

ASIAN DEVELOPMENT BANK

TAR:PRC 34503

TECHNICAL ASSISTANCE

(Financed by the Poverty Reduction Cooperation Fund)

TO THE

PEOPLE'S REPUBLIC OF CHINA

FOR

**CAPACITY STRENGTHENING OF PRC'S NATIONAL DEVELOPMENT
PLANNING PROCESS**

December 2003

CURRENCY EQUIVALENTS

(as of 15 December 2003)

Currency Unit	–	yuan (CNY)
CNY1.00	=	\$0.1208
\$1.00	=	CNY8.27

ABBREVIATIONS

ADB	–	Asian Development Bank
CSPU	–	country strategy and program update
DFID	–	Department for International Development
DPD	–	Development Planning Department
FYP	–	five-year plan
IMF	–	International Monetary Fund
MOF	–	Ministry of Finance
NDRC	–	National Development Reform Commission
NPC	–	National People's Congress
PRC	–	People's Republic of China
PRCM	–	People's Republic of China resident mission
Q	–	quarter
SC	–	State Council
SDPC	–	State Development Planning Commission
TA	–	technical assistance
TOR	–	terms of reference
UNDP	–	United Nations Development Programme

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. In 2002, the Government of the People's Republic of China (PRC) requested Asian Development Bank (ADB) assistance to strengthen the PRC's national strategic planning process. With the rapid transformation of the PRC, there is a need to continue to develop the national strategic planning process to bring it more in line with best practices in developed countries. The PRC Government has proposed technical assistance (TA) throughout 2004 to strengthen the planning process, leading to the drafting and eventual passage of the 11th Five-Year Plan (11FYP). A Fact-Finding Mission visited Beijing 09–15 October 2003 and reached an understanding with the Ministry of Finance (MOF) and the National Development Reform Commission (NDRC) on the objectives, scope, cost financing, and implementation arrangements for the TA. The TA framework is in Appendix 1.

2. This advisory TA was originally included in the Country Strategy and Program Update (CSPU) 2002, but was put on hold due to the impending reorganization of the State Development Planning Commission (SDPC) now NDRC.¹ MOF reiterated the proposal in March 2003 following the reorganization of SDPC. The NDRC's formal request was for ADB assistance to strengthen its internal capacity to develop the PRC's 11th Five-Year National Development Plan in a manner that is more participatory and comprehensive, and permits increased feasibility analysis, consistent with progressive strategic planning approaches. Very recently, MOF gave this TA its highest priority and indicated the urgency of beginning at an early stage in the next FYP drafting cycle.²

II. ISSUES

3. The PRC's FYP system has been in existence since the founding of the PRC in 1949. Since the first FYP in 1953, the FYP has played a dominant role as the blueprint for defining the shift from a command-driven economy to one that is propelled by market forces. Each successive FYP has defined the formal path for development, providing the route and direction for the successive steps of transition: from the command-driven system to a more liberalized one. The evolution FYP also mirrored the alterations in the role of government as it shifted power from central planning agencies to greater devolution and decentralization in decision making to subnational governments and the private sector. The FYP has accurately reflected the changeover from a mainly competitive economic focus to one that is also concerned with social and sustainable development, structural and institutional reform, and is compatible with market economics.³

4. The most recent 10FYP (2001-2005), referred to as the “the first magnificent blueprint for the new century” is an important milestone, as it ushered in more realistic official national targets, priorities, policy orientations, and directions.⁴ Despite this progress, the FYP currently resembles a very detailed public investment plan rather than a national strategic plan with a

¹ During the March 2003 National People's Congress, the transformation of the former SDPC into the NDRC was announced. Various planning entities and departments of other ministries were merged into a single formal planning institution.

² The TA first appeared in *ADB Business Opportunities* on 4 November 2003.

³ Although the primary objective was economic growth, the FYP was far-reaching and was formulated due to the need to combine growth and social development so as to reduce the East-West gap and differences between cities and rural areas and improve the connections across the provinces and the links across countries in the border areas, particularly the southern and western regions.

