People’s Republic of China: Integrated Strategy for Sustainable Land Management in Dryland Ecosystems

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TA Number, Country, and Name:
TA 8162-PRC: Integrated Strategy for Sustainable Land Management in Dryland Ecosystems

Amount Approved: $400,000
Revised Amount: Not Applicable

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<th>Executing Agency:</th>
<th>Source of Funding:</th>
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<td>Ministry of Finance</td>
<td>TASF-others</td>
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<th>TA Approval Date:</th>
<th>TA Signing Date:</th>
<th>Fielding of First Consultants:</th>
<th>TA Completion Date</th>
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<td>17 September 2012</td>
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<td>19 April 2013</td>
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Description. The Asian Development Bank (ADB) provided policy advisory technical assistance (TA) to the People’s Republic of China (PRC) for the Integrated Strategy for Sustainable Land Management in Dryland Ecosystems to support Global Environment Facility (GEF) Partnership on Land Degradation in Dryland Ecosystems (the Partnership). The Partnership, initiated as a long-term cooperation agreement between the PRC, GEF, ADB, and other donors, promotes the introduction of an integrated ecosystem management (IEM) approach to combating land degradation. The Partnership is based on a long-term country programming framework that was approved by the GEF’s council in October 2002. The initial focus was to contribute to the PRC’s New Countryside Program (2006–2010), and it played a key role in the efforts to improve the western PRC dryland ecosystems and alleviate poverty in the PRC’s western regions, home to approximately 75% of the PRC’s rural poor.

Following an implementation review of Phase I of the Partnership in May 2007, and the expiry of its initial strategic framework, the TA provided support for the development of a new and updated strategy for the Partnership. The government expressed its intention to focus future work on the main institutional and technical challenges related to sustainable land management (SLM), i.e., scaling-up activities to strengthen the implementation of the IEM approach, developing and sharing its experiences with associated policy and institutional reforms, developing and piloting innovative instruments to improve SLM, and seeking further cooperation and integration with other ongoing programs.

Expected Impact, Outcome, and Outputs. The anticipated impact of the TA was improved productivity and inclusive growth in dryland regions. The expected outcome was a 10-year development strategy for SLM for dryland ecosystems endorsed by the government. To attain the expected outcome, four outputs were identified: (i) scope of partnership development strategy (PDS) identified, (ii) resource mobilization strategies endorsed for implementation of national and provincial programs under the PDS, (iii) institutional arrangements enhanced for implementation of the PDS, and (iv) PDS prepared for the PRC—GEF Partnership on land degradation in dryland ecosystems for 2014–2023. The TA design and associated terms of references are considered as highly relevant, considering the need to ensure increasing productivity of drylands in a changing climate and decline water resources, while government and donor funding is becoming more difficult to obtain. The design and terms of references were also extensively discussed with relevant stakeholders during the earlier phases of the Partnership.

Delivery of Inputs and Conduct of Activities. Consulting services by four individual consultants (5 person-months of international and 20 person-months of national consultants) was provided for the TA. Terms of reference were adequate as TA consultants successfully catered to the need of the executing and implementing agencies, and the accomplishment of TA outcome and outputs. The engagement of the national natural resources management and institutional expert was slightly delayed due to additional time required to identify suitable candidates. The TA inception mission, interim, and final review missions were conducted during 20–28 February 2013, 13–20 November 2013, and 10–11 October 2014, respectively. The TA completion date was extended by 4 months to give sufficient time for the State Forestry Administration (SFA), the implementing agency, and the TA consultants to (i) improve the strategy to address ADB comments; and (ii) prepare a short knowledge product on good practices in sustainable land management. No equipment was procured under the TA. The central and provincial project management offices used the equipment that had been procured under the previous GEF-supported grants. Overall, the performances of the SFA, TA consultants, and ADB staff are considered satisfactory.

