

PRC-GEF PARTNERSHIP ON LAND DEGRADATION IN DRYLAND ECOSYSTEMS

CAPACITY BUILDING TO COMBAT LAND DEGRADATION PROJECT: PROGRESS REPORT TO APRIL 2005

1. BACKGROUND

1. The PRC-Global Environment Facility (GEF) Partnership on Land Degradation in Dryland Ecosystems is a long-term country programming framework (CPF) that was approved by GEF's council in October 2002. The CPF covers a 10-year period (2003–2012) and seeks to combat land degradation, reduce poverty, and conserve biodiversity through capacity-building investments and developing viable model investment projects, consistent with GEF's Operational Program 12 on integrated ecosystem management (IEM). The funding requirement for investment projects under the CPF was estimated at about US\$ 1.5 billion, of which GEF would provide \$150 million in grant assistance, while Government funding, concessional loans and grants will make up the remaining \$1,350 million. The CPF's initial focus (2003-2005) is on six provinces/autonomous regions¹ in the western region that are both national priority areas, as well as of global significance for land degradation control and biodiversity preservation. During 2006-2012 all western region provinces/regions will be eligible for support.²

2. The Capacity Building to Combat Land Degradation Project is ADB's first project under the CPF. It will strengthen the enabling environment, and build implementation capacity, for the future investment projects. It was approved by the GEF Council and ADB Board in June 2004, for \$13.8 million by GEF (\$7.7 million) and the Government counterpart funds; in addition, an ADB TA of \$1 million and \$0.2 million of ADB/Government counterpart funding has been provided, to support project implementation.

3. Project inception took place in July 2004 followed by further review and consolidation of project component activities during September to December 2004. Components 2, 3 and 4 were grouped into one integrated institutions and planning package so as to show the links between the macro strategic level planning framework and the field level community-based plans. Following the revisions and reconsideration of the budget a detailed work program was formulated for 2005. This was discussed and agreed with representatives of all six participating provinces/autonomous regions in mid December 2004. The three consultant packages were finalized and short-listed during this period. Implementation of the project's component activities began in January 2005. This report covers the period from inception to April 2005, and will serve to support future implementation.

2. PROJECT COMPONENTS

¹ Namely Gansu, Inner Mongolia, Ningxia Hui, Qinghai, Shaanxi and Xinjiang Uygur covering a population of approximately 120 million.

² The other six provinces to be included from 2006 are Sichuan, Shanxi, Yunnan, Guizhou, Guangxi, Xizang Zizhiqu, and two prefectures in Hunan and Hubei.

4. The project comprises six components, each with a specific set of supporting activities, as follows:

1. Component 1: Improving Policies, Laws And Regulations For Land Degradation Control

5. The focus of Component 1 is on (i) improving the capacity of provincial laws and policies to implement an IEM approach to combat LD; (ii) building capacity through training programs to support IEM concepts and principles in law and policy; and (iii) problem solving support, including special legal studies and an informative toolbox for law and policy. Implementation of component 1 will receive advisory support and guidance from a national Legal and Policy Expert Group, while counterpart provincial expert groups will support the development of the provincial policy and regulatory frameworks.

A. Progress

(i) Improving the capacity of provincial laws and policies to implement an IEM approach to combat LD

6. In October and November 2004 a team from the central PMO, ADB staff, and TA consultants visited all 6 provinces/autonomous regions to brief the concerned vice-governors and members of the project provincial leading groups on the objectives, procedures and steps involved in the development of an improved provincial policy/legal IEM framework. In December 2004 terms of reference were prepared for the positions of provincial specialist legal team leader and team members. These were used, between January and March 2005 by the central and provincial PMOs, as the basis for the identification of candidates for the positions of team leader and the other experts to serve on each provincial legal team.

7. The proposed work plan for component 1, and the methodology that each provincial legal team would be expected to follow in reviewing and improving current policies, laws and regulations for land degradation control, were presented to, and discussed by, a core group of legal specialists from each of the six provinces/autonomous regions at a meeting in Beijing in December 2004.

8. By the end of March 2005 broad guidelines had been drafted on the methodology for: (i) reviewing existing provincial legislation related to land degradation control; and (ii) developing improved laws and regulations in line with the concepts and principles of IEM. More detailed materials had also been prepared concerning the immediate tasks that could be undertaken by each provincial legal team – specifically background materials for Step 1 (understanding IEM concepts and principles) and Step 2 (the framework development process) of the method to be used for assessing the legal IEM framework, as well as more detailed legal interpretative, procedural and guideline notes for implementation of both steps. These have all been translated into Chinese and made available to the provincial legal teams (along with a range of supporting case studies, legal reports, and other supplementary materials in Chinese). Further guideline materials (related to steps 3 and 4) were drafted in March/April 2005 and are currently under review prior to translation and dissemination to the provincial legal teams.

