



Completion Report

PUBLIC

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People's Republic of China: Promoting Partnerships for South–South Cooperation II

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TECHNICAL ASSISTANCE COMPLETION REPORT

TA Number, Country, and Name: TA 8997-PRC: Promoting Partnerships for South–South Cooperation II		Amount Approved: \$400,000.00	
		Revised Amount: Not applicable	
Executing Agency: Ministry of Finance	Source of Funding: Technical Assistance Special Fund (TASF-other sources)	Amount Undisbursed: \$151,061.74	Amount Used: \$248,938.26
TA Approval Date: 20 November 2015	TA Signing Date: 15 December 2015	TA Completion Date	
		Original Date: 30 November 2017	Latest Revised Date: 15 November 2020
		Financial Closing Date: 13 July 2021	Number of Extensions: 3
TA Type: Capacity development TA			

Description

Knowledge and innovation have been the core theme in Asian Development Bank's (ADB) country partnership strategy for the People's Republic of China (PRC) since 2008. In 2009, the Knowledge Sharing Platform (KSP) was established by ADB's East Asia Department (EARD) with the PRC Ministry of Finance (MOF) to promote south–south cooperation as a vehicle to share solutions for key emerging development issues and challenges faced by developing countries in Asia and the Pacific. The KSP proved to be an effective country-led platform for sharing experiences in addressing the region's challenges in different sectors, and support for south–south cooperation that helps translate to projects with meaningful impacts.

In August 2014, the Government of the PRC requested ADB to provide technical assistance (TA) to sustain the promotion of partnerships for south–south cooperation. In 2015, TA 8997-PRC: Promoting Partnerships for South–South Cooperation II was approved to continue support for south–south knowledge cooperation between the PRC and other developing member countries (DMCs). This TA built on the initiatives of TA 7974-PRC: Promoting Partnerships for South–South Cooperation, which aimed to enhance knowledge cooperation between the PRC and other DMCs through increased awareness of best practices and emerging issues and challenges in the region.¹ The TA sustained support for KSP, as was recommended at the completion of TA 7974, and incorporated into its design the lessons identified by the previous TA. The TA was included in the PRC country operations business plan, 2015–2017.

Expected Impact, Outcome, and Outputs

The expected impact of the TA was enhanced knowledge solutions and knowledge partnerships in DMCs and strengthened knowledge cooperation between the PRC and other DMCs. The planned outcome was improved effectiveness of knowledge sharing. The expected outputs were: (i) KSP workshops on key development themes organized; and (ii) high-impact policy recommendations strengthened and disseminated.

Implementation Arrangements

No consultants were engaged under the TA. However, 29 resource persons were engaged, of which 12 were engaged for the structural transformation workshop in 2016, 4 for the rural vitalization workshop in May 2019, and 13 for the publication and three workshops on poverty reduction in 2020. The resource persons were engaged in accordance with the Guidelines on the Use of Consultants (2013, as amended from time to time). The TA also supported 11 participants to the 8th Knowledge Sharing event in 2016.

A steering committee, comprising representatives from the PRC's MOF and ADB, was set up to oversee implementation and provide guidance on TA activities and consultants. The committee originally met to review proposed TA activities and workshops as envisioned by the TA, however, regular committee meetings were eventually replaced by regular informal discussions between ADB and MOF on project implementation and priority setting.

Conduct of Activities

The TA's first output is: KSP workshops on key development themes organized. The performance indicators for the output are: (i) 20% increase in participation of DMCs in knowledge sharing workshops with the PRC; (ii) two KSP workshops on key development themes; and (iii) improved satisfaction of participants in knowledge sharing events.

¹ ADB. 2011. *Technical Assistance to the People's Republic of China for Promoting Partnerships for South–South Cooperation*. Manila.

The TA mostly met the first performance indicator with half of the workshops seeing 120–200 participants, or a 54%–150% increase from the baseline of 78 participants on average. On the second performance indicator, the TA supported eight workshops—400% more than the targeted two workshops. On the final indicator, the TA fell short in gauging the satisfaction of workshop participants as there were no records of feedback and evaluation from the participants.

