### Project Name
Study on the Coordinated Development of Beijing–Tianjin–Hebei

### Project Number
48462-001

### Country
China, People's Republic of

### Project Status
Closed

### Project Type / Modality of Assistance
Technical Assistance

### Source of Funding / Amount

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<tr>
<th>TA 9042-PRC: Study on the Coordinated Development of Beijing-Tianjin-Hebei</th>
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<tr>
<td>Technical Assistance Special Fund</td>
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<td>US$ 750,000.00</td>
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### Strategic Agendas
- Environmentally sustainable growth
- Inclusive economic growth

### Drivers of Change
- Governance and capacity development
- Knowledge solutions
- Partnerships
- Private sector development

### Sector / Subsector
- Public sector management - Public administration

### Gender Equity and Mainstreaming
No gender elements

### Description
**A. Impacts and Outcome**
The impacts will be increased integrated, sustainable and inclusive economic growth, and reduced air pollution in the BTH region. The outcome will be better coordination of program outline implementation in Hebei and development in the BTH region.

**B. Methodology and Key Activities**
The TA will assess the Hebei provincial development experience, design the program outline implementation policies for Hebei, and enhance policy coordination within the BTH region to facilitate the implementation of the program outline and the Beijing Tianjin Hebei Air Quality Improvement Program. The program has three outputs:

1. **Output 1: Formulation of Hebei program outline implementation policy supported.** In the summary report, the consultants will review the experiences of Hebei economic development. They will also assess the economic integration status of the BTH region and identify main challenges Hebei is facing, such as limitations of the present industrialization strategy focusing on heavy industries, and comparative advantages of Hebei from the perspective of an integrated BTH region. The consultants will also analyze how Hebei can benefit from future integration and develop a plan for how Hebei can achieve more sustainable and inclusive growth.

2. **Output 2: Beijing Tianjin Hebei regional policy coordination enhanced.** Five thematic reports under output 1 cover the main challenges three BTH regional governments facing during BTH region integration. To enhance BTH region-wide policy dialogue, when the draft thematic reports are completed, the consultants will arrange and conduct a series of consultation conferences led by the HPG, with support from ADB, to present the findings and recommendations to stakeholders concerned, including Beijing, Tianjin, and Hebei government agencies; private enterprises; and research institutes. Comments and feedback from conferences will be incorporated into the final reports and policy notes.

3. **Output 3: Effectiveness of the Beijing Tianjin Hebei Air Quality Improvement Program policy actions assessed.** The Beijing Tianjin Hebei Air Quality Improvement Program supported by ADB's PBL in strengthening Hebei's framework for incremental policy and investment actions to improve the air quality in the BTH region (approved in December 2015), includes key policy reform actions and key performance monitoring indicators in three areas. The consultants will monitor the implementation of the program, assess the effectiveness of the HPG-agreed key policy actions, and make suggestions regarding future medium- and long-term reform and investment needs. The output will be the basis for future dialogue between ADB and HPG to scale up the partnership in the BTH region.
Beijing municipality, Tianjin municipality, and Hebei province make up an important economic region in the PRC. The region is home to 109.2 million people and generates a gross domestic product of about CN¥6.2 trillion, accounting for 10% of the national total in 2013. The region also has the world’s eighth largest urban agglomeration of Beijing (19.5 million inhabitants as of 1 July 2014) with the fastest average annual population growth rate of 4.6% among the top 10 city agglomerations in the world during 2010-2015. Even though the BTH region is geographically connected, the socioeconomic structure is disconnected. Beijing and Tianjin are two special municipalities directly under the central government and have advanced manufacturing capacity and strong tertiary sector. Hebei is less developed, with a vast peri-urban and rural hinterland, and lags in overall regional development. The gross domestic product per capita of Hebei was only 42% of that of Beijing and 39% of Tianjin in 2013. About 88% of the 3.1 million people in poverty in the BTH region live in Hebei. As a result of the available business opportunities, high-quality education, and health care resources, Beijing has attracted too many residents. Heavy smog, sprawling traffic, and notoriously long commutes downgrade the living standards of the residents. Beijing is facing the so-called megalopolis disease challenge.

For the BTH region as a whole, in addition to imbalanced economic and social development, air pollution is a huge health and environmental challenge threatening all BTH regional residents. As part of unprecedented rapid growth, the BTH region suffers from air pollution resulting from industrialization, urbanization, and motorization. The BTH region encompasses a large area with diverse sources of pollutants, including emissions from automobiles in metropolises such as Beijing, coal-based power plants and energy-intensive and polluting industries in Tianjin and Hebei, emissions from the vessels and equipment in Tianjin port, and coal-based boilers for residential heating and seasonal stalk burning on farm lands in Hebei. All three jurisdictions have adopted air pollution reduction strategies; for example, Hebei Provincial Government (HPG) has committed to reduce PM2.5 concentration by 25% by 2017 through reduction of industrial production capacities and other related methods. To help improve the air quality of Hebei and the BTH region, ADB prepared a policy-based loan (PBL) to Hebei, the Beijing Tianjin Hebei Air Quality Improvement Program. However, there has been a lack of coordinate effort to work jointly among the three areas. Against this backdrop, the Politburo of the Central Committee of the Communist Party of China approved the Program Outline for Coordinated Development of the BTH Region (the program outline) on 30 April 2015. The program outline aims to develop a more coordinated BTH region by 2030, mainly through transfer of some industry capacities and public service facilities out of Beijing to neighboring areas, including some energy-intensive industries, wholesale markets, public service entities, and state-owned enterprises and administrative institutions. However, the program outline does have some shortcomings: (i) The main focus of the program outline was to solve the megalopolis disease facing Beijing rather than achieve economic integration of the BTH region; (ii) Central government projects will be assigned to local governments using a top-down approach, where coordination among the same level of local governments is weak or even missing; (iii) The relocation of industry capacities and public service facilities from Beijing may create new environmental and social challenges in the relocating region, especially Hebei. The proposed TA will support the HPG to implement the program outline through (i) designing its own implementation policies related to creating a megalopolis in the BTH region, upgrading Hebei industries.

Impact

1. BTH region integrated sustainable and inclusive economic growth increased (2015, Program Outline for Coordinated Development of the BTH Region, Beijing)

Project Outcome

Description of Outcome

The program outline implementation in Hebei and development in the BTH region better coordinated

Progress Toward Outcome

Inception mission fielded.
Inception report submitted.

Implementation Progress

Description of Project Outputs

Formulation of Hebei program outline implementation policy supported
BTH region policy coordination enhanced
Effectiveness of the Beijing Tianjin Hebei Air Quality Improvement Program policy actions assessed

Status of Implementation Progress (Outputs, Activities, and Issues)

The contract was awarded to HBMRI on 15 July 2016
Inception workshop held on 28 September 2016 in Shijiazhuang.
The final dissemination workshop is scheduled in 21 October 2017, to be participated by ADB, EAS, TA consultants and other stake holders.

Geographical Location

Nation-wide
# TA 9042-PRC

## Milestones

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<th>Effectivity Date</th>
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<td>05 Jan 2016</td>
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<td>15 Aug 2017</td>
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## Financing Plan/TA Utilization

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## Cumulative Disbursements

- **ADB**: 750,000.00
- **Cofinancing**: 0.00
- **Counterpart**: 0.00
- **Total**: 750,000.00
- **Date**: 14 Dec 2015
- **Amount**: 563,778.96

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