⁴ Adopted in the Fifth Plenary Session of the XVth Central Committee of the Chinese Communist Party and the Fourth Session of the IXth National People's Congress on 16 March 2002.

clear vision and coordinated strategic objectives. In 10FYP, the government continues to have a strong role in guiding resource allocation and does not confine its responsibility to provision of public service and public goods or the enabling environment for the market to provide those. The text also needs to be improved to make it more concise and provide more substance and details, particularly in analyzing issues and assessing the contribution of various plans to the economy.

5. The Government recognizes that the FYP formulation process is significantly flawed.⁵ The current system tries to cobble together some 6,000 separate subplans from a myriad of central and local government bodies and sector entities. There is no overall formulation framework that defines the process, the sequencing, the authorization, and roles and responsibilities of various contributing bodies. For example, the State Council (SC) has no authorization to approve the provincial FYPs, but is required to check and approve the provincial urban municipal plans, formulated under the direction of the provincial plan. Although there exist 16 specific laws and regulations passed by the National People's Congress (NPC) on individual plans, there are no overriding laws or regulations that govern the planning activities of government agencies or subnational governments, the standard content of these plans, and the division of labor for developing them. There are additional critical weaknesses: (i) the time frame for the FYP is currently rigid without flexibility for various sector plans; (ii) there are three independent systems for planning including regional planning, but effective coordination and integration of the various levels have not yet been achieved or their linkages to annual plans formalized; (iii) public hearings need to be more inclusive and responsive by consulting with the public at large on FYP formulation, with clearer rules, procedures, and participation criteria applicable to all contributing bodies;⁶ (iv) the planning process has not yet been linked to budget realities or resource forecasting;⁷ and (v) Government focus is just on plan formulation and neglects implementation, performance evaluation, and risk management.

6. In 10FYP there are strong poverty reduction and development content, including poverty reduction objectives, strategies, and specific targets (e.g., by 2005 gross domestic product per capita to reach CNY9,400; 40 million urban and 40 million rural new jobs created; urban unemployment not to exceed 5%, and so forth). Sustainable development is the key strategic direction identified and individual sections are devoted to the poverty reduction agenda, the proportion of economic resources that will be allocated to action plans. The action plans call for further reform, especially coordinated economic and social development, to improve the livelihoods of the poor.⁸ However, overall poverty reduction objectives and activities tend to be confined to select chapters rather than systematically integrated throughout the FYP.

⁵ An extensive review by National Development Reform Commission of the weaknesses of FYP.

⁶ For the 10FYP, 10,000 comments were received from the public, following the posting of the draft on the Internet: 300 were accepted. For 11FYP, the first proposal calls for public bidding to research institutions and encourages public contributions and participation. The Law-Making Law does not set minimum standards of public consultations, the time frame or treatment of comments from the public at large. The PRC Governance Assessment identified weaknesses in the public consultation process.

⁷ Much progress has been achieved on better budget management through support from the International Monetary Fund (IMF), United Nations Development Programme (UNDP), and Department for International Development (DFID) in setting up single treasury accounts and setting out individual budgets for each government ministry. World Bank and ADB have been supporting Government efforts to establish a progressive policy and institutional framework to reform expenditure and revenue assignments and to strengthen the fiscal alignment between central and subnational governments. The PRC Governance Assessment also identified lack of effective coordination of the FYP with the multiyear expenditure framework.

⁸ Action plans in the 10FYP address improving service delivery, access to the legal system, population, health, and education, and set out planned activities for improvements to livelihoods.

7. Declining impact of poverty reducing measures was identified in the October 2002 NPC as a major problem. The TA hopes to provide a strategic opportunity to influence the FYP by better prioritizing and sequencing actions for the poverty reduction policy and by providing ways to mainstream poverty reduction efforts through appropriate budget allocations. The TA will support the inclusion of appropriate policy responses that are pro-poor and mitigate further deterioration of income distribution and a widening of the rural-urban divide and coastal-interior gaps. All five components of the TA hope to mainstream poverty reduction aspects. Specific international country models that incorporate highly consultative approaches, and geographically equitable methodologies, and that place priority on poverty and social issues will be selected. Consultation during implementation with contributors and civil society will help strengthen design elements that will best correspond to improving the poverty reduction components of the planning process. Support in developing regulations and guidelines will stress poverty integration.