(ii) Building capacity through training programs to support IEM concepts and principles in law and policy

9. Members of the provincial legal teams participated in two regional inaugural awareness raising/training workshops (5-9 April for the teams from Xinjiang, Qinghai and Gansu and 12-16 April for the teams from Inner Mongolia, Ningxia and Shaanxi). Participants were introduced to the Chinese version of the method for Steps 1 and 2 of the IEM regulatory framework development process, along with other supportive legal interpretative, guideline and procedural materials. Much of the ensuing discussion focused on clarifying, and refining, the IEM principles and definitions (from the legal perspective), as well as some of the terminology, and the proposed methodology's legal and institutional elements that the teams will use to assess the provincial level regulations and policies related to IEM and land degradation control. It was also stressed throughout the workshop that the work of the provincial legal teams, on reviewing and improving the legal regulatory framework, would feed directly into the provincial IEM strategies and action plans (component 2.3), hence the need for regular interaction with the provincial strategy formulation task force, and to harmonise the work plans of both teams. The workshop participants endorsed the broader IEM approach and welcomed the opportunity to get involved in improving and replacing their current narrow sector-based laws and regulations.

(iii) Legal and Policy Expert Advisory Group

10. The first meeting of the national Legal and Policy Expert Advisory Group (LPEAG) was organised by the central PMO and held on the 24th February 2005. The LPEAG membership comprises legal experts from the: (i) Working Committee for Legislation of National People's Congress; (ii) Legislative Office of State Council; (iii) China University of Law and Politics; (iv) Ministry of Agriculture (MOA); (v) Ministry of Water Resource (MWR); (vi) State Environmental Protection Agency (SEPA); (vii) State Forestry Agency (SFA); and (viii) Ministry of Land Resources (MLR). During its first meeting the members appointed as chairman Mr Yue Zhongming (Division Director of Legislative Work Committee of the National People's Congress), and as vice chairman, Professor Wang Canfa (Research Institute of Environmental Law, China University of Political Science & Law). The meeting's primary purpose was to raise the awareness of the expert group members on the background to the full project, and to review the work plan and activity schedule for component 1 and offer advice and guidance for its effective implementation.

11. The expert group members expressed support for introducing the IEM concept into the body of environmental legislation within the PRC. They also endorsed the component 1 rational and proposed activities. They recommended that when assessing and reviewing the capacity of existing laws and policies to promote IEM it was important not to focus just on formulating new laws, but also on how they would be enforced. They also advised that the capacity building activities should include all relevant stakeholders not just provincial legislative staff.

(iv) GEF-funded Consulting Services Package 1

12. Contract negotiations between the central PMO and Wuhan University Research Institute of Environmental Law (in association with Renmin University of China) took place on April 28th and 29th 2005 for the delivery of the required GEF-funded consulting services package for component 1 (2 person months international, 35 person months domestic). It is anticipated that the GEF consultants will start work on component 1 activities in mid May 2005. They will work in consultation with, and under the overall direction of, the ADB Environmental and Resource Law Advisor. Further periodic backstopping will be provided by the ADB International Law and Policy Specialist.

B. Follow-up Matters: Component 1

13. There is an urgent need to finalise the membership of the provincial legal specialist teams, including the team leader positions. Only three of the six proposed team leaders attended the inaugural regional training workshops (schedule conflict with political training). Likewise several of the proposed team members failed to attend the training, and in some cases their places were taken by people not originally proposed as team members. Those who did attend the training were drawn from a narrow institutional base, mostly from the provincial legislative office of the people's government.

14. There is a need, by the end of May 2005 at the latest, to have firm agreement with each province on the named individuals who will serve on each legal specialist team - as team leader and team members. The priority should go to those who participated in the inaugural training workshops (i.e. no one who has been through the training should be replaced by someone who has not). It is also important that the team members are drawn from a wider cross section of institutions to ensure that the legal concerns considered by the team reflect the multi-sectoral nature of the problems to be addressed. Once agreement has been reached on the membership of each team the provincial PMO should enter into signed agreements with each member detailing their duties and responsibilities, the amount of time required from them to do the work, and the honorarium and other allowances to be paid in return for work done. It will be the responsibility of those team members who participated in the inaugural training workshop to pass on what they have learnt to those who were unable to attend, as the training will not be repeated at the regional level.

15. The first task for each provincial legal team is to prepare a detailed work plan and schedule for completion of all the steps and activities they will undertake in the process of developing a comprehensive provincial IEM policy and legal regulatory framework for land degradation control. This should be cleared with the provincial PMO and then submitted to the central PMO by the end of May 2005 for review by the ADB TA Environmental And Resource Law Advisor.

2. Component 2: Strengthening National And Provincial Coordination

16. The primary focus for component 2 in the first two years will be on assisting each province/autonomous region to formulate its own strategy and action plan for an IEM approach to land degradation control within their area of jurisdiction. This will provide each province/region with an integrated strategic planning framework for the identification, design and implementation of specific short, medium and long term

actions required to: (i) combat land degradation; (ii) promote productive, profitable and sustainable ecosystem management; and (iii) alleviate rural poverty. The component 2 activity on assessing the economic costs and benefits of land degradation control will support the strategy formulation process. Likewise a number of other activities, to be implemented under components 1, 3, 4 and 5, will provide the tools and materials required to undertake key steps in formulating a provincial strategy and action plan.

