



<b>1. Project Data :</b>	
<b>OEDID:</b>	C2391
<b>Project ID:</b>	P003630
<b>Project Name:</b>	Ship Waste Disposal Project
<b>Country:</b>	China
<b>Sector:</b>	Ports & Waterways
<b>L/C Number:</b>	Credit 2391/TF.28613-CHA
<b>Partners involved :</b>	GEF
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<b>Date Posted :</b>	04/20/1998

**2. Project Objectives, Financing, Costs and Components :**  
**Objectives :** (1) To reduce pollution of international and Chinese territorial waters caused by ships' wastes and assist China's ports to meet obligations of an international treaty (MARPOL) to receive, treat and dispose wastes from shipping through (a) improved monitoring and analysis of the problem; (b) improved policy, regulatory and incentive frameworks; and (c) the provision of infrastructure to receive and safely dispose of ship wastes . **Components :** The project consisted of a national component and a port's component . The former included (i) establishment of data collection system of ship traffic and related wastes by type; (ii) preparation of oil spill contingency plan ['tier 1'] for the six principal ports, including equipment; (iii) preparation of terms of reference for study of a large marine ecosystem (Yellow Sea); (iv) a study to develop a system for the treatment of chemically contaminated wastewater; (v) improve coordination among relevant national authorities to upgrade environmental monitoring within ports, coastal and nearby international waters; (vi) implement a port tariff schedule for cost recovery of ship waste facilities; and (vii) consultant services and training relevant to the project . The latter included: (a) design and construction of waste reception and disposal facilities at principal ports; and (b) upgrading or establishment of environmental monitoring and enforcement capabilities in these ports . **Costs and financing :** The project costs were US\$69.5 million for which the IDA Credit of US\$15 million equivalent and GEF Grant of US\$ 30 million equivalent were approved June 1992. Due to SDR appreciation small amounts were canceled from the credit and the grant, but, in dollar terms, slightly more than the original loan amounts were disbursed . The local contribution was US\$ 21.8 million.

**3. Achievement of Relevant Objectives :**  
 All project objectives were fully achieved . The five studies and the training under the national component were successfully carried out, their recommendations were adopted and some have been implemented . The component for port-specific facilities and upgrading of capabilities was also successfully completed . The latter includes the upgrading of the Environmental Monitoring Center at the Ministry of Communications (MOC) in Beijing to assist smaller port authorities and to improve decisionmaking in the Ministry of Communications .

**4. Significant Achievements :**  
 Every project component constitutes a significant achievement on its own right . As 'results on the ground' yearly over 6 million tons of ships' waste will no longer be dumped into the ocean .

**5. Significant Shortcomings :**  
 None. The project tackled a complex and extensive set of issues successfully . Nonetheless, continued work will be required as outlined in 'Future Operation' section of the ICR, and in ports not included in the project, to address all domestic shipping and to ensure cost recovery .

<b>6. Ratings:</b>	<b>ICR</b>	<b>OED Review</b>	<b>Reason for Disagreement /Comments</b>
<b>Outcome:</b>	Highly Satisfactory	Highly Satisfactory	
<b>Institutional Dev .:</b>	Substantial	Substantial	

<b>Sustainability :</b>	Likely	Likely	
<b>Bank Performance :</b>	Satisfactory	Highly Satisfactory	A complex project was implemented well, shortcomings that might have existed at preparation/appraisal were resolved in supervision/implementation.
<b>Borrower Perf. :</b>	Satisfactory	Highly Satisfactory	ditto
<b>Quality of ICR :</b>		Exemplary	

**7. Lessons of Broad Applicability :**

(1) Team work approach by the Bank **and** the Borrower. The Bank used a multidisciplinary team to follow the project from identification to completion. The Borrower provided good coordination and leadership that ensured participation and results by all ten involved Ministries and agencies . (2) Good projects have high "demonstration value" that "scale up" the results. The present project has triggered training exercises for potential oil spills, adoption of a multiport ship waste tracking system, and in general convinced the Borrower of environmental benefits . (3) Established regulatory and management regimes are needed for the project's replication in other countries, or such regimes must be first established and tested .

**8. Audit Recommended?**  Yes  No

**9. Comments on Quality of ICR :**

The ICR, including the borrower response, is exemplary and very thorough .