

## CHINA

### CWA: Increasing the provision of drinking water and sanitation services in China



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China Water Affairs Group Limited (“CWA”) is one of the main Chinese actors in the water and sanitation sector. PROPARCO is assisting CWA in improving access to drinking water and sanitation in China, one of the countries the most concerned by water shortages.

#### PROJECT DESCRIPTION

The project will increase the provision of water and sanitation services. PROPARCO’s financing will contribute to the production of an additional 200,000 m<sup>3</sup> of water a day and to the development of an additional sanitation capacity of 100,000m<sup>3</sup> a day. It will also improve the connection to water supply networks and sanitation services in the targeted provinces, which will promote more balanced development.

#### CLIENT PRESENTATION

China Water Affairs Group Limited (“CWA”) is one of the main operators in the water and sanitation sector in China. CWA has a highly diversified portfolio of activities covering the entire value chain:

- water supply (raw & drinking water),
- wastewater collection and treatment,
- the installation of water pipes and electronic meters and,
- water resources management.

CWA has become one of the most integrated players in the sector. This currently allows it to deploy a capacity of 13 million m<sup>3</sup>, supplying over 10 million people with drinking water in rural and peri-urban areas (3 & 4 tier cities).

#### PROJECT IMPACT

The project will also contribute to improving social well-being as the three concessions targeted by PROPARCO’s financing are part of a more general development program, which will eventually provide some 10 million people with access to a drinking water service meeting WHO standards and with affordable tariffs (block tariffs increasing depending on consumption bands), which will directly result in people being less exposed to water-borne diseases.

On the environmental level, the project will contribute to biodiversity conservation and the management of natural environments and resources, by reducing pollution caused by the discharge of effluents for wastewater treatment projects. Indeed, the project will improve wastewater treatment, in particular sludge collection. It will also contribute to reducing CO<sub>2</sub> emissions, as CWA aims to achieve a 28% rate for the use of solar energy by 2020.

In terms of job creation, the operator will employ some 12,000 people over the next 5 years, i.e. 4,100 more than at present. Women will account for 40% of this growth in employment.

Finally, the project will have a positive impact on resilience to climate change. Indeed, this financing of DWS and sanitation systems in China aims to meet drinking water needs in the region of Jiangxi, a region where there is a high prevalence of water-borne diseases, whose risks are set to further increase due to climate change. PROPARCO’s financing consequently

06/11/2018

Date of signature of the project



Infrastructures  
sector(s)



China  
Location



Loan  
Financing tool



44 216 484 Euros  
Amount of funding



Loan of USD 50m  
Financing details



China Water Affairs Group Ltd  
Client

**B+**

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has a 74% Adaptation dimension (USD 36.7m), as two of the concessions targeted by the project will significantly improve the quality of water distributed to residents in Jiangxi Province.