People’s Republic of China: Strategy for Inclusive and Green Development of Small Cities, Towns, and Villages in Jiangxi Province
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Urbanization is a key driver of development in the People's Republic of China (PRC). The PRC's urbanization ratio increased from 19.4% in 1978 to 53.7% in 2013, and the urban population rose to nearly 700 million in 2013. With rural–urban migration expected to continue, the PRC's urban population is projected to grow to 816 million by 2020 and to more than 1 billion by 2030. Industrial and urban development has lifted hundreds of millions of people out of poverty and generated a growing middle class. However, significant regional imbalances and urban–rural disparities are contributing to severe socioeconomic inequality, including a growing urban–rural income gap (in 2014 at a factor of 2.75) and restricted access to education, training, jobs, health, and social security for rural people and for rural–urban migrants with rural hukou (household registration). Balancing and integrating urban–rural development and mitigating socioeconomic disparity—including gaps in incomes, services, and infrastructure, and inequality of access to social welfare because of the dual hukou system—are among the key development challenges and addressed in the proposed actions of PRC’s National New-type Urbanization Plan, 2014–2020 and Rural Vitalization Strategy.

Jiangxi Province’s general development lags behind other provinces in the PRC with significant poverty in rural areas, despite a robust agriculture sector. The province has a population of 45 million, 51.1% of whom are from rural areas, and the poverty rate across the province is 5% higher than the national average. Jiangxi has 11 municipalities and urban districts, 100 county cities (small cities), about 1,400 townships, 17,000 administrative villages, and 177,000 villages. Located south of the middle reaches of the Yangtze River, Jiangxi still largely depends on its rural economy and agriculture. The province has many mountainous and hilly areas (36% of the land area) and surface water bodies (22% of the province surface area), limiting urban development potential. The Gan River and Poyang Lake are significant watershed systems that serve as resources for ecosystem services and contribute to Jiangxi’s economy. Jiangxi’s New-type Urbanization Plan, 2014–2020 aims to (i) increase the urbanization ratio from 47.5% in 2012 to 60.0% by 2020 for the urban resident population and from 27.0% in 2012 to 40.0% by 2020 for the registered household population, and (ii) abolish the dual hukou system. The plan includes (i) the development of a core urban cluster around Poyang Lake, anchored in Nanchang and two urban corridors; (ii) the general development of small and medium-sized cities; and (iii) rural upgrading and vitalization. The last two of these were supported by the technical assistance (TA).

The objective of the TA was to support the government to (i) assess and develop policies for urban–rural integration and rural vitalization; (ii) improve coordinated planning and systematic medium- and long-term investment programming, and integration of housing, economic, and industrial development in small cities, towns, and villages; (iii) enhance economic development; create jobs; promote farm upscaling; improve produce quality (i.e., green food); integrate value chains, food processing, and light industry; and develop the service sector in small cities, towns, and villages; (iv) upgrade infrastructure, public services, and links between and among small cities, towns, and villages; (v) reform the dual hukou system and rural land policy to enable farm upscaling and land market development; (vi) improve ecosystem planning and management through environmental protection, reduction of pollution from chemical fertilizers and pesticides, water source protection and water safety, and wastewater and solid-waste management; (vii) promote self-administration through enhanced management systems within local communities and governments; (viii) coordinate equitable public service delivery for health, education, technical and vocational training, social security, poverty alleviation, and cultural facilities and institutions; and (ix) improve the public finance mechanism and raise funds for infrastructure, and promote enabling environments for private investments and small and medium-sized enterprises.

Expected Impact, Outcome, and Outputs
The expected impacts of the TA were (i) socially inclusive development in small cities, towns, and villages in Jiangxi Province increased; and (ii) environmental sustainability of development in small cities, towns, and villages in Jiangxi Province improved. The expected outcome was an urban–rural development policy and planning toward greater social inclusion and environmental sustainability in Jiangxi Province improved by 2018. The TA’s main outputs were (i) a development framework and investment program featuring inclusive and green economic development for small cities, towns, and villages in Jiangxi Province developed; (ii) policy recommendations and a framework for an institutional support structure enabling inclusive and green development of small cities, towns, and villages in Jiangxi Province.
prepared; and (iii) capacity for inclusive, green, sustainable, and coordinated development of small cities, towns, and villages in Jiangxi Province improved.