Evaluation of Outputs and Achievement of Outcome. The anticipated outcome for the TA, a 10-year development strategy for SLM for dryland ecosystems endorsed by government, was successfully achieved. The implementation is considered effective and efficient. The identified outcome indicators were achieved: (i) development strategy and program framework for 2014–2023 prepared and endorsed, (ii) financial mechanisms established to support implementation of the development strategy, and (iii) enhanced multisector and multilevel coordination and institutional arrangements established and endorsed. The TA needed a reasonable 4 months extension, while the outputs were achieved with significant budget savings.
Under output 1, a summary report on the scope of land degradation, biodiversity, poverty, gender, and livelihood issues in dryland ecosystems was prepared. The main findings of the report were incorporated into the final strategy (output 4), which covers 11 provinces and autonomous regions: namely Chongqing, Gansu, Guangxi, Guizhou, Inner Mongolia, Ningxia, Qinghai, Shaanxi, Sichuan, Xinjiang Uyg, and Yunnan. As part of the preparation process, multiple consultations were conducted in Beijing and in all six provinces and autonomous regions that were expected to join in the next phase of GEF-supported grant activities (i.e., Gansu, Guizhou, Inner Mongolia, Qinghai, Shaanxi, and Sichuan).

Under output 2, a resources mobilization strategy was prepared to explore routes for sustained financial support to the SLM, both for investment programs and for the Partnership itself. Looking towards the next 10 years, it is expected that the PRC Government will continue to play the key role in funding SLM, though investment will increase involving private sector—a trend which is set to continue and encouraged. The strategy explored investment and financing through market approaches and relevant system to create more opportunities for private sector investment in climate-resilient SLM. The four most promising possibilities to achieve this are: (i) setting up cooperation between national and provincial priority programs and/or projects with the GEF and other international financial institutions; (ii) exploring reforms and innovations in land management and land tenure systems; (iii) exploring possibilities of reforms and innovations within the rural financial system to generate new financial instruments for the private sector in SLM; and (iv) exploring the establishment of, and improve the investment and financing system.

For output 3, possible innovative institutional arrangements for the implementation of the Partnership were summarized and assessed. This included the possible establishment of specific working groups that would ensure the necessary coordination with all relevant partners on the various priority areas (e.g., United Nations Convention to Combat Desertification, resource mobilization, etc.). The setup of such groups will be further considered during the implementation of the new strategy.

Output 4 resulted in the final overall strategy that will guide the implementation of the Partnership for the next decade. To remain flexible, the strategy does not include fixed targets, detailed action plans, or formal evaluation and monitoring mechanisms. The continued support for the Partnership that is being provided will help the PRC Government to further elaborate on such detailed plans and implementation arrangements. The strategy will particularly have a significant impact at the provincial levels, at which good cross-sectoral cooperation arrangements were established already during earlier activities under the Partnership.

**Overall Assessment and Rating.** The TA is considered as successful. The implementation of the TA generally followed the anticipated schedule. The government appreciated the final outcome of the TA, and formally endorsed and published the new strategy. The TA is also considered sustainable, as the government is committed to implement the strategy, amongst others with further ADB support. Moreover, the TA also enables ADB team to prepare a knowledge product on Sustainable Land Management in Asia: Introducing the Landscape Approach. The knowledge product, to be published in 2016, includes a large number of references to and descriptions of good SLM practices in the PRC. The budget was considered adequate, with TA savings of $167,790, mainly from consultant’s remuneration, training and seminars, and unused contingencies. The TA savings were returned to ADB as (i) there was internal pressure to close non-project preparatory TAs, and (ii) a new GEF-supported TA was starting up already.

**Major Lessons.** It was observed during TA implementation that the preparation of a full 10-year strategy would be a challenging task because of the fast developments in the sector. For example, it was proven difficult to anticipate future financing arrangements for SLM far in advance. As such, during the development of the strategy, emphasis was put on approaches and concepts, contrary to detailing specific investment programs.

**Recommendations and Follow-Up Actions.** It is recommended that ADB remains proactive and ensures that sufficient new concepts and practices continue to be developed under the Partnership. This can be done through the newly-approved TA in 2015, TA 8872-PRC: Sustainable and Climate-Resilient Land Management in the Western Regions. The TA, financed by the GEF, will continue to support government efforts to strengthen the PRC—GEF Partnership on Land Degradation in Dryland Ecosystems by expanding the regional scope and upscaling SLM investments in selected provinces and autonomous regions.

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