17. An Institutions and Planning Expert Group, comprising representatives of all involved agencies, will guide the implementation of components 2, 3, 4, and 6. For component 2, the group will assist in undertaking an institutional review and recommending appropriate measures, including a mechanism for improved central, provincial, and regional interagency collaboration and coordination. Counterpart provincial expert groups will investigate and advise on ways to improve inter-agency institutional coordination within their provinces/autonomous regions.

A. Progress

(i) Mainstreaming IEM Approaches

18. The first activity was the convening of the *International Workshop on Integrated Ecosystem Management* in Beijing, on the 1-2 November 2004. Over 200 people participated in the workshop, including specially invited international and domestic key note speakers, as well as senior officials and other representatives from: (i) central (including NDRC, MOF, SFA, MOA, MOST, MLR, Working Committee for Legislation of National People's Congress, Legislative Office of State Council) and provincial government³ agencies; (ii) international development and donor agencies (including GEF, ADB, World Bank); (iii) international and domestic NGOs; and (iv) a number of private sector domestic and international companies with offices in the PRC. The aim of the workshop was to introduce to PRC's line government agencies, and selected provincial governments, the concepts and principles of IEM and to promote a mutual understanding as to how the approach could contribute to addressing the key problems, and root causes of land degradation within the drylands. Editing of the workshop proceedings is currently underway and should be completed by the end of June 2005.

19. As a follow up to the workshop an ADB IEM concept paper has been prepared entitled *Integrated Ecosystem Management for the Drylands of the People's Republic of China*. Drafts of this paper were widely circulated amongst concerned experts within, and outside the PRC, and the comments received were incorporated into the final version. The paper will be reviewed by the IEM Expert Group at its first meeting in early May 2005 prior to its translation and dissemination to central and provincial government policy makers and technical experts.

20. In addition a report was prepared for ADB, by one of the IEM workshop keynote speakers, on *The Current Status of Conservation Agriculture (CA) in China*. The report sought to provide an up to date account of the PRC's experience with CA and related practices. It represents a first attempt to document the nature, geographic

³ Specifically from Gansu, Inner Mongolia, Ningxia Hui, Qinghai, Sha'anxi and Xinjiang Uygur.

locations, variety, level of implementation, and acceptance by farmers, of CA practices, and the co-involvement of agribusinesses in this. It also outlines current constraints (both perceived and real) to its wider adoption, e.g. lack of compatible direct seeding equipment, cost of weedicides, poor awareness on, and teaching of the new CA concepts, principles and practices. While it has been reported that approx. 700, 000 ha of land (in 94 counties, across 14 provinces) are currently under CA in the PRC, what has been referred to as CA is generally based around the adoption of minimum tillage practices and not the full CA package which comprises: (i) reduced or zero tillage; (ii) permanent soil cover (plant residues and/or cover crops); (iii) crop rotation; and (iv) minimal in-field traffic.

(ii) 2.3 Formulation of Provincial IEM Strategies and Action Plans

21. Guideline notes on the steps involved in the formulation of provincial IEM strategies and action plans were drafted in October 2004. In October and November 2004 a team from the central PMO and ADB staff, and TA consultants visited all 6 provinces/autonomous regions to brief the concerned vice-governors and members of the project provincial leading groups on the objectives, procedures and steps involved in the formulation of provincial IEM strategies and action plans. In December 2004 terms of reference (ToR) were prepared for the positions of provincial strategy task force team leader and team members. These were used, between January and March 2005 by the central and provincial PMOs, as the basis for the identification of candidates for the positions of team leader and the other experts to serve on each provincial task force.

22. Formulating the provincial IEM strategies and action plans was initiated in April 2005, with the convening of two inaugural awareness raising and training workshops for participants from both the provincial strategy task forces and the (component 1) provincial legal teams. The first workshop was held in Chang Ji Xinjiang AR, 5-9 April, with the second in Bayanhot of Inner Mongolia AR, 12-16 April. In total 90 provincial experts (see tables) from different institutions were introduced to the concepts and principles of IEM, and the steps involved in the formulation of: (i) IEM strategies and action plans; and (ii) IEM policy/legal regulatory legal frameworks.

