



Project Data Sheet

Project 51192-001

Project Name	Inner Mongolia Sustainable Cross-Border Development Investment Program
Project Number	51192-001
Country / Economy	China, People's Republic of
Project Status	Active
Project Type / Modality of Assistance	Loan

Source of Funding / Amount	MFF Facility Concept 0108-PRC: Inner Mongolia Sustainable Cross-Border Development Investment Program	
	Ordinary capital resources	US\$ 420.00 million

Operational Priorities	OP1: Addressing remaining poverty and reducing inequalities OP2: Accelerating progress in gender equality OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability OP4: Making cities more livable OP5: Promoting rural development and food security OP6: Strengthening governance and institutional capacity OP7: Fostering regional cooperation and integration
------------------------	--

Sector / Subsector	Industry and trade / Trade and services Water and other urban infrastructure and services / Other urban services
--------------------	---

Gender	Effective gender mainstreaming
--------	--------------------------------

Description	<p>The investment program will promote sustainable development of cross-border areas and mutually beneficial regional cooperation and integration between Inner Mongolia Autonomous Region (IMAR) of the People's Republic of China (PRC) and Mongolia. The program will improve economic inclusion, ecosystems, and crucial services in the five IMAR border crossing point (BCP) communities and surrounding areas on both sides of the 3,200 kilometer (km) PRC-Mongolia border, which lag in economic and social development. The program will enhance infrastructure at key BCPs, related services including health services, and living conditions by improving environment and waste management systems. Expanded financial and business support to small and medium-sized enterprises in border regions will spur local income growth. Establishment of an agricultural value chain will enhance livelihoods on both sides of the frontier. The program will have strong regional spillover benefits to Mongolia: improvement in infrastructure and services at IMAR-Mongolia BCPs will boost the volume and quality of trade, creating about 3,300 direct and indirect jobs in Mongolia; and improvement in health and other services will benefit disadvantaged communities on both sides of the border.</p>
-------------	--

Project Rationale and Linkage to Country/Regional Strategy	IMAR is located in the northern PRC and borders Mongolia to the north along a 3,200 km border. Regional cooperation and integration (RCI) especially with Mongolia played an important role in IMAR's growth and development. Over the past decade, trade between IMAR and Mongolia has grown rapidly, from CNY8.42 billion in 2009 to CNY32.79 billion in 2018 with consistent and significant surplus for Mongolia. Given fundamental resource complementarities, where PRC mainly imports minerals, coal, animal husbandry products, and exports machinery, construction materials, and consumer products, the trade volume is expected to continue to grow. Cooperation has also expanded beyond trade to trade in services including tourism, health and education, and to environmental protection, and other transboundary issues following the all-round strategic partnership established in 2011 between PRC and Mongolia.
Impact	Sustainable economic development and shared prosperity for Central Asia Regional Economic Cooperation (CAREC) region achieved.

Project Outcome

Description of Outcome	Sustainable economic opportunities and living conditions in areas along the IMAR-Mongolia border improved.
Progress Toward Outcome	Tranche 1 was effective in 2021 and is in the 2nd year of implementation. Tranche 2&3 will be combined into one tranche which is being processed with approval expected in 2023. The progress of outcome will be reviewed for each tranche around the mid of its implementation.

Implementation Progress

Description of Project Outputs	Sustainable infrastructure for cross-border connectivity and health services improved Ecological environment in key border towns improved Income generating opportunities expanded Cross-border cooperation mechanisms, technical project management, and institutional capacity strengthened
Status of Implementation Progress (Outputs, Activities, and Issues)	As of 31 August 2022, contract awards under Tranche 1 is about \$4 million. Eight packages are to be procured in Oct 2022-June 2023; FIL implementation was kicked off with the signing of subsidiary loan agreement; sheep-breeding program and the poverty alleviation program will be started after the relevant relending/onlending agreements are signed.
Geographical Location	Inner Mongolia

Summary of Environmental and Social Aspects

Environmental Aspects	An initial environmental examination report and environmental management plan have been prepared for tranche 1 activities, which confirm that the project will not result in significant adverse environmental impacts that are irreversible, diverse, or unprecedented. Any minimal adverse environmental impacts will be prevented or mitigated through implementation of the environmental management plan.
-----------------------	--

Involuntary Resettlement	The MFF will involve the development of physical infrastructure such as roads, buildings, and logistics facilities. However, most of the project sites are in the remote area where most lands are owned by the government or acquired from local residents. The potential impact of subprojects under tranche 1 is expected to be minimal as relocation or resettlement of local residents are not required.
Indigenous Peoples	Mongolians are the second largest ethnic group in the area. The project will directly benefit communities in the project areas regardless of ethnicity. No adverse impacts on the ethnic minority group are expected.

Stakeholder Communication, Participation, and Consultation

During Project Design	Consultations with stakeholders will be conducted during project processing.
During Project Implementation	Consultations with stakeholders will be conducted during project implementation.
Responsible ADB Officer	Wang, Lan
Responsible ADB Department	East Asia Department
Responsible ADB Division	PRC Resident Mission

Timetable

Concept Clearance	28 Jun 2019
Fact Finding	02 Sep 2019 to 11 Sep 2019
MRM	29 Jan 2020
Approval	21 Oct 2020
Last Review Mission	-
Last PDS Update	23 Sep 2022

MFF Facility Concept 0108-PRC

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	536.93	Cumulative Contract Awards			
ADB	420.00	-	0.00	0.00	%
Counterpart	116.93	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

© 2023 Asian Development Bank

This page was generated from /projects/51192-001/main on 06 June 2023