

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: ECAE

TA No. and Name TA 3663 PRC: Optimizing Initiatives to Combat Desertification in Gansu Province			Amount Approved: \$610,000	
Executing Agency: Gansu Provincial Finance Bureau			Revised Amount: -	
Source of Funding: JSF		TA Amount Undisbursed \$114,634.56	TA Amount Utilized \$495,365.44	
Date			Completion Date	
Approval 5 June 2001	Signing 11 October 2001	Fielding of Consultants 30 Jan 2002	Original 30 Nov 2002	Actual 10 Dec 2002
			Closing Date	
			Original 30 Nov 2002	Actual¹
Description				
<p>Gansu, one of the poorest provinces in the People's Republic of China (PRC), has more than 14 million hectares of deserts (32% of its total area). In the past three decades, the rate of desert expansion has increased due to an increasing population, whose needs have resulted in conversion of land to agriculture, deforestation, destruction of natural vegetation, overgrazing, unsustainable rates of groundwater use, increased irrigation and urban water use, and other unsustainable practices, particularly in poor land use decisions and destructive farming and grazing practices. The most vulnerable members of communities and especially the poor have tended to suffer the most from environmental degradation. Worsening land degradation (LD) in Gansu in recent decades owes much to the development policies and strategies of the past half-century. Well-intentioned policies that had negative environmental impacts includes (i) relocation of people from densely populated areas to frontier areas of the north and west, (ii) food self-sufficiency and enforcement of grain quotas, (iii) conversion of grasslands for cropping and intensive grazing in marginal areas, and (iv) expansion of irrigation and introduction into unsuitable areas of crops that require much water. Inappropriate land tenure arrangements and restrictions of labor mobility have also had negative impacts. Most desertification (LD in dryland environments) has occurred in grasslands, which cover 40% of Gansu's territory, and are an important natural resource as they provide critical environmental and economic functions, including clean air and water, productive soils and forage for wild and domestic animals, biological diversity, goods and services, employment opportunities, community benefits, ecotourism, and naturalness. Yet, these benefits and intangible qualities depend upon the long-term sustainability of the watersheds and grasslands to ensure that the ecological, economic, and social values can be enjoyed.</p> <p>The PRC has developed successful techniques of sand and soil stabilization and revegetation, and large areas have been rehabilitated. But issues of sustainable impact and the economic costs and benefits of such programs are less well understood. Major programs (e.g., the major six programs implemented by the State Forestry Administration, and other programs) have often pursued environmental goals that stressed environmental rehabilitation (e.g., "ecological construction") that were engineering and technically based, and were not necessarily linked to sustainable livelihoods of the people living in these areas impacted. The development agendas of different development agencies (e.g., agriculture, water resources, forestry, animal husbandry) were not well coordinated in a strategic approach to overcome LD.</p> <p>Gansu has two broadly distinct regions of LD. The Loess Plateau (for which a model for addressing LD has been identified with World Bank assistance), and the Hexi Corridor. The Hexi Corridor, a 1,600 kilometer band extending across the province's north and north-west is dry (50-200 millimeters of annual rainfall) and severely degraded: almost 30% is hyperarid desert, 6% is crops, 5% is forests and about 59% is grasslands. About 130,000 hectares have been abandoned to drifting sand and 4,000 villages are under threat. Gansu's grasslands will continue to degrade until comprehensive grassland use regulations are developed and enforced. Recommendations on stabilizing or restoring grasslands or other environments cannot simply be an exercise in matching a technical solution with a physical problem. For instance, merely developing a prescription for each symptom (e.g., plant shelter belts on sand dunes to control wind erosion) is not a long-lasting solution to the grassland degradation problem. The people who use the grasslands live in a complex environment of physical, financial, social, educational, institutional, and regulatory forces that influence their actions. Therefore, LD can only be halted and reversed by examining the various forces that affect the people who are using the resources.</p>				
Objectives and Scope				
<p>The objectives were to assist the Government of Gansu to develop policies, strategies, and supporting projects to improve natural resource management and foster sustainable development by controlling and preventing desertification and enhancing oasis ecosystems in the Hexi Corridor. The TA aimed to ensure that policies and strategies cover the range of conditions of desertified areas throughout the Hexi Corridor. The scope included (i) a review of data covering (a) socioeconomic indicators; (b) desertification control technology being used; (c) plans being implemented covering poverty, water, agriculture, forestry, rangelands, and watershed conservation; (d) environmental regulations and habitat conservation and monitoring; (e) legal, institutional, and regulatory framework for resource management; (ii) reconnaissance surveys of the Shule, Hei, and Shiyang river basins to (a) identify common aspects; (b) prepare inventories of significant characteristics; (iii) a detailed study of a selected river basin (one of the above three); (iv) a</p>				