Participants in the first workshop Chang Ji, Xinjiang, 5-9 April 2005

Province	Strategy Task Force Members	Legal Team Members	Others	Total
Xinjiang	10	5	2 ^a	17
Qinghai	12	3		15
Gansu	14	3	1 ^a	18
Sichuan			1 ^a	1
Total				51

^a Participants from CIDA SADP II

Participants in the second workshop Bayanhot, Alashan League, Inner Mongolia 12-16 April 2005

Province	Strategy Task Force Members	Legal Team Members	Others	Total
Inner Mongolia	9	3	2 ^a + 6 ^b + 1 ^c	21

Sha'anxi	4	3		7
Ningxia	6	2	2 ^d	10
Hunan			2 ^a	2
Hubei			2 ^a	2
Total				42

^a Participants from CIDA SADP II

^b Participants from the AUSAID Alxa League Environmental Rehabilitation and Management Project (3 from the PMO, 3 from the League Government technical agencies)

^c Participant from Inner Mongolia University (Prof. Liu)

^d Yinchuan City Wetlands Project

23. During the first three and a half days of each workshop the participants followed a common program, designed to promote discussion and exchange of experience and ideas between the technical and legal specialists of the provincial strategy task forces and legal teams. Through small group and plenary discussion sessions, as well as a field exercise involving interviewing local farmers/herders and local government (county/banner or township/sumu) institutions, the participants raised their understanding of the wide range of technical, social, economic, legal and policy issues that need to be considered when adopting an IEM based approach to tackling the problems of land degradation within the drylands of western PRC. It was noted that the multi-sectoral membership of each provincial team contributed greatly to the quality of the discussions, and findings from the field exercise, clearly demonstrating the benefits of having disciplinary experts from different sectors and institutions work together in the formulation of the provincial strategies. For the remaining day and a half of each workshop the members of the provincial strategy task forces and legal teams met separately to focus on the specific tasks they will undertake over the next few months.

24. A special two day meeting was held 26-27 April 2005 for the proposed strategy task force team leaders, and PMO heads, from all six provinces/autonomous regions, to review the provisional strategy formulation work plans and budget requirements. Further training and guidance was provided on some of the specific tasks that each task force would be expected to undertake over the next couple of months. The meeting also reviewed, and sought solutions to, the administrative, logistic and budgetary needs for the effective mobilisation and operation of each task force. The meeting achieved a consensus between the central PMO and each of the provinces/autonomous regions as to the indicative number of workdays needed for the specific activities to be undertaken in each step in the formulation process. They also agreed on which items, and their unit costs, needed to be included in the budget to cover the costs of the work to be done by each task force. This will be used by the central PMO and provincial PMOs to sought out the necessary financial arrangements to secure the required funds. During the meeting the central PMO issued an official Letter of Appointment to each of the proposed team leaders, based on an assessment of their interest and capacity to take the lead role in formulating the provincial strategies and action plans. Formal contracts related to these letters of appointment will be signed between the central PCO/PMO and each team leader shortly.

(iii) Assessment of the Economic Costs of Land Degradation and the Economic Benefits from Its Control

25. Terms of reference were drafted in December 2004 for additional international and domestic economic expert assistance for this specific component activity. These have been circulated by ADB to interested international development agencies, and initial discussions were initiated in April 2005 with the International Food Policy Research Institute (IFPRI) concerning a proposal from them to undertake the *Economic evaluation of large-scale resource conservation projects in West China* in association with the project.

(iv) Institutions and Planning Expert Group

26. The first meeting of the Institutions and Planning Expert Group is scheduled to take place in early May in conjunction with the meeting of the Project Central Steering Committee. This is later than originally intended but has had to be postponed due to the absence of key members of the steering committee on overseas travel assignments in March and April 2005.

B. Follow-up Matters: Component 2

27. The ADB IEM concept paper entitled *Integrated Ecosystem Management for the Drylands of the People's Republic of China* should be circulated to the members of the IEM Expert Group prior to their first meeting in early May 2005. Following their review and endorsement of the paper, it should be translated and disseminated widely to central and provincial government policy makers and technical experts.

28. All six proposed strategy task force team leaders participated in the inaugural regional training workshops, and on the basis of their performance are considered to be acceptable candidates. The immediate need is for the central PMO to confirm their availability to work as full time team leaders, and to then enter into personal contracts with each one, specifying his specific responsibilities as team leader and the terms and conditions for an incremental staff position attached to the provincial PMO.

29. There is a need to clarify and finalise the membership of each of the provincial strategy task forces as the names of those who attended the two workshops do not always match the names originally sent to the central PMO. There is a need, by the end of May 2005 at the latest, to have firm agreement with each province on the named individuals who will serve as the members of each provincial strategy task force. It is important that all those who participated in the inaugural training workshops remain on the task force (i.e. no one who has been through the training should be replaced by someone who has not). Once agreement has been reached on the membership of each team the provincial PMO should enter into signed agreements with each member detailing their duties and responsibilities, the amount of time required from them to do the work, and the honorarium and other allowances to be paid in return for work done.

30. It will be the responsibility of those team members who participated in the inaugural training workshop to pass on what they have learnt to those who were unable to attend, as the training will not be repeated at the regional level. This is particularly important in the case of Ningxia and Sha'anxi provinces where less than 25% of the proposed task force members participated in the training workshop

conducted for their provinces. The team leaders for these two task forces will need to devise their own training program for the other task force members, and schedule this as a top priority activity to be undertaken before the end of May 2005.

