



Completion Report

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People's Republic of China: Institutionalization of Urban–Rural Environmental Master Planning to Guide Environmentally Sustainable Urbanization in the PRC

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TA Number, Country, and Name: TA 8537-PRC: Institutionalization of Urban–Rural Environmental Master Planning to Guide Environmentally Sustainable Urbanization in the PRC			Amount Approved: \$ 200,000.00 Revised Amount: Not applicable	
Executing Agency: Ministry of Environmental Protection (MEP)		Source of Funding: Technical Assistance Special Fund–Other Sources	Amount Undisbursed: \$ 32,654.28	Amount Utilized: \$167,345.72
TA Approval Date: 2 Dec 2013	TA Signing Date: 2 Dec 2013	Fielding of First Consultant: 2 May 2014	TA Completion Date Original: 30 Sep 2015 Account Closing Date Original: 31 Dec 2015	Actual: 31 Oct 2015 Actual: 27 Nov 2015
Description				
<p>Rapid industrialization and urbanization in the People’s Republic of China (PRC) have been at the heart of the PRC’s economic development miracle over the last 38 years, which brought many benefits and lifted millions of people out of poverty. The development also brought many challenges including environmental loss and degradation and environmental pollution. Land-extensive development has led to oversupply of industrial and residential lands, as developed land has grown at a higher rate than urban population growth. Environmental degradation has caused unsustainable development. Air and water pollution, and loss of natural habitat and functioning ecosystems due to sprawling urbanization, are constraining further urban development; hence a more sustainable model is needed. Ignoring ecosystems services increases the environmental and climate change risks that cities are exposed to. Spatial planning and land-use change resulting from the PRC’s urban expansion have not adequately considered the carrying capacities of environments and ecosystems functions and services. Optimal green spaces provide ecosystems services including (i) absorbing air and water pollutants; (ii) cooling down temperatures in summer; and (iii) retaining and absorbing stormwater, thus reducing flood risk and flood severity. The current environmental planning system is unable to address the aforementioned challenges due to predominance of economic factors in planning. To respond to this need, MEP initiated a preliminary version of a management and technical support document for Urban–Rural Environmental Master Planning (UREMP), which has been tested by 24 cities in the PRC. The outcome showed some encouraging results. However, significant weaknesses were revealed. The small-scale policy and advisory technical assistance (TA) was intended to build on and improve the preliminary version of the UREMP technical and policy document and support MEP to test it in three pilot cities through training and advisory support. As required, UREMP was conceptualized as a legally binding instrument, providing input for the development of land-use plans and urban master plans. It includes urban-rural ecosystems analysis and landscape planning and was prepared using domestic and international state of the art methods.</p>				
Expected Impact, Outcome, and Outputs				
<p>The impact of the TA was improved ecosystems preservation and urban-rural planning processes contributing to a more environmentally sustainable urbanization and urban–rural ecosystems services in the PRC. The outcome of the TA was draft UREMP technical guidelines and policy recommendations considered by relevant line ministries and the 13th Five-Year Plan (FYP) committee. The objectives continue to be highly relevant as described. Its full alignment with government objectives generated a high-level of MEP ownership.</p>				
<p>The TA’s four outputs are (i) technical guidebook for UREMP in the PRC including (a) analysis of best practices; (b) review and evaluation of methodologies; and (c) technical guidebook including scope, methods, and techniques (i.e., ecosystems mapping, key ecosystems services valuation, climate change impact analysis, environmental plans, environmental management plans, environmental zoning, etc.); (ii) policy recommendations for the institutionalization of UREMP including (a) build on the MEP’s analysis of environmental legal and regulatory system in the PRC, (b) policy recommendations for institutionalization and mainstreaming of UREMP, and (c) outline for technical support structure and institutional arrangements; (iii) training and advisory support to three pilot cities which will implement UREMP including (a) training to technical and administrative staff and design institutes of pilot cities, (b) guidance during implementation of pilot UREMPs, and (c) analysis of lessons learned and improving the technical guidebook and policy recommendations; and (iv) institutional capacity strengthened on UREMP technical methods and policies including (a) stakeholder consultations and capacity needs assessment in relevant agencies, (b) training for counterparts from the MEP and pilot cities, and (c) training and dissemination workshop to share outputs and lessons learned.</p>				
Delivery of Inputs and Conduct of Activities				
<p>The formulation of the TA, the terms of reference for 1 international and 6 national individual consultants, and 2 additional international individual consultants, financed from the Urban Environmental Infrastructure Trust Fund (UEIF), was adequate to provide general guidance to the consultant team.^a The mission provided detailed guidance to the international and national consultants i.e., on overall structure, content, and presentation. The team of national consultants (i) was made up of highly qualified and acclaimed researchers who were very familiar with the topics, (ii) held several coordinating meetings, and (iii) efficiently divided the tasks and reporting responsibilities. The three</p>				

