

Nanning-Kunming Railway Construction Project



Bridge between Kunming and Kunming South, Nanning-Kunming Line

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥57,696 million / ¥40,776 million
Loan Agreement	October 1991 ~ January 1995
Terms and Conditions	Interest rate: 2.6%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	(Final loan agreement is under disbursement)

Project Profile

The project was to construct a new electrified line on the route from Kunming to Nanning (the Guiyang-Kunming Line), which was saturated, to increase the transport capacity of the line and thereby expand the supply of resources such as coal, cokes and phosphorous ore to the South and the coastal industrial zone.

Results and Evaluation

The Nanning-Kunming Line constructed under the project takes the shortest route from Yunnan Province to the Guangxi Zhuang Autonomous Region. The line opened at the end of 1997 and the volume of freight carried on the line has been expanding steadily from 1998. In particular, freight from Kunming to Nanning in 2000 (15.62 million tons/year) has already exceeded the volume forecast for 2005 (13 million tons/year). On the other hand, freight volume on the existing line dipped in 1998 before recovering in 1999. Therefore the project has helped to supplement the transport capacity of the existing line.

Maintenance work was transferred to the jurisdiction of the Kunming Railway Administration in April 1997. Maintenance is conducted within the budget allowed, but the transfer of assets from the Ministry of Railways to the regional Railway Administration has not yet been completed.