31. It is recommended that the ADB TA Institutions and Participatory Planning Specialist, Land Degradation/Environment Advisor and Environmental and Resource Law Advisor, in company with at least one senior member of the central PMO, undertake a supervisory and back-stopping mission to each of the six participating provinces starting in late May. The purpose of the mission being to: (i) provide further hands on guidance related to key tasks and activities in the initial steps to be undertaken by the task forces and legal teams; (ii) assist with the briefing (awareness raising) of senior provincial officials and policy makers on the importance of the work related to the provincial IEM strategies and legal regulatory frameworks; and (iii) resolve any remaining institutional and logistical constraints to the mobilisation and operation of the task forces and legal teams.

32. The first meeting of the institutions and planning expert group needs to be convened as soon as possible after the May day golden holiday. The expert group members should be briefed on progress with the initiation of activities related to components 2, 3 and 4, with particular reference to the beginning of the provincial strategy formulation. The meeting should also discuss the role of the expert members in formulating proposals and options for improved inter-sectoral institutional coordination and collaboration mechanisms at the national and provincial levels.

3. Component 3: Improving Operational Arrangements At Provincial And County Levels

33. Component 3 will focus on building capacity amongst provincial and county level technical agencies, on how to facilitate bottom-up community-based participatory planning for improved management of the local ecosystem resources. This will be done through 'learning by doing' training within 3 pilot study/demonstration areas, per province/autonomous region in which selected communities will be assisted to plan and implement their own IEM based sustainable livelihood and land degradation control plans.

34. To support the activities in the pilot study/demonstration areas component 3 will also: (i) assess existing operational arrangements, institutional capacity, and training needs; (ii) identify field-level best practices; and (iii) develop participatory IEM/LD control planning guideline manuals, training modules and supporting materials. A small number of adaptive research grants will also be provided, on a competitive basis, for multi-sectoral research consortia to conduct participatory research and technology development for combating locally identified land degradation problems. Support will also be provided for the development and implementation of provincial IEM public awareness campaigns.

A. Progress

35. Selection criteria for identifying suitable pilot study areas were drafted in December 2004 and circulated to all the provincial PMOs. Between January and March 2005 the provincial PMOs, in consultation with the agencies represented on

the provincial leading groups, compiled a 'long list' of up to six possible pilot sites for their province/autonomous region. All six provincial long lists are currently being reviewed by the central PMO to ensure that the 18 pilot study/ demonstration areas capture the diversity across the region with regard to the major ecosystems, land use systems, socio-economic and ethnic differences, and land degradation processes present. Final selection of the pilot study areas will be completed in May 2005.

B. Follow-up: Component 3

36. Before the end of May 2005 the central PMO needs to review the proposed pilot study areas and agree with the provincial PMOs, on 3 sites that fit both the provincial priorities and those of the regional project.

4. Component 4: Capacity Development For Land Degradation Investment Projects

37. Component 4 will focus on assisting each province/autonomous region to develop the capacity to design, appraise and implement IEM investment projects.⁴ Component 4 activities will be directed at: (i) knowing what has already been done by documenting past (post 1985) and on-going IEM/LD control related projects and programs implemented (covering central, provincial and local government and donor funded projects and programs); (ii) learning the lessons from past successes and failures by assessing the impact of past land degradation investments; (iii) building a cadre of provincial planners with the skills required to design LD control investment projects (through regional and provincial level training); (iv) identifying investment project ideas, preparing expanded project concept notes, and undertaking feasibility studies of selected priority IEM/LD control project investments eligible for possible ADB, GEF, or other development agency financing under the PRC-GEF Partnership. In support of this a study of co-financing options will be undertaken to identify one or more modalities for combining loan financing, GEF grants, other concessional resources, and government support.⁵

A. Progress

(i) Land Degradation Project Documentation

38. Worksheets have been drafted to assist the provincial strategy task force members in documenting past (post 1985), and on-going, projects and programmes,⁶ that have invested in activities designed to control one or more forms of land degradation, promote sustainable use of dryland ecosystems for crop, livestock and/or forest production, and/or protect biodiversity, within their province/autonomous region.

(ii) Land Degradation Project Design

⁴ In line with the eligibility criteria for GEF funding support as set out in the PRC-GEF Partnership on Land Degradation in Dryland Ecosystems Country Program Framework.

⁵ An operational co-financing modality is a precondition for each province/autonomous region to benefit from potential investments under the Partnership.

⁶ To cover central, provincial and local government funded projects as well as donor funded ones.

39. During the October 2004 ADB country programming mid term review mission, the Government of the PRC requested for technical assistance (TA) from ADB to prepare two loan and GEF grant-financed projects, under the auspices of the PRC-GEF Partnership on Land Degradation in Dryland Ecosystems, specifically for: (i) the Shaanxi Qinling Mountains Integrated Ecosystem Management Project and (ii) the Ningxia/Yinchuan Integrated Ecosystem Management Project. In response to this request an ADB TA fact finding mission visited Shaanxi and Ningxia in March 2005 to review the original project proposals, and assist in reformulating them to fit the eligibility criteria for OP12 GEF funding. Following agreement on the reformulation, proposals for GEF PDF-B grant funding to design the GEF components for each of the full projects were prepared. These were reviewed and endorsed by the government of the PRC, and submitted to GEF on 8 April 2005. Corresponding proposals for ADB project preparation technical assistance (PPTA) are currently under preparation.

