

China

Dadong - Qinhuangdao Railway Construction Project (I)(II)



A freight train carrying coal through Da Shi Zhuang Station

Outline of Loan Agreement

Loan Amount / Disbursed Amount	18,410 million yen / 15,900 million yen
Loan Agreement	August 1988 / May 1989
Terms & Conditions	Interest rate 2.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	August 1993 / May 1994

Project Outline

The project covered the construction of a new electrified single-track line on the section of the Da Shi Zhuang and Qinhuangdao (242km) as a Phase II of Dadong and Qinhuangdao line construction (total length 652km), in order to meet increased demand for coal transportation to Qinhuangdao.

Results and Evaluation

China's national economy developed under both China's seventh (1986-90) and eighth (1991-95) five-year plans, prompting an increase in demand for energy, and there was a substantial increase in coal demand especially in the coastal regions, where economic development was remarkable. During the implementation of this project, in 1990 the China side decided to convert to double-tracks using its own funds, thus the double-tracking work was front-loaded.

The majority of coal produced in northwest China is transported to Qinhuangdao via a total of three rail routes. Of these, the share transported on the Dadong - Qinhuangdao line has shown steady growth since it opened in 1992, with Dadong - Da Shi Zhuang accounting for 68% and Da Shi Zhuang - Qinhuangdao for 54% in fiscal 2000. The volume of coal transported on the Dadong - Qinhuangdao line increased from 20 million tons in 1995 to 60 million tons in 2000, and since the coal transported on the other two lines has already been transferred to the Dadong - Qinhuangdao line, the project section has made a significant contribution to meeting the demand for coal transportation in the region.

The engineers responsible for Dadong - Qinhuangdao line are highly experienced and training has been provided for general laborers, thus there have been no particular problems in the operation and maintenance system to date.