The first activity supported by the TA was the Workshop on Structural Transformation held on 15–17 July 2016 and co-organized with the Regional Knowledge Sharing Initiative (RКСI) and Peking University. The 3-day workshop convened more than 20 globally renowned economists and contributors for the planned Oxford University Handbook on Structural Transformation. Nobel Laureate Roger Myerson led the discussions, together with Justin Yifu Lin, Head of the Center for New Structural Economics of Peking University. The second workshop, the 8th Knowledge Sharing Event on Global Delivery Initiative and Knowledge for Operations, was held on 2–4 November 2016 and saw over 120 participants from more than 20 countries from Asia. Jointly organized with the MOF, World Bank, German Agency for International Cooperation, and United States Agency for International Development, the event brought together delivery practitioners across Asia to discuss knowledge sharing strategies and innovative knowledge solutions; and share achievements in operational knowledge cooperation from the region.

Following the two successful workshops, a meeting between MOF and ADB was held on 18 April 2018, which led to the identification of priority areas under the TA's KSP: (i) central-local tax relationship, (ii) sub-national borrowing, and (iii) local fiscal management. Subsequent consultations also identified rural vitalization, elderly care, and human capital development as priority areas under the TA. As a result, three innovation workshops on rural vitalization, elderly care, and human capital development were held in the PRC on 8–10 May 2019, with more than 200 participants from the government, international financial institutions, and development partners. The workshops discussed ways to promote innovative practices through learning from international and domestic experiences and identified key priorities for the PRC. Representatives from international development institutions such as the World Bank, International Fund for Agricultural Development, Japan International Cooperation Agency, KfW, and Agence Française de Développement shared their experiences with participants from the PRC provincial governments and MOF. Three virtual workshops on poverty reduction and sustainable development were also held on 29 April 2020, 11 August 2020, and 29 September 2020 where discussions on fiscal sustainability, rural development, elderly care, and early childhood education and its relation to poverty reduction ensued; with Hunan, Guangdong, and Yunnan provinces presented as case studies for poverty alleviation.

The TA identified “strengthening and dissemination of high-impact policy recommendations” as a second output, with a performance indicator: “three publications based on the papers prepared for the workshops and the results of the workshops completed by 2017 (Baseline 2015:0).” The poverty reduction workshops conducted in 2020 included a presentation of background studies and a flagship report on *Poverty, Vulnerability, and Fiscal Sustainability in the People's Republic of China*, which was published in both English and Chinese. Brochures featuring the report's highlights were also published. The key findings of the report were presented to an ADB–PRC TA cooperation workshop with over 100 participants comprising implementing and/or executing agencies in the PRC. In addition to the main report, seven of the eight background studies were also published as working papers and disseminated through ADB and RКСI websites, exceeding the TA's target of 3 publications by 133%. All publications were disseminated through at least four RКСI events and k-Nexus. However, the papers were published beyond the original target of 2017, with the English version of the working papers published after TA completion.

While activities under the TA were only completely implemented in 2021, there have already been initial interests from other DMCs on elderly care and rural vitalization. South–south sharing activities in these areas are now being pursued and are expected to contribute to the replication in other DMCs, a performance indicator for the TA outcome. Another indicator under the TA outcome, ensuing policy and institutional changes, is likely to be achieved in the near future as provincial governments indicated their willingness to consider the recommendations from the TA-supported study on poverty and fiscal sustainability.

Technical Assistance Assessment Ratings

Criterion	Assessment	Rating
Relevance	<p>The TA outcome was fully aligned with the PRC's development priorities and related ADB strategies (knowledge has underpinned the PRC–ADB country partnership strategy since 2008; ADB Strategy 2020 and Strategy 2030 emphasize the integration of knowledge with financing). The regular communications with the PRC MOF ensured that the priority areas focused on by the TA are relevant to the PRC's context.</p> <p>The TA design was appropriate in addressing the issue of increased south–south knowledge sharing through the KSP, as participants from other DMCs were invited to the workshops. The TA focused on sharing high-impact policy</p>	Relevant