8. The planning cycle for 11FYP will run through three phases:⁹ (i) September 2003 to end-2004, the period of defining an improved planning system for addressing priority national issues and regional plans, formulating the regulations, and taking this to the SC for approval; (ii) during quarter 1 (Q1)–Q3 2005, drafting the 11FYP outline framework and taking it to public consultation; and (iii) starting from Q4 2005, drafting the plan under the guidance of the SC and submitting it to the NPC for review and approval following Central Party Committee endorsements in March 2006 for sending up to NPC.

III. THE TECHNICAL ASSISTANCE

A. Purpose and Output

9. The objectives of the TA will be to increase the capacity of NDRC to improve the process of drafting 11FYP and subsequent FYPs in a manner more consistent with international best practices. Specifically, it is to develop 11FYP in a manner that (i) is more reflective of broad public consultation, (ii) is linked to realistic budgetary and human resource forecasts, (iii) is better coordinated and aligned with the priorities of sector ministries and geographic regions, and (iv) incorporates poverty reduction in a more integrated and coordinated fashion into appropriate subsections and chapters. Overall, the TA is expected to enable the Development Planning Department (DPD) of NDRC to produce a more consensus-driven, poverty reduction-supporting FYP that has been derived from an improved public consultation process involving citizens and civil society. The outcome will be the advance to a more modern formulation and drafting process, one that will improve the articulation of priority areas for support and tie these to a realistic budget framework.

B. Methodology and Key Activities

10. The TA has five components:

- (i) **National conference.** An initial conference showcasing several international models will be held in Beijing for 100 participants. The participants will comprise planning staff of the NDRC's DPD and representatives of academic and planning entities such as the National People's Congress Consultative Group, State

⁹ According to the outcome of the 3rd Plenary of the 16th Central Party Committee, the 11th FYP is expected to focus on development of PRC's northeast area, to emphasize human resources and to concentrate on four key sectors.

Economic and Planning Commission, State Development Research Council, and county and city planning staff.

- (ii) **International intensive training.** The TA will support a month-long intensive training program in two international country locations for two groups of 15 lead planners from NDRC and county and city planning departments. The training will provide participants with intensive learning experience in international practices and approaches to national strategic plans.¹⁰
- (iii) **Pilot project.** The planning staff from six pilot counties and cities will attend a 1-day workshop that permits sharing experiences with NDRC participants of the international intensive training.¹¹
- (iv) **Drafting regulations.** Assistance will be provided in drafting the directives and regulations to sector ministries and county/city governments incorporating revised processes gleaned from the international model seminar and the intensive country training.
- (v) **Substantive studies on five topics.** Studies will be commissioned, both domestic and international, on five topics that will help in formulating the FYP. The selected topics will have significant implications for poverty reduction.¹²

11. The reports emanating from the seminar and from international training, with recommendations from international practice, will be disseminated to high-level officials in the SC. The outcomes of the TA will be incorporated into CSPU 2005. Training experiences will be used to scale up or bring lessons and experience in similar strategic country planning work to other transition developing member countries. The TA will complement the work of the World Bank that has contributed to the 10FYP by providing 22 strategic notes on substantive subjects. The six pilots will link up with Department for International Development (DFID) provincial partnerships, particularly for provincial-level poverty strategy formulation and with other initiatives such as those involving poverty workshops. This initiative will link to International Monetary Fund (IMF)/United Nation Development Programme (UNDP)/DFID work on the single-treasury account and to other capacity-building initiatives on fiscal reform, and ongoing work to achieve a medium-term expenditure framework¹³.

C. Cost and Financing

12. The total cost of the TA is estimated as \$520,000 equivalent, of which \$321,000 is in foreign exchange and \$199,000 equivalent in local currency. The entire foreign exchange cost

¹⁰ The international consultant will confirm the selection of all participants, in consultation with the project team.

¹¹ The representatives from the six pilot projects participated in training sponsored by International Business Machine on local strategic planning in Germany.

¹² The World Bank provided 22 substantive studies during the preparation of 10FYP, 19 of which were accepted by NDRC. No request as of this date has been made to the World Bank for the preparation of the 11FYP. The project team will continue to liaise with the World Bank on its participation in the development of 11FYP.

