Strengthening Provincial Planning and Implementation for the Yangtze River Economic Belt

**Project Name**
Strengthening Provincial Planning and Implementation for the Yangtze River Economic Belt

**Project Number**
49363-001

**Country**
China, People's Republic of

**Project Status**
Closed

**Project Type / Modality of Assistance**
Technical Assistance

**Source of Funding / Amount**
TA 9044-PRC: Strengthening Provincial Planning and Implementation for the Yangtze River Economic Belt
Technical Assistance Special Fund
US$ 550,000.00

**Strategic Agendas**
Environmentally sustainable growth
Inclusive economic growth

**Drivers of Change**
Governance and capacity development

**Sector / Subsector**
Agriculture, natural resources and rural development
- Water-based natural resources management
Water and other urban infrastructure and services
- Urban-based natural resources management
- Urban policy, institutional and capacity development

**Gender Equity and Mainstreaming**
No gender elements

**Description**
In August 2015, the Government of the People’s Republic of China (PRC) requested the Asian Development Bank (ADB) to support reducing the regional development gap between the eastern, central, and western reaches of the Yangtze River. During a reconnaissance mission in October 2015, an agreement was reached on the scope, implementation arrangements, and estimated budget for the technical assistance (TA) to Strengthening Provincial Planning and Implementation for the Yangtze River Economic Belt (YREB). The support would help implementing the “Guidelines on promoting the development of the Yangtze River Economic Belt building on the Golden Waterway,” which were issued by the State Council in 2014; and the “Economic development plan for the Yangtze River Economic Belt,” which is expected to be issued by the end of 2015.

The PRC Government identified the YREB as one of the three key growth engines to ensure the PRC’s future economic development. The corridor along the PRC’s longest river covers more than 2 million square kilometers, one-fifth of the country geographically. This economic backbone currently accounts for over 40% of the PRC’s total population and about 45% of the gross domestic product. The Yangtze River, one of the busiest inland rivers for freight traffic worldwide, is home to the largest hydropower plant in the world and is the source of water for the South-North water transfer project. Ten provinces and one municipality make up the Yangtze economic belt subregion, which includes three major urban agglomeration regions: (i) the Yangtze River Delta Global Mega Agglomeration focused on Shanghai, (ii) the Middle Yangtze City Cluster focused on Wuhan, and (iii) the Yangtze Upper Reaches focused on Chongqing.

Development constraints include (i) limited overall institutional coordination for strategic planning for the YREB; (ii) significant regional disparity between the highly developed global agglomeration region of the Yangtze River Delta and the subregions of the middle and upper reaches of the YREB with the latter two lagging behind in economic diversification and industrial modernization; (iii) limited integration of waterways, ports, and intermodal logistics; and (iv) increasing environmental pollution and pressure on natural resources.

In April 2014, the State Council issued guidelines to enhance the traffic capacity of the river and its tributaries in the YREB. It is envisaged that an integrated transport system will connect roads, railways, waterways, and air routes by 2020. The government plans to boost the development of railways, highways, waterways, airports, and underground pipelines along the Yangtze River to build a multimodal transport corridor. But also the service industry, green energy, and modern agriculture feature prominently in plans for the YREB, with coordinated urbanization along the river, including the Chengdu-Chongqing city cluster and Guizhou and Yunnan provinces. At the same time, water resources will be protected through strict control over pollution along the river.

**Project Rationale and Linkage to Country/Regional Strategy**
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The National Development and Reform Commission (NDRC) prepared a preliminary framework of the Outline of Planning on Development Strategy of Yangtze River Economic Belt (the planning outline). The final version is expected to be issued within 2015, prior to the release of the Thirteenth Five-Year Plan 2016-2020. In line with the State Council’s guidelines, the planning framework will strengthen access to regions along the upper and middle reaches of the Yangtze and boost growth in inland regions, reducing the regional development gap between the eastern, central, and western YREB subregions. The first phase of planning and implementation of the planning outline are likely to focus on the following initiatives that require a coordinated approach among provinces within the subregions of middle and upper reaches of the YREB: (i) strengthen industrial transformation; (ii) improve waterways’ transport and logistics; and (iii) environmental protection, rehabilitation, and management of water resources.

The government recognized that there is a need to better coordinate, integrate, and implement development approaches among the provinces, including a need for improved coordination, cooperation, and connectivity between the three agglomeration regions. Aspects of needed coordination include urban and social development, human resource capacity and workforce development, economic and industrial development, multi-tier and multimodal transport infrastructure development, environmental protection and water resources management, energy supply and management including renewable and low-carbon initiatives, and private sector engagement.

Support for the government’s YREB initiative was agreed during

**Impact**
The economic disparities between the eastern, central, and western YREB subregions reduced.

**Project Outcome**
Investment planning among local governments in middle and upper reaches of the YREB strengthened

**Progress Toward Outcome**
Workshop on international financial institutions’ lending modalities was held in Beijing in July 2016 by ADB and NDRC to brief priority provincial governments on lending of ADB and WB for YREB. Since then, three workshops were held in Beijing and Guiyang, PRC.
Description of Project Outputs
Government directions and priorities of industrial transformation of YREB identified
Investment opportunities for industrial transformation in selected municipalities in the middle and upper reaches of YREB identified
Human resource development needs assessed

Status of Implementation Progress (Outputs, Activities, and Issues)
NDRC is currently soliciting from priority provincial governments investment proposals on industrial transformation in selected municipalities.

Geographical Location
Yangtze River

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement
Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

Workshop on international financial institutions' lending modalities was held in Beijing in July 2016 by ADB and NDRC to brief priority provincial governments on lending of ADB and WB for YREB. Since then, three workshops were held in Beijing and Guiyang, PRC.

Business Opportunities

Consulting Services
The NDRC will be supported by 14 person-months (pm) of international and 30 pm of national consulting services. The consultants will be engaged following ADB's Guidelines on the Use of Consultants (2013, as amended from time to time) through individual consultant selection method. Individual consultant selection is considered the most efficient method as the consultants will be supervised by different cross-sectoral teams in EARD. The environment, natural resources, and agriculture division will take the lead for the administration of the TA. Disbursements will be in line with ADB's Technical Assistance Disbursement Handbook (2010, as amended from time to time). It is anticipated that the consultants will be mobilized during the first quarter of 2016. Resource persons will be engaged to assist in the preparation of presentation materials, and make presentations during the in-country workshops and consultation. One full-time administrative support staff will be engaged for 12 pm to assist the NDRC in the coordination of the TA, and the organization of workshops and consultations.

Responsible ADB Officer
Robertson, Suzanne Kay

Responsible ADB Department
East Asia Department

Responsible ADB Division
Environment, Natural Resources & Agriculture Division, EARD

Executing Agencies
National Development and Reform Commission
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China

Timetable

Concept Clearance 12 Nov 2015
Fact Finding -
MRM -
Approval 14 Dec 2015
Last Review Mission -
Last PDS Update 17 Sep 2018

TA 9044-PRC

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