Criterion	Assessment	Rating
	recommendations which were right in time with significant developments in the PRC, which aimed at the eradication of absolute poverty. Overall, the TA design and results chain were sound. The TA rationale was well articulated, and was in line with country priorities, as identified by the government of the PRC.	
Effectiveness	<p>Targets under all indicators for the two outputs were achieved satisfactorily, except for the targets under indicator 1b (improved satisfaction of participation in knowledge sharing workshops), which does not have available data. Post-workshop evaluation surveys were not conducted to assess the satisfaction of participants. However, consistent comments on the need for more or sustained knowledge sharing by the participants from other DMCs in the TA-supported regional knowledge events indicate a certain level of satisfaction with the TA outputs. Achievement of output 2 (high-impact policy recommendations strengthened and disseminated) was evident in the 188 downloads in June 2021 for the Poverty and Fiscal Sustainability Report, which garnered the spot for the second most downloaded EARD knowledge product for that month. The downloads totaled to almost 1,000 by the end of 2021.</p> <p>The knowledge sharing activities under the TA have piqued interest from other regional departments in ADB, especially in the areas of elderly care and rural development. As a result, south-south sharing activities are currently being pursued for possible replication in other DMCs. One such activity resulting from this TA is the south-south sharing session in the upcoming 3-day forum on elderly care planned for Q3/Q4 2022. The forum is expected to bring in participants from other DMCs and is being organized through the One ADB Knowledge Working Group (OKWG) comprising representatives from other regional departments in ADB.</p> <p>During the workshops held in 2020 to discuss poverty, vulnerability, and fiscal sustainability in the PRC, representatives from both the national government (e.g., MOF) and provincial governments (Yunnan, Hunan, and Guangdong) of the PRC appreciated the recommendations shared by discussants during the forum. The government representatives from the PRC confirmed that they would consider some of these recommendations, such as increasing coordination between national and local governments in implementing social services programs.</p>	Effective
Efficiency	In spite of start-up delays in the TA implementation, the outputs were delivered with substantial savings (38%) while ensuring quality of outputs. Savings mainly came from the budgeted knowledge sharing workshops that could not be held face-to-face due to the coronavirus disease (COVID-19) pandemic. The TA saw significant savings from budgeted travel-related items that were not used as the workshop delivery shifted online due to the COVID-19 pandemic. The TA completion date was extended thrice for a cumulative period of 36 months to offset the delays in implementation. These emanated from unforeseen delays in the review and approval processes, and staff turnover on both the PRC MOF and ADB teams, and the COVID-19 pandemic which limited travel and led to difficulties in organizing workshops. The project was well managed in terms of the conduct of project activities, and human and financial resources were utilized in an appropriate manner. Financial reporting was satisfactory. Planned publication and dissemination of policy recommendations were delivered but completed after the TA completion in November 2020.	Less than efficient
Overall Assessment	The TA was <i>relevant, effective</i> , but <i>less than efficient</i> . The TA outputs aligned with the PRC's development priorities, most of the outputs were essentially achieved and the outcome is likely to be achieved despite implementation delays due to COVID-19 pandemic.	Successful
Sustainability	The PRC government participated fully in the identification of knowledge to be shared and remains committed to knowledge cooperation and sharing with DMCs through the establishment of KSP in 2009 and RKSI in 2012, both launched in partnership with ADB. Strong support by the government was evident in its willingness to provide financial and human resources to sustain TA benefits. This TA has helped catalyze ADB's role in facilitating knowledge sharing from the PRC to other DMCs.	Most likely sustainable

Lessons Learned and Recommendations

Design and/or planning	The steering committee, which was planned as the oversight body for the TA, was eventually replaced by ADB's close and regular coordination with the government focal. The steering committee's role could have been strengthened had it included representatives from other DMCs to better gauge other DMCs' needs and better support South–South Sharing. The knowledge and support TA focused on sharing the PRC's knowledge with other DMCs by inviting DMCs to participate in PRC-led activities. Succeeding TA projects have been designed as regional TA projects to engage directly with other DMCs to make knowledge sharing more relevant. EARD has recently moved toward this direction with the establishment of the OKWG which aims to identify potential south–south sharing initiatives across ADB. A monitoring system for south–south sharing should be developed to allow a more effective impact assessment of the TA activities as these go beyond standard post-workshop evaluation surveys.
Implementation and/or delivery	Implementation and/or delivery of project outputs was affected by staff turnover on both MOF and ADB teams. Advance information on replacement contacts should be an automatic provision in implementation arrangements. Extra consideration for delays in times of crisis (e.g., pandemic) must be incorporated in the assessment of the TA implementation.
Management of staff and consultants	Turnover of staff for both MOF and ADB teams led to delays in project implementation and contributed to the TA extensions. Teams should have alternate systems, especially for lead positions, who are aware of the daily operations and details of the projects. This could help buttress the impact of staff changes on the TA. The TA engaged resource persons instead of consultants for its activities. The approach allowed for quicker engagement of experts for the studies and workshops which, by nature, required services of experts for a short duration. This proved to be effective in quickly mobilizing experts and managing costs, while ensuring the quality of outputs.
Knowledge building	COVID-19 pandemic has accelerated the digital transformation of work, including the online dissemination of knowledge, which is faster and wider in reach, and the only means to share knowledge during the pandemic which saw limited travel and face to face interaction. Different formats should be explored on how best to share knowledge. Likewise, to provide evidence of actual use of the knowledge product, each free download must have an attached tick box for intended purpose or means of gauging the use of the knowledge product. Follow-up measures with workshop participants and relevant government agencies after TA implementation should be undertaken to ensure government's uptake of recommendations from the studies.
Stakeholder participation	While regular and close coordination between ADB and MOF proved important in identifying activities that are in line with the PRC's priorities, a regular meeting of the steering committee could have expanded the reach and impact of the TA activities. Feedback/evaluation should also be part of all workshops/knowledge events to gauge participants' satisfaction and workshop relevance.
Replication and/or scaling up	EARD has since launched the OKWG, which allows further consultations with other ADB regional departments and DMCs on potential south–south sharing initiatives. This should be strengthened, especially in areas of interest for other DMCs such as rural vitalization and elderly care.
Post-TA financial resource	South–south knowledge sharing is important for both ADB and the PRC. The government has committed to increase knowledge sharing with DMCs and provided financial resources to a new TA 6699 from its trust fund administered by ADB. ²

