ASIAN DEVELOPMENT BANK

China, People's Republic of: Developing Pathways to Low-Carbon Transport in Ningxia Hui Autonomous Region

Project Name	Developing Pathways to Low-Carbon Transport in Ningxia Hui Autonomous Region
Project Number	48021-001
Country	China, People's Republic of
Project Status	Closed
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	**TA 8775-PRC: Developing Pathways to Low-Carbon Transport in Ningxia Hui Autonomous Region** Technical Assistance Special Fund — US$ 500,000.00 Climate Change Fund — US$ 500,000.00
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions
Sector / Subsector	**Transport** - Transport policies and institutional development
Gender Equity and Mainstreaming	Some gender elements
Description	The proposed TA will assist the NHAR Provincial Government and five local governments in formulating strategies and policies for low-carbon transport. The TA is consistent with ADB's country partnership strategy for the PRC for 2011-2015 which support the government's efforts to foster a cleaner and more sustainable growth process (Pillar 2) by supporting the development of low-carbon transport systems, particularly in public transport. The TA is included in the PRC Country Operations Business Plan 2014-2016. Formulation of the TA draws upon the findings and recommendations of ADB's evaluation knowledge brief on Reducing Carbon Emissions from Transport Projects. The brief found that low-carbon transport strategies based on the avoid-shift-improve (ASI) paradigm can be the least costly ways to reducing CO2 emissions, and that such strategies can produce significant social and economic benefits for low-income people who are more dependent on public transport and non-motorized transport. The brief recommended estimation and monitoring of carbon emissions, and adopting carbon emission reduction approaches in project design and appraisal. The TA will adopt the ASI paradigm for developing a low carbon transport strategy for each assisted city, and a bottom-up approach for developing a consolidated low-carbon transport strategy for the provincial government, building from the strategies generated from each city. The ASI approach will be followed for each city as the basis for examining the city's current and future urban and transport sector development. Low carbon transport strategies will be selected after pre-feasibility analysis and carbon emissions estimation using emission estimation tools. The selected strategies will be aligned for a phased implementation plan for each city, then the plans for each city will be consolidated into a provincial government level implementation plan. Future travel demand will be estimated using a simplified travel demand forecast model. The TA will develop an emission estimation method for the NHAR from existing tools such as Transport Emissions Evaluation Models for Projects (TEEMP), For Future Inland Transport Systems (ForFIT) or travel demand forecast model based method. The results from different tools will be reviewed and selected for evaluating emissions reduction impact of low-carbon transport strategies for the project cities.

Project Rationale and Linkage to Country/Regional Strategy	Through economic growth and urbanization, the PRC made remarkable progress in improvement of the quality of life of people over the last three decades. Transport infrastructure development and increased travel demand, both in passenger and freight transport, are an integral part of providing mobility to support the economic growth and urbanization process. However, transport also has an associated cost for the environment including through vehicle emissions. Transport is already a major contributor to carbon dioxide (CO2) emissions, accounting for 23% of global energy-related CO2 emissions. The PRC is responsible for 25.4% of global CO2 emissions and World Energy Outlook (WEO) 2013 New Policies Scenario projects that emissions from the transport sector in the PRC will reach 13% of total PRC emissions in 2035 compared to 8% in 2011. The PRC government attaches great importance to the issue of climate change. The PRC's approach to climate change is of global significance since it is now the world's largest source of CO2 emissions. The government has committed to a 40-45% reduction in the carbon intensity of gross domestic product (GDP) by 2020 relative to 2005. Since 2006, the authorities became involved in several sustainable urban development initiatives under various titles such as Eco-Cities, Low-Carbon Cities and Smart Cities. More than 120 initiatives have been launched by several government departments and government-related structures, including the National Development and Reform Committee (NDRC); Ministry of Transport (MOT); Ministry of Science and Technology (MOST); and Ministry of Housing, Urban and Rural Development (MOHURD). The PRC plans to set a total cap on its CO2 emissions when the 13th five-year plan comes into force in 2016. However, this will be challenging to implement in the transport sector as the objective of reducing carbon emissions of transport has often been subordinated to the pursuit of economic growth and urbanization at the local level, and few initiatives targeting low-carbon transport are formally embedded within the policy, financing, implementation and operational levels of the transport sector at provincial and local governments level. The lack of locally adapted objectives, indicators, and weaknesses in the process for designing, monitoring and evaluation of low-carbon transport needs to be addressed at provincial, local and municipal government level. Ningxia Hui Autonomous Region (NHAR) is a province located at the northwest of the PRC. It has a population of 6.5 million people residing in 5 prefecture cities, 21 counties and 219 townships. NHAR is experiencing rapid urbanization, with the urban population reaching 3.4 million by late 2013. NHAR has not yet developed a specific and implementable low-carbon transport policy at the provincial and city government levels. Parts of NHAR with relatively lower motorization and urbanization rate have more opportunities of developing low-carbon transport system with locally feasible solutions such as public transport, non-motorized transport improvements, parking policy and transit oriented development, rather than having to resort to restrictive policy measures as seen in the megacities in the PRC.
Impact	Reduced carbon emission from transport sector in NHAR

