

## Project Summary for Public Disclosure

Project Name	Xi'an Xianyang International Airport Phase III Expansion Project
Country	The People's Republic of China
Sector	Transport
Concept Approval Date	26 August 2021
Board Approval Date	18 July 2022
Total Project Cost	RMB 47 billion
Initial Limit of NDB Financing	Up to RMB 805 million
Current Limit of NDB Financing	Up to RMB 805 million
Borrower	The People's Republic of China
Project Entities	Executing agency: The People's Government of Shaanxi Province (GoS) Implementing agency: China West Airport Group Co. Ltd. (CWAG)
Project Context	<p>Xi'an is the capital city of Shaanxi Province situated in northwest China. The city was the ancient capital of China and the starting point of the Silk Road. Xi'an is home to the Mausoleum of the First Qin Emperor and the Terracotta Army, which is classified as a world cultural heritage site and attracts millions of tourists annually. The city also has a strong industrial and manufacturing base in sectors such as electronics, machinery, chemicals, automatic controls, and aerospace. It is located at the geographic center of China and serves as a vital transportation hub.</p> <p>The Xi'an Xianyang International Airport (XXIA) is the largest airport in northwest China with a design capacity of 31 million passengers and 0.44 million tonnes of cargo annually. In line with the strong economic development of the region, the passenger traffic at XXIA has grown by more than four times from 2007 to 2019, while the cargo traffic has grown by more than three times during the same period. In 2019, XXIA was the seventh busiest airport in China and 40<sup>th</sup> busiest in the world based on passenger traffic. The rapid growth in traffic has led to capacity constraints at the existing airport, with passenger traffic already exceeding design capacity.</p>
Project Objective	The Project will address the capacity constraints of the existing airport by expanding the airport facilities to meet the growing demand for air travel for business and tourism. The Project also aims to develop XXIA

	as a comprehensive transportation hub by enabling multi-modal connection with other transport modes.								
Project Description	<p>The Project comprises construction of three new runways with associated taxiway system (along with conversion of existing runway into a parallel taxiway), apron, terminal building, ground transportation center, cargo facilities and supporting infrastructure.</p> <p>After expansion, XXIA will have a design capacity to support annual passenger throughput of 83 million, cargo throughput of 1 million tonnes and flight movements of 594,000, able to serve the projected demand until 2030.</p>								
Expected Benefits	The Project outcomes will be increased annual passenger throughput of 16% and cargo throughput of 45% in 2027 as compared to 2019 levels due to improved capacity and efficiency of air travel to and from Xi'an.								
Environmental and Social Aspect	The Project has been classified as Category A in accordance with the NDB Environment and Social Framework. The main environmental and social impacts include land acquisition and resettlement, clearance of tombs and relics of archaeological importance identified within the expansion area, and noise and air pollution impacts on neighbouring communities during operations. Adherence to country systems and implementation of management plans, including the E&S Impact Management Plan prepared in consultation with NDB, will minimize and mitigate these impacts.								
Financing Aspect	<p>The Project will be financed through loan from NDB, funding from domestic banks and counterpart funding from governmental sources and CWAG.</p> <table border="1"> <thead> <tr> <th>Source of Fund</th> <th>Amount (RMB million)</th> </tr> </thead> <tbody> <tr> <td>NDB Loan</td> <td>805</td> </tr> <tr> <td>Loans from domestic banks</td> <td>22,659</td> </tr> <tr> <td>Counterpart funding</td> <td>23,464</td> </tr> </tbody> </table>	Source of Fund	Amount (RMB million)	NDB Loan	805	Loans from domestic banks	22,659	Counterpart funding	23,464
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Implementation	<p>GoS is the executing agency, responsible for overall planning of the Project, guiding and monitoring its execution, and achieving planned results. CWAG is the implementing agency, responsible for implementing the Project under the guidance of the executing agency. Commercial operations of the Project are targeted to commence in 2026.</p> <p>NDB Loan will finance procurement of equipment and system components for the Project, following the country system procurement laws and regulations and complying with the core principles of NDB Procurement Policy.</p>		
Contacts	<b>NDB</b>	<b>Borrower</b>	<b>Implementing Agency</b>
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