¹³ The medium-term expenditure framework (MTEF) is a multiyear budgeting tool designed to help the government plan expenditures for a given number of years (usually for a 3-year period) and evaluate projects and future investments. It aims to address macrofiscal planning as well as key sectoral expenditure issues.

and \$39,000 equivalent of the local currency will be financed on a grant basis from the Poverty Reduction Cooperation Fund. The Government will finance the balance of the local currency cost, equivalent to \$160,000, through the provision of airline tickets for domestic and international travel of participants, and office space, counterpart staff, transportation, and other services. Details of the cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

13. NDRC will be the Executing Agency and its DPD will be the Implementing Agency. The DPD has the necessary expertise and capacity to substantially contribute to the planning, detailed design, and implementation of the TA. The NDRC will provide the consultants with the necessary office space, counterpart staff, transportation, translation, and other services and will arrange appointments with relevant agencies and organizations. The central and county/city governments will support the airfare for their participants in the international intensive training component.

14. The TA will engage an international consultant for 4 person-months of intermittent service over the TA implementation period and domestic consultants for 4 person-months. The terms of reference for the consultants are in Appendix 3. The consultants will be selected and engaged as individuals in accordance with ADB's *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for selecting and engaging domestic consultants. The TA will start in January 2004 and will be completed in December 2004. Workshops will be organized near the end of the implementation period to invite comments from international and domestic experts in the field and disseminate the findings of the report. An advance-payment facility will be established, as conferences require funds prior to the conduct of the events.

15. The consultants will submit (i) inception reports 2 weeks after their services start; (ii) interim progress reports, which will include workshop evaluation reports, training feedback reports from participants, draft regulations, and reports to the SC; (iii) draft final reports 2 weeks before the conclusion of the contract, taking note of relevant experiences and lessons learned during the course of the training including the substantive studies; and (iv) the revised final report 2 weeks after incorporating the comments of NDRC and ADB.

IV. THE PRESIDENT'S DECISION

16. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$360,000 to the Government of the People's Republic of China to be financed on a grant basis by the Poverty Reduction Cooperation Fund for Capacity Strengthening of PRC's National Development Planning Process, and hereby reports this action to the Board.

TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Expected Results	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Goal A national strategic planning process that mainstreams priorities such as poverty reduction, built on improved ways of central-local and intrasectoral consultation and better linked to realistic forecast resources</p>	<p>A national strategic plan incorporating an improved strategic planning process</p>	<p>(i) Increase in number of public comments received and number accepted for inclusion</p> <p>(ii) Incorporation of poverty reduction attention within sectoral chapters of the national plan</p> <p>(iii) New planning rules and regulations approved</p>	<p>PRC's FYPs and annual plans</p> <p>Selected county/city FYPs</p> <p>Planning directives and guidelines issued</p>	<p>Government is committed to improve FYP process and develops more progressive approaches in strategic planning.</p>
<p>Purpose Increase the capacity of NDRC, in particular its DPD, to draft the next FYP using strategic planning methodology</p>	<p>Outcome Utilization by NDRC of progressive methods and processes in formulating of a comprehensive national strategy:</p> <p>(i) Have more inclusive public participation and interagency collaboration</p> <p>(ii) Harness plan with budget reality</p> <p>(iii) Follow strategic planning structure (i.e., mission, strategic goals and objectives, action plans)</p>	<p>(i) DPD of NDRC using new approaches and modified methodology in developing FYP, specifically adopting broader consultative approaches, greater poverty focus linked to realistic public resources</p> <p>(ii) Selected county and city level planning departments broadening consultation and integrated poverty reduction approaches to county and city plans</p>	<p>Evaluation reports by participants/trainees</p> <p>PRC's 11FYP and selected county/city 11FYP</p>	<p>Government provides appropriate senior-level representative to champion the TA outputs, outcomes, and impacts; and provides guidance and leadership in training seminar and international training program.</p> <p>NDRC minister and senior management are committed to adopt more dynamic methodology and approach in developing FYP.</p>

DPD = Development Planning Department, FYP = Five Year Plan, NDRC = National Development Reform Commission, PRC = People's Republic of China.