Project Outcome

Description of Outcome	Adopted low-carbon transport policy and supporting government reform by the provincial and the local governments
Progress Toward Outcome	To be assessed during project implementation.
Implementation Progress	
Description of Project Outputs	City level ASI strategies and phased implementation plans Prepare carbon emissions estimation and monitoring framework Develop provincial level low carbon transport policy and implementation plan Prepare institutional reform and capacity development for implementation Produce knowledge product
Status of Implementation Progress (Outputs, Activities, and Issues)	TA completion date was extended to 31 December 2016. Revised final report received and approved by ADB. Payment of final claims and financial closing of consultants' contracts ongoing.
Geographical Location	

Summary of Environmental and Social Aspects

Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	The proposed TA has been identified, conceptualized and prepared through direct discussions with the Department of Finance, Ningxia Department of Transport, Ningxia Planning Bureau, and five local governments.

During Project Implementation	To monitor progress in the TA activities and review the key deliverables, the EA established a TA working group chaired by EA and includes Ningxia Department of Transport and Ningxia Planning Bureau, representatives of the five cities and local bus operators. Workshops were held at key stages of the TA to establish consensus among stakeholders regarding the approach, findings and recommendations of the TA and to provide technical training about low-carbon transport policy and strategy development and carbon-estimation skills with emission estimation tool developed for the TA.

Business Opportunities

Consulting Services	The TA will be implemented over a 18 month period from November 2014 to April 2016 and will require a total of 20 person-months for six international consultants and 40 person-months for five national consultants. ADB will engage individual international and national consultants in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time). The consulting team will require expertise in: (i) low-carbon urban transport policy and strategies; (ii) travel demand forecast methods and practices; (iii) emissions estimation methods, including ForFIT, TEEMP, and travel demand forecast based method; (iv) preparing cost estimates for policy and investment project implementation; and (v) the PRC government organizational structures and financial mechanisms in the transport sector. The consulting team will be responsible for organizing a TA working group and workshop sessions, seminars, study tour and survey with assistance from the EA during the TA implementation. The international team will comprise: (i) one team leader/urban transport specialist (6 person-months); (ii) one public transport specialist (4 person-months); (iii) one non-motorized transport specialist (3 person-months); (iv) one vehicle emission estimation specialist (2 person-months); (v) one transport demand forecast specialist (2 person-months); and (vi) one institutional specialist (3 person-months). Individual consultants will be recruited for (iv) and (v), and a firm will be recruited to provide the rest of the specialists. The team of national consultants will comprise: (i) deputy team leader and transport policy specialist (12 person-months); (ii) one public transport specialist (8 person-months); (iii) one non-motorized transport specialist (6 person-months); (iv) one transport model specialist (8 person-months); and (v) and one public administration specialist (6 person-months).

Responsible Staff

Responsible ADB Officer	Nishimura, Masahiro
Responsible ADB Department	East Asia Department
Responsible ADB Division	Transport and Communications Division, EARD
Executing Agencies	*Ningxia Finance Department* *416 Jiefangxijie, Xingging District,* *Yinchuan, Ningxia China, 7500001*

Timetable

Concept Clearance	23 Jul 2014
Fact Finding	11 Sep 2014 to 12 Sep 2014
MRM	-
Approval	03 Dec 2014
Last Review Mission	-
Last PDS Update	17 Mar 2017

TA 8775-PRC

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
03 Dec 2014	29 Dec 2014	29 Dec 2014	30 Apr 2016	31 Dec 2016	-

Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,000,000.00	0.00	100,000.00	0.00	0.00	0.00	1,100,000.00	03 Dec 2014	685,698.40

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