meters of farmland, suffered greatly due to this flooding in the Haihe River Basin, with economic loss amounting to 6 billion Renminbi. The Chinese government set about implementing measures to control floods effectively, with the goal of being able to combat floods of the same magnitude as those in 1963, and drew up a water conservancy master plan for the Haihe River water system, including the Weihe.

This project is to construct a multi-purpose rock-fill dam in the Panshitou area, located 15 km north-west of Hebi City, Henan Province, based on the master plan mentioned above. While the main purpose of the dam is to control flooding, it also has functions related to agricultural irrigation, water supply for cities and power generation.

The proceeds of the loan will be used to procure equipment and materials for dam construction, including power-generation facilities.

The executing agency is the Henan Provincial Department of Water Resources (Address : No.11 Weiwu Road, Zhengzhou, Henan, China, P.O. Code 450001, Tel & Fax: 86-371-5967624).

[back to project list](#)

#### **(11) Wangqu - Laiyang Transmission and Substation Project**

Shandong Province, where the major enterprises are in the heavy and chemical industries, has shown remarkable economic growth. The average annual growth rate during the

Eighth Five-Year Plan period (1991-1995) was 10.6%. In the Province, 99.7% of electric resources depends on coal fired thermal power plants but production of the coal in the province is not sufficient to generate enough power for the increased power demand. Therefore it is necessary to transport high quality coal from other provinces in order to meet future demand for electric power in Shandong Province. However, as coal transportation capacity is chronically inadequate, it is essential to construct thermal power stations in the coal-mining regions of China and to build transmission lines capable of distributing a huge volume of electric power.

The project is to construct transmission lines and substations in Shandong Province in order to secure stable power supply from the Wangqu Thermal Power Station to customers and meet the increasing demand.

The proceeds of the loan will be used for the procurement of transmission lines, substations, distribution system, other works and services related to the project.

The executing agency is the State Power Corporation of China (Address: 137 Fuyou Street, Beijing, China, P.O. Code 100031, Tel: 86-10-6054131, FAX: 86-10-6016077).

[back to project list](#)

#### **(12) Hunan Yuanshui River Basin Hydropower Development Project**

Hunan Province, situated where China's coastal, southern and interior regions meet, plays an important role in the economic development strategy for the whole country, and the development of power distribution system is one of the top priority subsectors.

The Yuanshui River, the third-largest tributary of the Changjiang River, which flows through the region, has abundant water resources for hydropower, with 21 projects under construction or in the planning stage.

The project is to accelerate development of hydropower resources in Hunan Province by means of the construction of two concrete-gravity dam systems with power-generating capacities of 225MW and 240MW, respectively.

The proceeds of the loan will be used for the procurement of power generation units and dam-related facilities, and consulting services, etc., related to the project.

The executing agency is the State Power Corporation of China (Address: 137 Fuyou Street, Beijing, China, P.O. Code 100031, Tel: 86-10-6054131, FAX: 86-10-6016077).

[back to project list](#)

#### **(13) Power Distribution System Rehabilitation Project (Chongqing)**

In recent years, the Chinese Government has attached increasing importance to the development of electric power, constructing many new power stations, and the country is now emerging from the former condition of chronic electric power shortage. However, the rate of loss in transmitting electric power is increasing because of superannuated transmission equipment, and it is becoming increasingly important to improve electric power transmission efficiency. At a meeting of the Chinese Electric Power Council in December 1997, five cities -Beijing, Shanghai, Guangzhou, Suzhou, Chongqing- were selected for electric power transmission system improvement as quickly as possible.

Chongqing City, located in the mid-western region of China, is the largest city on the upper and middle sections of the Changjiang River. Because of superannuated transmission equipment and overload in the distribution system, the power loss rate in Chongqing has increased to 8.81% (1996) , which was the worst record of the above-mentioned five cities and the situation has not been improved.