Follow-up Action

More south–south knowledge sharing is being pursued in implementing TA 6699, which supports knowledge sharing through sharing innovative practices and lessons from ADB's engagement with the PRC. In addition, the OKWG should be further strengthened in promoting south–south sharing across ADB.

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² ADB. 2020. *Technical Assistance to the People's Republic of China for Enhancing Knowledge as Public Goods for Project Innovation, Demonstration, and Replication*. Manila.

DESIGN AND MONITORING FRAMEWORK

Impacts Knowledge solutions enhanced ^a Knowledge partnerships in DMCs enhanced ^a Knowledge cooperation between the PRC and other DMCs strengthened ^b		
Results Chain	Performance Indicators with Targets and Baselines	Achievements
Outcome Effectiveness of knowledge sharing improved	By 2017 a. At least one initiative to replicate best practices in DMCs in the region by 2017 (Baseline 2015:0) b. Ensuing policy and institutional changes through follow-up surveys and network interactions	a. Likely to be achieved. The TA was completed in 2021 and the outcome is likely to manifest in the following years. Initial interest from other DMCs on elderly care and rural vitalization are being pursued. One such initiative resulting from knowledge sharing supported by this TA is a three-day forum on elderly care planned for Q3/Q4 2022, which includes south-south sharing sessions. The forum is expected to bring in participants from other DMCs and is being organized through the One ADB Knowledge Working Group comprising representatives from other regional departments in ADB. b. Likely to be achieved. During the workshops held in 2020 to discuss poverty, vulnerability, and fiscal sustainability, representatives from both the national government (e.g., Ministry of Finance) and provincial governments (Yunnan, Hunan, and Guangdong) of the PRC shared that they would consider some of the recommendations mentioned, such as increasing coordination between national and local governments.
Outputs 1. KSP workshops on key development themes organized	1a. Participation of DMCs in knowledge sharing workshops with the PRC increased by 20% (Baseline 2015: average number of participants 78 per event) 1b. Improved satisfaction of participants in knowledge sharing workshops (Baseline 2015: 0) 1c. Two KSP workshops on key development themes completed by 2017 (Baseline 2014: 1)	1a. Achieved. The 8th Knowledge Sharing Event on Global Delivery Initiative and Knowledge for Operations on 2–4 November 2016 in Chongqing, PRC was jointly organized by MOF, ADB, WB, GIZ, and USAID, with 120 participants from the PRC Government and from 10 DMCs in the region. Three workshops in 2020 (on rural vitalization, elderly care, and human capital development) had around 200 participants (or 54%–150% increase per event from the baseline). 1b. No direct evaluation survey data but consistent comments by participants of the need for sustained knowledge sharing in country and regional knowledge events seem to indicate participant satisfaction. 1c. Achieved, exceeding the target. Eight KSP workshops (400% compared with the target) on key poverty reduction themes were completed as follows: 1 workshop on structural transformation was held on 15–17 July 2016 with 20 experts participating; 1 event on global delivery initiative held on 2–4 November 2016, with 120 participants; 3 innovation workshops on rural vitalization, elderly care, and human capital development on 8–10 May 2019, with more than 200 participants from the government, IFIs, and development partners; the Poverty Reduction and Sustainable Development Interim Workshop on 29 April 2020; Poverty Reduction and Sustainable