Design Summary	Expected Results	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
	<p>objectives</p> <p>(iv) Give more focus on poverty reduction</p>	<p>(iii) Improved drafting capacity of DPD and county/city counterpart representatives</p> <p>(iv) Observed changes to development planning process with modest modifications to related documents, e.g., annual plans and budget estimates</p>	<p>Expanded web site on NDRC's FYP accessible to public</p> <p>Report to State Council of annual plans and budget estimates</p>	<p>Staff time is made available.</p> <p>Government is willing to better engage in strategic poverty reduction integration in the 11FYP.</p>
<p>Inputs</p> <p>(i) Resources for national conference and workshops including trainers/speakers</p> <p>(ii) 4 person-months of leading international Expert to provide advisory support on</p> <p>(a) national seminar</p> <p>(b) international intensive training</p> <p>(c) pilot projects</p> <p>(d) drafting of directives/regulations</p> <p>(e) substantive studies</p> <p>(iii) 2 domestic consultants (4 person-months) providing assistance to lead consultant,</p>	<p>Outputs</p> <p>(i) Conference involving 100 PRC central agencies and provincial planning department representatives, and learning being utilized</p> <p>(ii) International training program completed for two groups of 15 selected planning staff, and learning being utilized</p> <p>(iii) One-day workshop to convene county/city pilot projects</p> <p>(iv) Report to State Council by December 2004 including</p>	<p>Workshops participated in by relevant representatives</p> <p>Observed participants' overall learning in strategic planning best practices as summarized during the 1-day pilot projects workshop</p> <p>Participants' learning incorporated in report with recommendation to State Council</p> <p>Lessons learned being utilized in FYP development</p> <p>Recommended approaches adopted by State Council</p>	<p>Workshop evaluation report by participants</p> <p>Training feedback reports from participants</p> <p>Consultants' progress and final reports</p> <p>Date and quality of report to State Council</p>	<p>NDRC and related agency commit to provide appropriate staff for training seminar.</p> <p>PRC provides travel costs of participants going on international training program.</p> <p>Consultants are recruited on time.</p> <p>Supervision by ADB staff is effective and support/follow-up by PRCM is good.</p> <p>Availability of results is timely.</p>

FYP = Five Year Plan.

Design Summary	Expected Results	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>including support to NDRC to develop report to State Council and implement early stages of revised planning process</p> <p>(iv) Resource persons in undertaking substantive studies</p>	<p>recommended directives/ regulations defining progressive processes</p> <p>(v) Five substantive studies that are contributory pieces to NDRC's 11FYP drafting process</p> <p>(vi) Results being disseminated starting end-2004 or early 2005 thru Government web site and other ADB reports</p>	<p>Contents of studies appear in 11FYP</p> <p>TA results known across regional departments, resident missions, other aid agencies and PRC's agencies</p> <p>MOF/NDRC to disseminate results to PRC agencies</p>	<p>Approved directive and regulation for 11FYP</p> <p>11FYP</p> <p>ADB consultations and policy dialogue reports</p> <p>ADB mission back-to-office reports</p> <p>Project performance audit report/ project completion report</p> <p>People's Republic of China resident mission monthly report</p> <p>ADB Governance web site</p>	<p>Ministry of Finance/NDRC resources are available for dissemination.</p>

ADB = Asian Development Bank, DPD = Development Planning Department, 11FYP = 11th Five-Year Plan, MOF = Ministry of Finance, NDRC = National Development Reform Commission, PRC = People's Republic of China, PRCM = People's Republic of China resident mission.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Poverty Reduction Cooperation Fund Financing			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	85	0	85
ii. Domestic Consultants	0	20	20
b. International and Local Travel	15	1	16
c. Reports and Communications	2	0	2
2. Conference	95	0	95
3. International Intensive Training			
a. Support to the Participants	35	0	35
b. Training Fee	50	0	50
4. Pilot Projects	5	5	10
5. Substantive Study	10	5	15
6. Miscellaneous Administration and Support Costs	3	0	3
7. Contingencies	21	8	29
Subtotal (A)	321	39	360
B. Government Financing			
1. Office Accommodation and Transport	0	30	30
2. Facility for Pilot Projects	0	20	20
3. Training, Seminars, and Conferences			
a. Conference	0	15	15
b. International Intensive Training	0	35	35
4. Remuneration and Per Diem of Counterpart Staff	0	25	25
5. Miscellaneous Administration and Support Costs	0	15	15
6. Contingences	0	20	20
Subtotal (B)	0	160	160
Total	321	199	520

