

NPRS-PRF

Partners in Poverty Reduction

Forum on

**Inclusive Growth and Poverty
Reduction in the New Asia and Pacific**

4-9 October 2007 • ADB, Manila, Philippines



PRO-POOR INFRASTRUCTURE: A Case from PRC

GUOBAO WU

PRC Government's Pro-poor Infrastructure Approaches

- Sustained high growth rate of national economy achieved in PRC in the past three decade, stimulated partly by lasting growth of investment in infrastructure at one hand, and creating Increasing demands for the services provided by infrastructure development at the other hand.
- Pro-poor growth has been the most important source of poverty reduction in China. In particular, the growth achieved by rural economical system reform and by interregional resource mobility (mainly migration) contribute largely to the poverty reduction.
- Transport infrastructure is one example of the infrastructure development in China. The investment in transport infrastructure from 1990-2005 increased over 20% annually.

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PRC Government's Pro-poor Infrastructure Approaches

- Three approaches are adopted in Pro-poor transport infrastructure development in PRC
 - Develop local roads to link with the National Trunk Highway System and railways
 - prioritize improving road accessibility in rural areas and underdeveloped regions (the west region) to reduce rural-urban and interregional disparity
 - Implement targeting programs, e.g. Food for Work program, Poor Village Development Planning.

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Table 1. Change of Annual Average Growth Rate in Road Length in PRC

<i>Year</i>	<i>Total</i>	<i>Natio- nal</i>	<i>Provin- cial</i>	<i>County</i>	<i>Town- ship</i>	<i>West</i>
1990- 1995	2.40 %	0.60 %	1.10%	1.50%	4.20%	1.35%
1995- 2000	7.70 %	1.50 %	3.90%	4.70%	12.00%	4.82%
2000- 2005	2.80 %	2.20 %	1.90%	1.40%	4.20%	7.10%
1990- 2005	4.30 %	1.40 %	2.30%	2.50%	6.70%	4.40%

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ADB's pro-poor infrastructure Approach in PRC

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- Roads and railways accounted for 27 of the 58 ADB loans to PRC approved from 1997–2005, accounting for 66% of the loan portfolio over the time
- Locating the transport projects in poor regions used to be the key approach for ADB to enhancing poverty reduction impacts of transport projects
- Linking expressways and railways to local roads has become another focus recently
- Efforts have also been made to improve the capacities of PRC government line departments in planning and M&E of pro-poor transport projects. At least four ADTAs were allocated in the field, one is supported by PRF (TA 4322:Poverty Impact of Area-Wide Road Networks)

TA 4322:Poverty Impact of Area-Wide Road Networks

- The TA was approved in 2004, started in November 2004, and was completed in May 2006
- **Objectives of the TA**
 - Improve the planning process of road network investments
 - demonstrate a working model to connect local roads and expressways
 - provide cross-disciplinary skills and tools to incorporate economic, social and poverty issues in all stages
- **Major Outputs**
 - **Develop an Area Wide Road Network Model** to link poor communities and to help the Government move away from the single-project approach.
 - **Develop a user friendly and workable computerized information system** to provide uniform social, economic, engineering, transport, and area-specific data
 - **Improve the Government's feasibility study methodology**
 - **Develop a road construction and monitoring system**
 - **Build capacity**, training EA and staff of selected provinces and agencies

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TA 4322: Poverty Impact of Area-Wide Road Networks

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- Effects on the pro-poor infrastructure development in PRC
 - The development of the Area-Wide Road Network Model helps the government line departments better understand the conceptual and practical linkages between road network development and poverty reduction
 - Initial inputs into the development of the information system, which broadens data collection to include information on poverty and safety
 - The launched training activities and pilot help the participated agencies and people have improved understanding and skills of planning and managing pro-poor area-wide networks

Lessons Learned

- Take sufficient account of the roles of the government in TA development and implementation
 - Accord with the government's development strategy and planning
 - Let the government take more initiatives
 - and ensure the government's ownership of the TAs under implementation
- Address technical and institutional issues equally
- Take account of the existing situations when developing a new system
- Take follow-up actions after the completion of the TAs

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