B. Follow-up: Component 4

40. The ADB TA Institutions and Participatory Planning Specialist to review and where required modify the project documentation worksheets prior to their translation into Chinese. These worksheets to be circulated to each of the provincial/autonomous region task forces by mid May 2005 so that each task force member can use them to begin systematically documenting his/her institutions past (post 1985), and on-going, land degradation related projects and programs.

5. Component 5: Monitoring And Evaluation System For Land Degradation

41. At the central level component 5 activities will focus on: (i) achieving inter-agency consensus on a national coordination mechanism for collecting, sharing, and analyzing land degradation-related data; (ii) clarifying the roles of provincial and county-level agencies in, and agreeing data sharing and coordination mechanisms for, the production of provincial and national-level land degradation assessments; (iii) formulating a universally agreed definition of land degradation, including common definitions of specific land degradation types (e.g., wind erosion, water erosion, soil fertility decline, and biodiversity loss); (iv) defining common standards and indicators for national-level monitoring of specific land degradation types; and (v) identifying compatible software programs and standards, to facilitate sharing of data sets.

42. At the provincial level component 5 will support: (i) the development of a provincial IEM information centre in each of the participating provinces/autonomous regions; (ii) the documentation and evaluation of IEM/LD control technologies and approaches; and (iii) the development and field validation (in 3 pilot study areas per province/autonomous region) of the tools and indicator sets for local (community) level assessment of the driving forces, pressures, state, impact and responses to land degradation in dryland ecosystems.

43. A National Land Degradation and Monitoring and Evaluation Expert Group will be established to provide guidance and coordination for the implementation of the activities and tasks of component 5. It will take the lead in promoting effective coordination and sharing of data between the various national level agencies engaged in monitoring land degradation. Counterpart expert groups will be established in each

participating province/autonomous region to facilitate the implementation of province specific activities and tasks for this component.

A. Progress

(i) National Land Degradation Data Sharing Coordination Mechanisms

44. The first national land degradation assessment expert group meeting was held on the 28th February 2005. It was attended by five of the nine nominated experts. The meeting's primary purpose was to review the proposed component 5 work program and discuss the role of the expert group members in formulating proposals and options for a national land degradation monitoring and inter-sectoral coordination network mechanism. During the meeting presentations were given on the global LADA⁷ and WOCAT⁸ programs and the PRC's current involvement in them. This was followed by discussion on how component 5 would be implemented in cooperation with both programs.

(ii) Documentation and evaluation of successful technologies and approaches for controlling land degradation (best practice studies)

45. The translation into Chinese, of the tools developed by the global WOCAT program for the documentation and evaluation of 'best practices', along with other WOCAT supporting materials, was completed by the end of March 2005. Work is currently under way on the final preparations for the first regional WOCAT training workshop, which is scheduled for May 23 to June 3rd 2005. The first week of the training will be undertaken by domestic WOCAT trainers from the Ministry of Water Resources. Three international resource persons (from FAO, ISRIC and the WOCAT Secretariat) have agreed to assist with providing additional specialist training during the second week. The project is meeting their basic travel costs (airfares and per diem) but their institutions are providing the services of their experts free of charge.

(iii) Piloting local level participatory land degradation monitoring and assessment

46. See component 3 for a report on selection of the pilot sites as it is planned to use the same ones for this component 5 activity. Two experts from the LADA China Task Force visited FAO in Rome⁹ for training on the tools and indicators for the pilot local level land degradation assessments. While in Rome they also translated a range of LADA materials into Chinese.

47. The project has recently been advised by the LADA coordinator in FAO Rome that there has been a delay in releasing the GEF funds for the full global program, which will now not be available until October 2005. Discussions are currently underway between the project and LADA to determine what joint activities can be initiated before the LADA GEF funds arrive.

B. Follow-up: Component 5

⁷ The GEF UNEP/FAO program on Land Degradation Assessment in Dryland Areas (LADA).

⁸ The World Overview of Conservation Approaches and Technologies (WOCAT).

⁹ Paid for by FAO.

48. There is a need for the second meeting of the national land degradation and assessment expert group to focus on starting the process of reviewing the roles and activities of the agencies currently responsible for monitoring different types of land degradation within the PRC. This requires the urgent identification and recruitment of a candidate to fill the position of ADB TA National Expert/Land Degradation Assessment Specialist. It is recommended that the second expert group meeting takes place on the 6th of June 2005 so as to allow the international and domestic WOCAT trainers to report on the workshop and provide a detailed briefing to the group members on the use of the WOCAT 'best practice' documentation and evaluation tools.