¹ TA account remains to be closed. Final Statement of Eligible Costs is under processing by CTL.

geographic information system to delineate areas of pressure on resources; (v) strategies to improve social development, land use planning, agricultural management, and desertification control; (vi) recommendations to revise policies and strategies and implement institutional reform to support cross-sectoral natural resource management; and (vii) proposals for improved community participation in resource management supported by basic services and incomes for people whose livelihoods are likely to be affected by the changes brought about by the recommended changes in land use policies and strategies. Workshops and a study tour to a selected country that demonstrates successful anti-desertification control and related improvements to rehabilitate degraded lands, sustainable environmental management, and rural development.

Evaluation of Inputs

The TA was very well designed with clearly achievable objectives and scope. The topic was ambitious, requiring multi-sector work that is not easy to undertake in the PRC. Nevertheless, the TA planned for this and took appropriate measures to ensure smooth implementation. The focus on the Hexi Corridor was appropriate as this is an important area suffering from an increasing LD problem, and without an apparent solution.

The consultants (planned 22.75 person-months domestic and 15 p-m international; actual 22.33 p-m and 15.58 p-m respectively) were recruited through a consortium of firms. The services provided by the international and domestic consultants were excellent, with the reports being timely, imaginative and well-based in terms of analysis and presentation. The international team leader was a leading expert in the field of desertification control and was able to speak authoritatively and convincingly of the need for a strategic and long-term approach. The workshops were successfully conducted with the various institutional stakeholders and officials. The international firms also combined well and were able to plan and execute a highly successful study tour of dryland areas in the USA. The domestic consultants were highly capable and motivated and provided insightful reports and analysis. Selection of the Provincial Finance Bureau as the EA was appropriate as sector agencies find it very difficult to organize other sector agencies in the PRC. The EA performed its duties well in coordinating the main agencies in a multi-agency approach that was taken during the implementation of the work. It is not clear, however, what long-term impact this TA has had in influencing the leadership of the province towards taking a strategic approach to combating desertification in the areas studied or in the province overall.

Evaluation of Outputs

The reports prepared by the consultants were in accordance within the scope of the TA. These were of high quality and were prepared in collaborative team spirit and in a timely way. A clear strategy to address LD in the Hexi Corridor was developed and set out in the final report. The consultants also briefed the Vice-Governor on the need for action and the steps required for a long-term, phased approach. The project concept identified in the final report was sound; however, the further development of this concept by the Gansu Government, or practical results coming from the advice given to the provincial leadership is as yet unclear. The study tour to the USA was well designed and professionally delivered to the participants, although not all participants were selected based on merit or professional involvement in efforts to combat desertification.

The reports prepared and the lessons learned from this TA were useful in the preparation of the *PRC-GEF Partnership on Combating Land Degradation*, as approved by the Global Environment Facility's Council in October 2002. Gansu is one of six provinces/autonomous regions selected to be part of phase 1 of the Partnership.

Overall Assessment and Rating

The TA was highly successful in assessing the options available to Gansu Province and in developing a practical strategy for dealing with desertification. The consultants also briefed the Vice-Governor on the need for action and the steps required for a long-term, phased approach. The study tour to the USA was very useful to the participants. Importantly, the reports prepared were very useful in the preparation of the *PRC-GEF Partnership on Combating Land Degradation*, approved by the Global Environment Facility's Council in October 2002. Gansu is one of six provinces/autonomous regions selected to be part of phase 1 of the Partnership. As a result of the TA, Gansu is much better informed about the needed priorities for addressing desertification in the future.

Major Lessons Learned

This TA has highlighted the key problems that must be addressed in Gansu. However, educating decision makers to understand that the root causes of desertification (unsound policies, destructive practices, lack of knowledge of the capacity of ecosystems, poverty) must be addressed—and not just technical solutions that treat the symptoms of the problem and not the root causes, is an ongoing process. Despite the value of the TA, an important lesson is that addressing desertification will require a coordinated multi-agency approach over a long period of time.

Recommendations and Follow-Up Actions

Gansu is one of six provinces/autonomous regions selected to be part of phase 1 of the PRC-GEF Partnership on Land Degradation, and as such the province will be able to derive further advantage of the work of the TA. ADB staff have followed up with high-level provincial authorities in subsequent meetings to highlight the messages that have been given by the TA. The province has indicated that it wishes to implement a comprehensive strategy involving capacity building and anti-desertification investments, especially under the *PRC-GEF Partnership on Combating Land Degradation*.

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Designation

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