**Delivery of Inputs and Conduct of Activities**
The identification of the challenges and proposal of solutions offered in the TA report remain highly relevant and adequately addressed a pressing need of vitalizing the rural areas and their villages and towns and linking them with small, medium, and large cities systemically through infrastructure and services, value chains, and job opportunities. An international consulting firm was recruited using quality- and cost-based selection method and an international urban development specialist was recruited using individual consultant selection. The terms of reference was relevant for providing guidance, and tasks were further refined during the TA inception phase in consultations with the government and Asian Development Bank (ADB). ADB provided detailed guidance to the consultants, including on overall strategic approach, structure and content of the work and reports, and suggested that three pilots that represent the types of rural territories present in Jiangxi would be studied and planned in detail and from this a provincial rural vitalization and rural–urban integration strategy would be developed. The consultant team consisted of both highly qualified international and national experts covering relevant complementary fields and were familiar with the challenges, options, policies, domestic, and international best practices. All outputs were delivered satisfactorily. TA work included surveys and site investigations in the three pilot areas, strategy and plan preparation, policy recommendations, and capacity development. Comprehensive assessments were carried out and multidimensional plans were prepared with specific land use, infrastructure, green space organization proposals, institutional strengthening and public services proposals, economic and social inclusion proposals. More than 60 participants and key provincial and local level stakeholders participated in the TA training workshops, and independent experts from academia participated and provided comments. The final report is of good quality and with operational value. Lessons learned from the TA work were applied for the preparation of a project concept in Guangxi Zhuang Autonomous Region. The performance of ADB, executing and implementing agencies, is rated satisfactory, with effective guidance, communication, and management provided during implementation. The performance of the consulting firm is also rated satisfactory, delivering the outputs, conducting surveys, preparing the strategy, and organizing the workshops. Four missions were fielded, and a knowledge product is planned for publication in Q3 2020.

**Evaluation of Outputs and Achievement of Outcome**
The outputs were fully achieved by 30 September 2018. Outputs 1 and 2 were included in the TA final report—Strategy for Inclusive and Green Development of Small Cities, Towns, and Villages in Jiangxi Province—and presented to the provincial and county governments. Copies of the report were disseminated to the counties throughout the province. Training was provided during field work of the consultants in three pilot counties and at two workshops. The final workshop was in April 2018 in Nanchang with more than 60 participants from various concerned departments of provincial and county governments and researchers from academia. All participants reported new knowledge and skills in economic, inclusive and green development and public service provision in the context of rural vitalization and urban–rural linkages. The outcome was achieved by December 2018 when the concerned departments of the Jiangxi Provincial Government coordinated to complete the Jiangxi Rural Revitalization Strategic Plan, 2018–2022 (the Plan) to which the TA outputs and reports as well as the TA workshops and discussions contributed. The Plan was officially issued on 10 May 2019 and will be updated every five years. Implementation has two phases: by 2020 progress on the institutional framework and policy system be established, and by 2022 framework and policy system for rural revitalization be further improved and modern rural production, living standards, and ecosystems functions and management be established, gradually narrowing the urban–rural gap in the province.

**Overall Assessment and Rating**
The TA is rated highly successful. The TA was timely and highly relevant as demonstrated by the topic becoming national priority and the memorandum of understanding signed between ADB and the Ministry of Finance in August 2018 on support for rural vitalization in the PRC. The TA provided significant contributions to the Plan and to the proposal of an ADB loan in Ganzhou that is for consideration in the pipeline. The TA is rated highly effective. Project outcome and output targets were met, and the reports, level of consultations, training and outreach achieved were efficient and successful. The project is rated efficient and likely sustainable. The Plan as government policy uptake from the TA will be implemented until 2035 and 2050, by which the PRC aims to be a high-income country.

**Major Lessons**
The TA was closely aligned with government priorities. The TA developed an independent analysis and approach selecting representative pilots for which specific solutions were designed and then extrapolated to a strategy for the province as a whole. This was effective, efficient, and achievable with the TA resources available, and the results were used by the government to develop their official policy for rural vitalization of the province.

**Recommendations and Follow-Up Actions**
ADB should regularly follow up on the implementation of the Jiangxi Rural Revitalization Strategic Plan, 2018–2022 and consider further TA and propose results-based lending support for replication in other provinces.