49. There is an urgent need to reach final agreement on the venue, agenda, budget, and role of the Soil and Water Conservation Monitoring Centre of the MWR, for the first regional WOCAT tools training workshop starting on the 23rd May 2005. Urgent action also needs to be taken with regard to the issuing of visas for the international resource persons.

50. On completion of the WOCAT training each participant will be expected to take the lead in training others, on the use of these tools, within their province/autonomous region and where appropriate at the central level. On the completion of the training each provincial strategy task force will be expected to use the trained experts to initiate the systematic documentation, on an area/ecosystem specific basis, of the technologies and approaches that have been used in their province/autonomous region to prevent and control different land degradation processes (e.g. water erosion, wind erosion, salinisation, soil fertility decline, grassland degradation, biodiversity degradation etc).

51. The comments under component 3 regarding the selection of the pilot sites applies equally here as it is planned to use the same ones for this component 5 activity.

6. Component 6: Implementation Arrangements

52. Capacity will be developed to support the 10-year CPF's implementation, including future IEM investment projects and development partner coordination. Activities will focus on building the capacity, through the provision of logistical and technical support, of the central project coordination office (PCO) in MOF, and the central project management office (PMO) in SFA, as well as of the provincial level counterpart PCOs and PMOs. A key role for the PCOs and PMOs will be to encourage information exchange between projects, agencies, and other stakeholders with the emphasis on promoting an understanding of the concepts and principles of IEM and their role in land degradation control within the drylands of the western region, while encouraging improved central and provincial level interagency cooperation and transparency. A program monitoring and evaluation system based on learning and adaptive management will be established in MOF. The system will ensure that project results and results of related projects are used to adjust the program.

A. Progress

(i) Project Implementation Arrangements

53. A high-level national project steering committee, under the chair of Madam Jiang Zehui,¹⁰ has been established to provide overall guidance and supervision for the implementation of the project's component activities. Membership of the SC currently comprises high level senior officials from: (i) National Development and Reform Commission (NDRC); (ii) Ministry of Finance (MoF); (iii) Ministry of Agriculture (MoA); (iv) State Forestry Administration (SFA); (v) Ministry of Water Resources (MWR); (vi) State Environmental Protection Agency (SEPA); (vii) Ministry of Land Resource (MLR); (viii) Ministry of Science and Technology (MST); (ix) Chinese Academy of Sciences (CAS); (x) Legislative Work Committee of the National People's Congress; and (xi) Legislative Affairs Office of the State Council. Similar steering committees or leading groups exist in each of the participating provinces/autonomous regions.

54. The first SC was originally scheduled to be held in December 2004. This has been delayed due to difficulties in finding a date when all members can attend. It is currently scheduled for mid May 2005 when its main task will be to review project progress to date.

55. The office of the central PMO was established in the Debao Hotel Beijing in November 2003. Since then it has taken an increasingly active role in the running of the project with technical backstopping from the ADB TA consultants since September 2004. The central PCO has had a coordinating role in the development and implementation of the project's component activities.

56. The project executing agency (SFA) has still to establish an effective devolved decision making process for the implementation of the agreed 2005 work program. The project manager and deputy project manager have to refer all routine project management decisions to higher authorities within SFA. This can mean that decisions may be made late due to the absence of the concerned official(s) on duties elsewhere within, and on occasion outside, the PRC. The current non-devolved project management decision making structure can hinder the speed and effectiveness with which key project activities have been implemented.

(ii) Financial Arrangements

57. Project bank accounts have been opened by the central and provincial PCOs and the required accounting procedures put in place. The PCO/MoF has signed Implementation Agreements with the six provincial/autonomous region governments and transferred the agreed funds to their bank accounts as provided for under the project financial agreement.

(iii) Procurement

58. A contract has been entered into within a MoF approved company for undertaking all required processes for the procurement of the agreed vehicles for the central and provincial PCOs and PMOs. This is expected to be completed, and the

¹⁰ Vice Chair of the Committee of Population, Resources and Environment, National Council of the CPPCC, member of the Party Group of SFA, and President of the Chinese Academy of Forestry.

vehicles released for use, by early June 2005. The procurement process for the agreed office equipment for the central and provincial PCOs and PMOs has not yet started.

(iv) Incremental Staff

59. In March 2005 the central PMO recruited an additional project officer to fill one of the 5 outstanding incremental staff positions. Following recruitment this officer worked closely with the ADB TA Team Leader and PMO project managers in the development and running of the two regional inaugural workshops for components 1 and 2. A candidate has been identified for the financial controller position and SFA has initiated the necessary clearance and recruitment process. The PCO/MoF has identified two officers to fill the agreed central PCO incremental staff positions.

(v) Consulting Services

60. Expressions of interest were invited from international and domestic consulting companies shortly after project inception in July 2004. Between September and December 2004 three detailed consultant services packages were prepared for the delivery of consulting services as follows: (i) package 1 for component 1; (ii) package 2 for components 2, 3 and 4; and (iii) package 3 for component 5. Short lists for consulting companies, for each package, were agreed on in December 2004 and requests for proposals sent to them in January and February 2005.