The project is to rehabilitate and expand the power distribution system in Chongqing City in order to reduce power loss and increase distribution capacity. It is estimated that the Project will cut power loss by 0.43 billion kWh/year, also reducing consumption of coal in thermal power stations and reducing air pollution.

The proceeds of the loan will be used for the procurement of substations, transmission lines, transformers, metering systems, and other works and services related to the project.

The executing agency is the State Power Corporation of China (Address: 137 Fuyou Street, Beijing, China, P.O. Code 100031, Tel: 86-10-6054131, FAX: 86-10-6016077).

[back to project list](#)

#### **(14) Hangzhou - Quzhou Expressway Construction Project**

During the Ninth Five-Year Plan period (1996-2000), the Government of the People's Republic of China and the Chinese Ministry of Communications are working to create a National Trunk Highway Network, comprising five north-south and seven east-west highways. These twelve trunk highways will link China's developed coastal regions and its undeveloped interior regions, promoting economic development in the interior regions and all of China.

The project is to construct 237km of expressway between Hangzhou and Quzhou in Zhejiang Province, as part of the National Trunk Highway from Shanghai City to Kunming in Yunnan Province, in order to promote economic development in the interior regions of China and Zhejiang Province, to improve communications between Hangzhou and Quzhou, to meet the large future traffic volume, and to secure safety for high speed driving.

In Zhejiang Province, other highway construction projects, including the Shanghai-Hangzhou Expressway Project and Hangzhou-Ningbo Highway Project, have been drawn up. This project is part of the highway network in Zhejiang Province.

The proceeds of the loan will be used for the procurement of materials for civil works, road facilities, including a toll-collection system, traffic system, communication system, and consulting services for construction supervision.

The Feasibility Study (F/S) for this project was carried out by the Japan International Cooperation Agency (JICA).

The executing agency is the Ministry of Communications (Address: 11 Jianguomennei Avenue, Beijing, China, P.O. Code 100736, Tel: 86-10-65293102, FAX: 86-10-65293156).

[back to project list](#)

#### **(15) Wanxian - Liangping Highway Construction Project**

During the Ninth Five-Year Plan period (1996-2000), the Government of the People's Republic of China and the Chinese Ministry of Communications are working to create a National Trunk Highway Network comprising five north-south and seven east-west highways. These twelve trunk highways will link China's developed coastal regions and its undeveloped interior regions, promoting economic development in the interior regions and all of China.

The Project is to construct 67km of mountain and highland highway between Wanxian and Liangping in Chongqing City, as part of the National Trunk Highway from Shanghai City to Chengdu in Sichuan Province, in order to promote economic development in the interior regions of China and Chongqing City, improve communications between Wanxian and Liangping, and meet the large future traffic volume and secure safety for high speed driving.

Promoted to a municipality directly under the central government in March 1997, Chongqing, a city with a population of more than 30 million, is an economic hub of the Chinese interior. It is, moreover, necessary to create a highway network for the Three Gorges Project and the Yangtze River Development Project to be successful.

The proceeds of the loan will be used for the procurement of materials for civil works, road facilities, including a toll-collection system, traffic system, communication system, and consulting services for construction supervision.

The executing agency is the Ministry of Communications (Address: 11 Jianguomennei Avenue, Beijing, China, P.O. Code 100736, Tel: 86-10-65293102, FAX: 86-10-65293156).

[back to project list](#)

OECD carried out SPROF\*\* studies for project number (1)-(4) and (7)-(9) to confirm M/P, plan for sub-project and so on.

\*\*SAPROF (Special Assistance for Project Formation)

Development projects must be studied from various viewpoints, which calls for expertise in different fields. However, owing to a lack of financial, technical or other resources, project planning cannot always be carried out adequately by developing countries themselves, even when a project is very necessary. In such cases, when a country requests, or indicates the intention of requesting, a Japanese ODA loan, OECD can carry out a supplementary "SAPROF" study, in this way assisting the developing country to prepare the project.