

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. Unlike basic education, technical and vocational education and training (TVET) in Guangxi Zhuang Autonomous Region (GZAR) only started receiving major development assistance during the Twelfth Five-Year Plan, 2011–2015 when the Government of the People’s Republic of China (PRC) set the target of increasing enrollment in TVET equal to that in general education.¹ Major development partners in GZAR’s TVET sector have been, since 2011, the Asian Development Bank (ADB), the Government of Spain, and German development cooperation through KfW, whose assistance has been focusing on several key TVET institutions to improve the teaching and learning environment, especially practical training facilities, and to strengthen school–enterprise cooperation. Given the strategic location of GZAR bordering Viet Nam, exchanges and other types of regional cooperation activities between TVET institutions and enterprises in GZAR and the Association of Southeast Asian Nations (ASEAN) countries have been incorporated into some of the projects supported by development partners in the TVET and other sectors. With the launch of the Silk Road Economic Belt and the 21st Century Maritime Silk Road (Belt and Road Initiative) by the Government of the PRC in 2015, regional cooperation activities between TVET institutions and enterprises in GZAR and ASEAN countries are expected to grow, likely attracting more development assistance in the Thirteenth Five-Year Plan, 2016–2020 and beyond.²

Major Development Partners

Development Partner	Name of Operations	Duration	Amount (\$ million)
Basic Education			
World Bank	Basic Education in Poor and Minority Area Project	1994–2000	100.0
World Bank	Basic Education in Western Areas Project	2003–2009	100.0
TVET			
ADB	Guangxi Nanning Vocational Education Development Project	2013–2019	50.0
ADB	Guangxi Baise Vocational Education Development Project	2014–2020	50.0
Government of Spain	Guangxi Industrial Vocational College Teaching Equipment Project	2011–2015	189.0
KfW	Practical Training Bases for Nanning College of Vocational Technology	2013–2018	20.0
Regional Cooperation (with TVET component)			
ADB	Guangxi Regional Cooperation and Integration Promotion Investment Program (Tranche 1)	2016–2022	130.0

ADB = Asian Development Bank, TVET = technical and vocational education and training.
Sources: Asian Development Bank; German development cooperation through KfW.

B. Institutional Arrangements and Processes for Development Coordination

2. At the national level, the Government of the PRC, especially the Ministry of Finance and the National Development and Reform Commission, coordinate development partners in all sectors, requesting them to align their operations with the PRC’s five-year plans for social and economic development. These institutional arrangements are mirrored at the provincial level, including in GZAR, with Guangxi Finance Department and Guangxi Development and Reform Commission taking the lead in coordinating development partners. As some development assistance is provided to the provincial government, its role in development coordination is

¹ Government of the People’s Republic of China, National Development and Reform Commission. 2011. *The Outline of the Twelfth Five-Year Plan, 2011–2015*. Beijing.

² Government of the People’s Republic of China, State Council. 2015. *National Economy and Social Development Thirteenth Five-Year Plan, 2016–2020*. Beijing.

significant.

3. In the TVET sector, the Ministry of Education sets overall strategic and policy directions, issuing national plans and guidelines, while in GZAR, Guangxi Education Department (GED) develops provincial plans and guidelines within the national policy framework. Key strategic documents in the PRC and GZAR include the National Modern TVET System Development Plan, 2014–2020, and the GZAR Modern TVET System Development Plan, 2015–2020, which guide developments and operations of TVET institutions in GZAR, and so do projects supported by development partners, to a large extent. By contrast, the institutional responsibility for exchanges, and other types of regional cooperation activities between TVET institutions and enterprises in GZAR and ASEAN countries, is fragmented within the GZAR government, making development coordination more difficult and complex.

4. ADB worked closely with KfW, which has been active in GZAR's TVET sector since 2013, as a potential cofinancier in early stages of the preparation of the Guangxi Modern Technical and Vocational Education and Training Development Program. ADB and KfW conducted joint missions in May 2016 and November 2016, and January 2017 and April 2017 to discuss and agree on the design of the program with the GZAR government. A memorandum of understanding on collaborative financing between ADB and KfW was signed in May 2017.

5. The results-based lending (RBL) program supports sector-wide and programmatic approaches to the development of a modern TVET system in GZAR, instead of a limited number of discrete interventions focusing on TVET institutions, and provides a platform for development coordination, especially for joint collaborative cofinancing based on a common program results framework, program expenditure framework, and program systems within the framework of the GZAR Modern TVET System Development Plan, 2015–2020, of which the GZAR government has strong ownership. ADB and KfW will finance the program with the loan disbursement contingent on the achievement of the results measured by the seven disbursement-linked indicators mutually agreed with the GZAR government, ADB, and KfW. The RBL program implementation will rely on the country's program systems, including program monitoring and reporting, financial management, procurement, environmental, involuntary resettlement, and social safeguards, with necessary measures to strengthen government plans and program systems built into the program design. ADB and KfW will jointly undertake review missions annually to verify the achievement of disbursement-linked indicators, review program progress, and discuss annual work plans and budgets.

C. Achievements and Issues

6. Overall strategic and policy directions for the TVET sector are clearly defined by the Ministry of Education and GED, especially in the National and GZAR Modern TVET System Development Plans, which serve as a guide for development partners. However, the strategic and policy directions often remain general, leaving room for wide interpretation, and sometimes confusion by TVET institutions, and require further improvements. Until now, development assistance in GZAR's TVET sector has been provided for specific TVET institutions, rather than for the whole TVET system, which makes it difficult to create synergetic effects and mainstream innovative activities pilot tested at TVET institutions into the TVET system. The RBL program breaks away from this practice and enables better coordination and harmonization between development partners, while strengthening the government ownership of the program and program systems through the program implementation.

7. Institutional coordination within the GZAR government for setting strategic and policy

directions, financing, and implementing and monitoring policies and programs, in relation to exchanges and other types of regional cooperation activities between TVET institutions and enterprises in GZAR and ASEAN countries, need to be strengthened so that development assistance in this area is better coordinated. The program aims to develop the capacity of GED to provide guidance and supervision for TVET institutions involved in exchanges and other types of regional cooperation activities with TVET institutions in ASEAN countries. A stronger institutional coordination mechanism within the GZAR government is necessary to enhance the effectiveness of these activities and development assistance.

D. Summary and Recommendations

8. Since the Twelfth Five-Year Plan, 2011–2015, GZAR's TVET sector started attracting development assistance. The National Modern TVET System Development Plan, 2014–2020, and GZAR's Modern TVET System Development Plan, 2015-2020, provide a guide for development partners to align their operations. However, their support has been fragmented with focus on specific TVET institutions rather than the whole TVET system, rendering their sector-wide impacts less effective. Moreover, concentrating development assistance on specific TVET institutions has not necessarily led to improvements in the government plans, capacity, and systems. These findings have been reflected in the design of the program, as well as its implementation arrangements.