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The Asian Development Bank (ADB) will recruit a team composed of one international and several domestic consultants to carry out the activities of this technical assistance (TA). The domestic consultants will work under the supervision of the international consultant and will assist the international consultant to accomplish his tasks. The outline terms of reference (TOR) of the consultants will include, but will not be limited to, the tasks listed for each.¹

A. International Strategy and Planning Expert (4 person-months)

2. The expert will be responsible for the overall management of TA implementation and the timely delivery of good quality interim and final reports. The expert will be primarily responsible for assisting the National Development Reform Commission (NDRC) staff to improve their process and methodology of developing the 11th five-year plan (11FYP). The expert will be primarily responsible for supporting the inception phase and all five components of the TA. The consultant will be selected for expertise in national strategic planning models based on a subset of potential country models provided by ADB. Preferably, the consultant will have specialty in national planning experiences in the People's Republic of China (PRC).

1. Inception Phase (0.2 person-month)

- (i) Study the recent FYPs of the PRC Government, analyze the strengths and weaknesses of previous FYPs, particularly 10FYP.
- (ii) Focus specifically on identifying country models that exemplify the weaknesses of PRC's national planning process, with special attention to the treatment of poverty reduction aspects in the model country approaches and methodologies.
- (iii) Review the list of international experts proposed by NDRC, evaluate selection based on (i) and (ii) and determine whether the selected experts/countries represent best international practice, as model countries for showcasing their national development operations at the national planning models conference and make comments or recommendations on the selection.

2. Component One: National Planning Models Conference (0.3 person-month)

3. Specifically, the international expert will undertake the following:

- (i) Assist NDRC in organizing the national planning models conference, by helping plan the program of presentation and activities.
- (ii) Attend the conference and analyze the various presentations by domestic and international experts and write a summary report including the presentations of the various experts.

¹ Expanded terms of reference will be customized for each consultant during the inception phase.

- (iii) From the analysis of international presentations and initial inception work, recommend to ADB and to NDRC two countries as venues for international intensive training.
- 3. Component Two: International Intensive Training Program** (2.0 person-months)
4. Specifically, the international expert will have the following tasks:
- (i) Help the Government design an international intensive training program that provides a learning and human resource strengthening experience that will support changes in PRC's national strategic planning process.
 - (ii) Contact relevant officials, through the country expert making a presentation at the national workshop, and assist in organizing a 2-week training program in each country.
 - (iii) Arrange a training program² that provides exposure to all aspects of the national strategic planning process, and ensure that various entities involved in the program are provided appropriate honoraria for their participation as resource persons in the training.
 - (iv) Help identify low-cost accommodations (e.g., training centers or universities) and ensure these are built into the training program design.
 - (v) Work with two country delegations to develop individual participant TOR including appropriate subreports that will be the contribution of each trainee into the comprehensive report to the State Council.
 - (vi) Following the training program, assist NDRC participants in developing strategies and making recommendations on how best to write a comprehensive report to the State Council on the learning experience and best practice in developing strategic national plans, with recommendations for changes in the process and methodology for 11FYP.
 - (vii) Encourage NDRC to adopt various methodologies and processes framed by the learning experience.
- 4. Component Three: Support to Pilot County and City Level Planning**³ (0.25 person-month)
5. Specifically, the international expert will have these tasks:
- (i) Through a 1-day workshop to be arranged by representatives from county/city pilot projects, introduce experiences of the two developed countries selected for the intensive training provided to the NDRC national office staff, to augment the training experience already provided in Germany (funded by IBM).

² Could be made through outsourcing.

³ With the assumption that NDRC has organized and prepared workshop.

- (ii) Recommend to NDRC how the county and city local governments should develop their local FYP submissions, based on local government training, piloting, and recommendations.

5. Component Four: Support to Substantive Studies (0.25 person-month)

6. Specifically, the international expert will undertake these tasks:

- (i) Assist ADB to identify several substantive studies that will contribute intellectual support to select chapters of 11FYP.
- (ii) Consider the manner in which poverty reduction can be a crosscutting or a core element in these studies.
- (iii) Assist ADB to identify, develop generic terms of reference (TORs) and contract the appropriate international resource persons to carry out the studies.

