



# China, People's Republic of: Shaanxi Xi'an Preschool Education Development Program

Project Name	Shaanxi Xi'an Preschool Education Development Program		
Project Number	53060-001		
Country	China, People's Republic of		
Project Status	Proposed		
Project Type / Modality of Assistance	Loan		
Source of Funding / Amount			
	Loan: Shaanxi Xi'an Preschool Education Quality Improvement		
	Ordinary capital resources		US\$ 150.00 million
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Knowledge solutions		
Sector / Subsector	Education - Pre-primary and primary - Pre-primary and primary - social protection initiatives		
Gender Equity and Mainstreaming	Effective gender mainstreaming		
Description	<p>As the People's Republic of China (PRC) transitions from a middle-income, manufacturing-based economy to a high-income innovation economy, investing in the human capital of its future labor force is key. As the first step in lifelong learning, investment in high quality early childhood education (ECE) pays off for society, delivering significant social and economic benefits that include increasing labor productivity and reducing inequality. Recognizing that that promoting equitable pre-primary education is an effective strategy for inclusive development, the government has set ambitious national targets that include, by 2020, a gross enrollment rate of 85% for three-year preschool education for children aged 3 to 6 years, and a coverage rate of public interest kindergartens comprising public kindergartens plus affordable private kindergartens of at least 80% of enrolled children. A new preschool education law is under preparation.</p> <p>Located in Shaanxi province, the rapidly growing city of Xi'an is facing a major shortage of affordable kindergarten places, which, if left unaddressed, will widen gaps in access and perpetuate inequality. Comprising 11 districts and two counties, Xi'an's increasing population is a result of the combination of natural population growth stemming from the 2016 two child policy and the 2017 relaxation of household registration policies for migrants. The number of permanent residents of Xi'an grew from 8.8 million in 2016 to more than 10 million by the end of 2018, and is projected to exceed 11.4 million by 2025. Recognizing several gaps in the provision of affordable high quality ECE, the Xi'an Municipal Government (XMG) has requested Asian Development Bank (ADB) financing for a results-based lending (RBL) program to support the comprehensive Xi'an Preschool Education Development Plan 2019-2025.</p> <p>Xi'an has made notable progress in developing preschool education especially over the past decade, including through the First, Second, and Third Preschool Education Action Plans; the Quality Improvement Implementation Plan for Preschool Education in Xi'an, and the guidelines on Identification and Management Measures for Private Public Interest Kindergartens in Xi'an. However, several critical challenges remain. The plan for 2019-2025 further defines sector objectives and strategies, supported by a sector analysis that contains a diagnosis of the key constraints. These include not enough kindergarten places to meet current or projected demand; an imbalanced distribution of high quality public interest kindergartens; an inadequate supply of suitably qualified preschool teachers; and a need for better financing, regulation and supervision of preschool education, particularly for private kindergartens. A lack of innovation also affects kindergarten quality. The plan anticipates a shortage of more than 118,000 kindergarten places by 2025. In 2019, 35.9% of Xi'an's 1,780 registered kindergartens were public and a total of 75% were public interest. Well over one third (37.8%) of the existing kindergartens did not meet the standards to be considered high quality.</p> <p>The suitability of the RBL modality is based on (i) the nature of the preschool education development challenges, which require a results- and system-based approach; (ii) the government's strong interest, commitment, ownership, and sector strategy; and (iii) the high likelihood of increased sustainability with RBL program results and system improvements. Without the proposed RBL program, Xi'an's planned ECE development would not have sufficiently embraced institutional strengthening and monitoring of ECE reforms nor integrated a focus on early childhood development (ECD) for children aged 0-3 years, a critical time for cognitive development.</p>		
Project Rationale and Linkage to Country/Regional Strategy	Strategic fit and value added by ADB. The proposed program is aligned with the ADB country partnership strategy for the PRC, 2016-2020, which emphasizes support for human development by focusing on skills development and education. It is also aligned with the ADB Strategy 2030 operational priority of addressing remaining poverty and reducing inequalities. Improved learning outcomes are key to achieving this operational priority, and ECD and ECE provide the foundation for all future learning. The value added by ADB includes shifting the government's proposal for ADB financing away from the initially proposed kindergarten construction project toward a more holistic and results-based program anchored on a robust sector strategy. In addition to financing, ADB will help improve the RBL program by supporting institutional and capacity development and assisting in risk mitigation and management. ADB will also support access to knowledge, expertise, and international experience.		
Impact	Balanced development of basic public education implemented Green, inclusive and sustainable development of preschool education in Xi'an achieved		
Outcome	Equitable access to high quality preschool education in Xi'an expanded		
Outputs	Climate-friendly public-interest kindergartens increased ECE teaching capacity developed ECE financing, regulation, and supervision mechanisms strengthened Innovation to improve ECE quality promoted and disseminated		
Geographical Location	Nation-wide, Shanxi Education Building Xi An		
Safeguard Categories			
Environment			B
Involuntary Resettlement			B
Indigenous Peoples			C

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	

Responsible ADB Officer	Karin Schelzig
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Responsible ADB Division	Urban and Social Sectors Division, EARD
Executing Agencies	Shaanxi Department of Education No. 155 Yaowangdong, Xian Xi'an Municipal Government No 109, Fengcheng Balu, Xi'an, Shaanxi province

Timetable	
Concept Clearance	28 Jan 2020
Fact Finding	18 May 2020 to 18 May 2020
MRM	28 Aug 2020
Approval	-
Last Review Mission	-
Last PDS Update	28 Jan 2020

Project Page	<a href="https://www.adb.org/projects/53060-001/main">https://www.adb.org/projects/53060-001/main</a>
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