international consultants added significant value from the international perspective with international best practices that benefited the technical and policy aspects of the TA. Together with the mission leader, they were instrumental in (i) structuring the outputs, (ii) conceptualizing and undertaking the final editing of the report, and (iii) producing the executive report. The consultants were mobilized on 2 May 2014 and the UEIF-funded consultants were fielded on 2 June 2015. The Asian Development Bank (ADB) fielded inception, midterm, and final review missions and several consultation meetings in conjunction with the mission leader's other missions in Beijing to provide detailed inputs and ensure content development by various team members. Workshops were carried out with significant participation from various concerned line ministries and agencies. The training to pilot cities to carry out UREMPs was effectively conducted by the team of national consultants. ADB and MEP were mutually satisfied with each other's inputs and levels of engagement.

The performance of national and international consultants was satisfactory, providing required inputs and delivering reports as per the terms of reference. The consultants carried out missions to the selected pilot cities and actively supported ADB's request for participation of a wide range of line agencies, to ensure dissemination and integration of UREMP into the general planning practice, and establish UREMP's place with other relevant planning instruments.

Evaluation of Outputs and Achievement of Outcome

The outcome was achieved in March 2016 and the TA report in Chinese language was produced in time to be included in the 13th FYPs for the national and in most provincial and city levels, as the "environmental red line" requesting all cities in the PRC to carry out such delineation as described in the UREMP technical guideline. ADB plans further dissemination of an improved executive report and a knowledge product. The four outputs were achieved, some were overachieved, and the final reports were further refined by the two UEIF-funded international consultants under close guidance from the mission leader. A total of 31 cities have completed or are currently carrying out a UREMP. Instead of three, 13 pilot cities were trained and their UREMPs were completed and in the case of Yichang, the People's Consultative Committee approved the first UREMP in the PRC. The number of participants from other agencies and cities exceeded the expectations in the design and monitoring framework for both the interim and final knowledge sharing workshops. Wide interest, quality of discussion, and willingness to enhance interdepartmental cooperation were evident during consultations with various line ministries and agencies. Some of the outcome and impact level indicators were achieved ahead of schedule. Several pilot cities included UREMP in their 13th FYPs and budgets were allocated for implementation.

Overall Assessment and Rating

The TA is rated highly successful. Despite limited funds of the small-scale TA, the outcome and outputs and the level of consultations and outreach achieved are highly successful. A total of 13 pilot cities benefitted from piloting UREMPs and joining the trainings. A total of seven line ministries and national agencies participated and contributed with valuable recommendations during the midterm and final workshops. A total of 10 cities were trained during the second day of the final workshop. The final reports, as further consolidated and refined by the UEIF-funded international consultants, are of high quality and have operational value with a knowledge product to be produced soon. Hence, ADB and MEP performance is rated satisfactory.

Major Lessons

The full alignment of TA objectives with government objectives, coinciding with ADB's objectives under the Midterm Review of Strategy 2020 and Urban Operational Plan (environmentally sustainable development), resulted in strong ownership by MEP and ADB, and the outcome and outputs were fully achieved, with some overachieved.

Recommendations and Follow-Up Actions

Yichang adopted its pilot UREMP and assigned adequate budget for its implementation. It is recommended that Yichang's UREMP be further monitored and documented and lessons shared with other PRC municipalities. The interest and support to establish and institutionalize UREMP by various concerned line ministries and agencies and carry out UREMP by various cities is very encouraging. Thus, the experience in the use of the guidebook should be followed up, monitored, and reported. TA results were disseminated in the final dissemination workshop and the knowledge product will be disseminated among TA and workshop participants by posting in the ADB website. The possibility of future loan projects implementing UREMP pilots in a city and/or city cluster should be explored with MEP and discussed during country programming missions. The detailed development of policies and administrative regulations and the establishment of the institutional support structures should be further encouraged and possibly funded and supported by a second phase TA or a project preparatory TA to prepare a loan for a municipality or city cluster.

^a The UEIF under the Urban Financing Partnership Facility funded two international consultants and supported workshops in the total amount of \$100,000 through direct charges.