6. Component Five: Assist NDRC to Draft Guidelines and Regulations for Sector and Local Government Submissions to 11FYP (1.0 person-month)

7. Specifically, the international expert will undertake these tasks:

- (i) Provide direction to NDRC in adopting fixed guidelines and stable regulations that represent the best international practice for developing individual sector and local government plans, based on the conference, the two-country international intensive training program, and the pilot county/city training session.
- (ii) Suggest critical steps in developing the guidelines and regulations.
- (iii) Assist the NDRC drafting team to develop guidelines and regulations for individual sector agencies and local governments, so that the operation is simplified and appropriate public consultation and cross-agency/regional collaboration and consultation practices are incorporated.
- (iv) Recommend improvements to 10FYP drafting methodology and practices based on best international practices.
- (v) Encourage the elimination of past practices that weakened the strategic national planning process.
- (vi) Make recommendations on proper procedures and best incentives to institute the new guidelines and regulations for 2005.

B. Domestic Consultants (4 person-months)

1. National Planning Expert (3 person-months)

8. The consultant will have a background in national and local public planning and administration, and work experience in managing and administering logistical arrangements for consultant teams. The consultant will (i) work under the supervision of the international consultant and will closely coordinate with the NDRC counterpart staff; (ii) act as interpreter for

the international consultant, where necessary; and (iii) act as the main focus point for communication, facilitate documentation flow, and coordinate communication between other domestic consultants and their various activities. This expert will have excellent contacts with major stakeholders.

9. Specifically, the national planning expert will contribute the following:

- (i) Assist with review and analysis of previous FYPs and contribute to the report that incorporates the analytical findings.
- (ii) Assist the international consultant and NDRC to organize the national planning models conference, by helping plan the program of presentations and activities.
- (iii) Attend the conference, analyze the various presentations by domestic experts, and contribute to the summary report, including collecting the presentations of the various experts.
- (iv) Help the international consultant to develop the individual participant terms of reference, including appropriate subreports that will be the contribution of each trainee into the comprehensive report to the State Council.
- (v) Follow up on NDRC participants to assist with writing the comprehensive report to the State Council on the learning experience and best practice in developing strategic national plans, with recommendations for changes in the process and methodology for the 11FYP.
- (vi) Assist the international consultant to develop and organize a training program for the already established six selected county and city planning departments.
- (vii) Assist in delivering the training program to local authorities.
- (viii) Work with the pilot county/city teams to draft a set of guidelines for developing subnational development plans.
- (ix) Assist the international consultant to develop recommendations for NDRC on FYPs submitted by local governments.
- (x) Assist the international consultant to identify substantive studies that will contribute intellectual support to select chapters of 11FYP.
- (xi) Assist in developing the generic TORs for domestic consultants to carry out these studies.
- (xii) Help identify, in collaboration with NDRC, appropriate domestic consultants to undertake the studies.
- (xiii) Assist with the contracting arrangements.

2. National Legal Drafting Expert (1 person-month)

10. The expert will have a research background and work experience in drafting and writing government guidelines, regulations, and legal frameworks. The expert will work under the supervision of the team leader and will closely coordinate with the counterpart staff. Specifically, the consultant will undertake these tasks:

- (i) In cooperation with the local pilot county/city team and NDRC, assist the international consultant to develop guidelines and regulations for individual sector agencies and local governments so that the operation is simplified and appropriate public consultation and cross-agency/regional collaboration and consultation practices are incorporated.
- (ii) Make recommendations on proper procedures and best incentives to institute the new guidelines and regulations for 2005.

C. Resource Persons for Substantive Studies

1. International Resource Persons

11. The specific tasks of the international resource persons follow:

- (i) Contribute intellectual support to select chapters of 11FYP by writing a substantive paper on a selected topic appropriate to stimulate ideas and recommendations to the Government (approximately 25 pages) as determined by ADB.
- (ii) Working with ADB in-house experts, complete the substantive assigned papers, incorporating comments of ADB staff from People's Republic of China resident mission and relevant departments.

2. National Resource Persons

12. The specific tasks of the domestic resource persons will follow:

- (i) Contribute intellectual support to select chapters of 11FYP by writing a substantive paper on selected topics appropriate to stimulate ideas and recommendations to the Government (approximately 25 pages) as determined by ADB.
- (ii) Working with NDRC or line ministry experts, complete the substantive assigned papers, incorporating comments.
- (iii) Collaborate with the key domestic consultant to ensure that the final report is submitted on time and in conformity with PRC publication standards.