Results Chain	Performance Indicators with Targets and Baselines	Achievements
2. High-impact policy recommendations strengthened and disseminated	<p>2a. Three publications based on the papers prepared for the workshops and the results of the workshops completed by 2017 (Baseline 2015: 0)</p> <p>2b. Publications disseminated through RKSI and k-Nexus</p>	<p>Development 2nd Review Workshop on 11 August 2020; and 3rd virtual seminar on Poverty Reduction and Sustainable Development on 29 September 2020: Presentation of Provincial Case Studies. The average number of participants for these last three workshops was 35.</p> <p>2a. Achieved, exceeding the target. Eight publications were completed (267% compared with the target), as follows:</p> <ul style="list-style-type: none"> (i) Poverty, Vulnerability, and Fiscal Sustainability in the People's Republic of China (https://www.adb.org/publications/poverty-vulnerability-fiscal-sustainability-proc); (ii) Public Debt Stability in the People's Republic of China: Rethinking the Domar Condition and Its Bond Market Application; (iii) Early Childhood Development and Poverty Reduction in the People's Republic of China; (iv) Development and Performance of the Elderly Care System in the People's Republic of China; (v) Impact of COVID-19 on Food Supply Chains, Rural Migrants, and Poverty in the People's Republic of China; (vi) Multidimensional Evolution of Rural Development Policy in the People's Republic of China; (vii) Achievements and Experience in Poverty Alleviation in Yunnan Province; and (viii) Guangdong's Experience in Poverty Reduction. <p>2b. Achieved. Publications were disseminated through the following RKSI events described in the RKSI website, and through the k-Nexus portal, in addition to the ADB website:</p> <ul style="list-style-type: none"> (i) China International Poverty Reduction Forum (Q4 2021); (ii) Poverty Reduction webinar with Center for International Knowledge Development (Q4 2021); (iii) ADB-AFDI Lecture Series (Q4 2021); and (iv) Northeast Asia Development Cooperation Forum (Q4 2021).
Actual Key Activities with Milestones <p>1. Organized KSP workshops on key development themes</p> <p>1.1 Organized and completed 8 knowledge sharing workshops: 1 workshop in July 2016, 1 workshop in November 2016, 3 workshops in May 2019, and 3 workshops in April, August, and September 2020, respectively.</p> <p>2. Prepared and disseminated high-impact policy recommendations</p> <p>2.1 Prepared eight English papers for publications on results of the knowledge sharing workshops by June–November 2020. The main report was also published in Chinese. An English and Chinese version of the report highlights were also published in 2020.</p> <p>2.2 Completed the publication process and disseminated publications through RKSI and k-Nexus in Q2 and Q3 of 2021.</p>		
Actual Inputs <p>Asian Development Bank: \$248,938.26</p>		

Government: \$50,000 (estimated in-kind contribution from the government in the form of counterpart staff, office supplies, and secretarial assistance).

ADB = Asian Development Bank, AFDI = Asia-Pacific Finance and Development Institute, COVID-19 = coronavirus disease, DMC = developing member country, GIZ = German Agency for International Cooperation, IFI = international financial institution, KSP = Knowledge Sharing Platform, MOF = Ministry of Finance, PRC = People's Republic of China, Q = quarter, RKSII = Regional Knowledge Sharing Initiative, TA = technical assistance, WB = World Bank, USAID = United States Agency for International Development.

^a ADB. 2014. Midterm Review of Strategy 2020 Action Plan. Manila.

^b ADB. 2013. Knowledge Management Directions and Action Plan, 2013–2015. Manila.

Source: Asian Development Bank.

TECHNICAL ASSISTANCE COST**Table A2.1: Technical Assistance Cost by Activity**
(\$'000)

Item	Amount	
	Original	Actual
1. Consultants	175.0	134.96
2. Training, seminars, and/or conferences	170.0	112.87
3. Miscellaneous TA administration	25.0	1.11
4. Contingency	30.0	0.00
Total	400.0	248.94

Source: Asian Development Bank estimates.

Table A2.2: Technical Assistance Cost by Fund
(\$'000)

	TASF-other sources	Total Cost
1. Original	400.00	400.00
2. Actual	248.94	248.94
3. Unused	151.06	151.06

TASF = Technical Assistance Special Fund.

Source: Asian Development Bank estimates.