61. One bid was received for package 1 and the technical proposal was reviewed, and found generally acceptable, in March 2005. The financial proposal was opened in April and contract negotiations entered into with the winning bidder on 28th April 2005. It is anticipated that consulting services for component 1 will begin to be delivered from mid May 2005. The winner of the contract is Wuhan University's Research Institute of Environmental Law, in association with Renmin University of China.

62. Four bids were received for package 2 and the technical proposals are currently under review. This is expected to be completed in mid May when the financial proposals will be opened. At present is anticipated that contract negotiations with the winning bidder will take place in early June with consulting services for components 2, 3 and 4 starting to be delivered from late June 2005.

63. Three bids were received for package 3. Each of the technical proposals has been reviewed and the financial proposals are due to be opened in early May. At present is anticipated that contract negotiations with the winning bidder will take place in late May with consulting services for component 5 starting to be delivered from early June 2005.

(vi) Project Publications

64. The central PMO has to date published three bilingual (Chinese English) newsletters publicising the PRC-GEF Partnership and the projects activities. A fourth Chinese language newsletter was published in January 2005 and an English language version is currently under preparation. Work has started on the preparation of the fifth

newsletter. A bilingual project web site¹¹ has been up and running since April 2003, and is regularly updated with the latest events and activities of the GEF partnership.

(vii) Donor Coordination

65. The third roundtable donor coordination meeting was organised by ADB in September 2004 to introduce the capacity building to combat land degradation to the other donor agencies linked to the PRC-GEF Partnership on Land Degradation in Dryland Ecosystems. Since that meeting several meetings have been held with representatives of the CIDA Sustainable Agriculture Development Project II to explore areas of mutual interest. So far this has involved the participation of representatives from the provincial offices of SADP II in the two inaugural regional workshops organised in April 2005 by the project. The project also collaborated with the AUSAID Alxa League Environmental Rehabilitation and Management Project in the organisation of the second inaugural regional workshop in Bayanhot Inner Mongolia. The project is also collaborating closely with the FAO Rome secretariat of the global LADA program and the SFA Beijing based LADA China task force. The fourth donor coordinating meeting is scheduled for 31 May at the PRCM, Beijing.

B. Follow-up: Component 6

(i) Project Implementation Arrangements

66. The first meeting of the national steering committee must occur without further delay so that it can fulfil its guidance and supervision role at a key stage in project implementation.

67. There is an urgent need to review the current project management decision making process within the executing agency (SFA) and devolve greater responsibility for decision making over the implementation of the agreed 2005 work plan to the senior officers of the central PMO.

(ii) Procurement

68. There is an urgent need to speed up the procurement process so that the central and provincial PCOs and PMOs can receive the agreed vehicles and equipment.

(iii) Incremental Staff

69. There is an urgent need to bring the central PCO and PMO up to full strength through the recruitment of the remaining incremental staff positions. The financial controller is top priority.

(v) Consulting Services

70. The screening of the proposals from the short listed consulting companies for packages 2 and 3 needs to be completed as soon as possible after the May day golden

¹¹ [Http:// www.op12.cn](http://www.op12.cn)

holiday so as to ensure the minimum delay before the GEF funded consultants can start work.

(vi) Donor Coordination

71. The fourth roundtable coordination meeting is planned for the 31 May.

3. REGIONAL ASPECTS

72. The provinces of the western region, covered by the PRC-GEF Partnership on Land Degradation in Dryland Ecosystems, have many things in common with countries in the bordering region of Central Asia - notably Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. Land degradation is a serious economic, social, and environmental problem in all these countries, directly affecting the livelihood of the rural population by reducing the productivity of their land resources and adversely affecting the stability, functions of, and services derived from, the natural ecosystems. As in the dryland areas of the PRC the causes of land degradation are multiple, complex, and varied, but are largely attributable to the abuse and over-exploitation of the natural resource base, particularly through inappropriate and unsustainable agricultural practices, overgrazing, deforestation, forest degradation, and natural disasters.

73. Likewise efforts in Central Asia to address land degradation have generally had limited success due to: (i) focusing on technical solutions; (ii) lack of coordination across agencies; (iii) inadequate policy, legislation, regulation and incentives for sustainable development; and (iv) relatively inadequate attention to economic and social factors and the incidence of poverty. These are similar to the problems identified within the western region of the PRC hence lessons learnt from the implementation of the *Capacity Building to Combat Land Degradation Project* can be expected to have application within Central Asia.

74. There are two similar GEF initiatives (under OP 15 Sustainable Land Management) in the process of being undertaken in the Central Asia region, namely: (i) the UNEP project *Sustainable Land Management in the High Pamir and Pamir-Alai Mountains - an Integrated and Transboundary Initiative in Central Asia* covering Tajikistan and Kyrgyzstan; and (ii) the ADB project *Central Asian Countries Initiative for Land Management* covering Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. It is proposed to establish links with both these projects with the aim of sharing information and promoting exchange visits as a means of learning from each others experiences.