



China, People's Republic of: Strengthening Capacity, Institutions, and Policies for Enabling High-Quality, Green Development in the Yellow River Ecological Corridor

Project Name	Strengthening Capacity, Institutions, and Policies for Enabling High-Quality, Green Development in the Yellow River Ecological Corridor	
Project Number	54026-001	
Country	China, People's Republic of	
Project Status	Approved	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 0048-PRC: Strengthening Capacity, Institutions, and Policies for Enabling the Yellow River Ecological Corridor in the People's Republic of China	
	Technical Assistance Special Fund	US\$ 1.93 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development	
Sector / Subsector	Agriculture, natural resources and rural development - Agricultural policy, institutional and capacity development - Agricultural production - Land-based natural resources management - Water-based natural resources management	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The proposed knowledge and support technical assistance (TA) cluster will support the achievement of resilient ecological protection and high-quality development goals in the Yellow River Basin in the People's Republic of China (PRC). The TA cluster will design and implement approaches to support natural, human, social, and physical capitals required to enable high-quality growth and ecological protection via (i) informing strategic institutional, policy and governance reforms on key development issues; (ii) demonstrating innovative technologies and integrated solutions; and (iii) promoting knowledge sharing and strategic partnerships for multi-stakeholder and private sector engagement.</p> <p>The TA cluster subprojects were developed on the request of the Government of the PRC. The TA cluster is aligned with the Asian Development Bank's (ADB) Strategy 2030's operational priorities and the strategic operational focus of ADB's assistance to the PRC towards environmental protection, inclusive and sustainable growth with knowledge at the center of its operations.</p>	

Project Rationale and Linkage to Country/Regional Strategy

Yellow River supports multipurpose development in a fragile human-nature system. Granting its name from the loess, fine-grained sediments coloring its waters, the Yellow River runs for 5,464 kilometers, from its source in Bayan Har mountains on the Tibetan Plateau to the Bohai sea. It is the second largest river in the PRC, after the Yangtze, and the sixth longest river in the world. The river covers a basin area of 752,400 square kilometers, crosses nine provinces, is home to around 120 million people, agriculture output contributes to feeding about 12% of the PRC's population, irrigates about 15% of arable land, accounts for 8% of national gross domestic product and supplies water to 66 prefectural-level cities and 340 counties. The river is an important ecological corridor and arterial connection among the Qinghai-Tibet plateau, the Loess plateau and the Northern Plain, playing an irreplaceable role for national ecological, water and food security. Considered one of the most hydrologically complex rivers in the world, its waters carry and deposit about 1.6 billion tons of sediments on the riverbed yearly. This generates the phenomenon of the 'hanging river', with the bed reaching 10 meters above the adjacent plain in the downstream valley. Accounting for only 2% of the country's water resources, the region is severely water scarce and faces extreme climatic conditions, causing destructive droughts and floods. In the past 30 years, the total water resources have reduced by 13.4% (footnote 3). With permafrost ice in the Hindu Kush Himalayas region rapidly melting due to global warming, the Yellow River's long-term freshwater availability, vital for drinking water and socio-economic development in the basin, is highly under threat. The increase in frequency and intensity of devastating floods, destroying land and livelihoods, is an immediate and visible consequence of climate change impacts in the short-term. Water stress and scarcity have been further exacerbated due to extensive human development and associated land cover change and extreme soil erosion. Agriculture accounts for about 69.6% of total withdrawal and is the largest consumer of water in the basin. Water resources are further strained due to pollution from agricultural runoff, township and village enterprises, and rural and industrial wastewater discharged into the water streams. In terms of ecological security, more than three-fourths of the total basin area is defined as ecologically fragile. The Yellow River Basin is an important economic hub for the PRC, but it has been facing ever increasing constraints to maintain its current economic function as well as striving to meet its sustainable development potential. Balancing economy, ecology, and community in the Yellow River Basin is becoming more challenging which is often further compounded by climate change. The complex and integrated relationship between ecosystems, natural resources, climate change, biodiversity, and human interaction is fragile, and imbalance can result in extreme situations such as the coronavirus disease (COVID-19) pandemic. Balanced health of people, animals, and environment are important and crucial precursor for sustainable development. Investing in and promoting high productivity of natural, human, social, and physical capitals, as the building blocks for sustainable development, are crucial to enabling high-quality growth and ecological protection. Water underpins social and economic development. Achieving water security, through balancing the resource as a human basic need and a socio-economic good, is the entry point for sustained green development and equitable growth across the basin and within the PRC. Despite progresses made in the last 20 years, complex development issues remain unaddressed and have contributed to ongoing severe pressures on the basin's ecology, including pollution and overexploitation of ecosystem services; inadequate provision of clean water supply and sanitation services posing the most vulnerable groups (i.e., urban poor, women, and elders) at risk of contracting water-borne diseases; and widening of rural-urban disparity in the less developed provinces. The underpinning causes can be grouped into three macro areas: (i) lack of strategic basin-wide scale planning, policy incoherence, poor coordination mechanisms across institutions and regions, compounded by lack of economic and financial incentives; (ii) untapped potential for innovation, skills development and integrated approaches for sustainable and inclusive rural-urban development; and (iii) inadequate knowledge spillover of national, regional, and international best practices. Recognizing these development challenges, the government has promoted its vision of 'ecological civilization' to reinforce the symbiosis between economic development and environmental protection. Ongoing national programs such as the Yangtze River Economic Belt (YREB) Development Plan, Rural Vitalization Strategy and the upcoming 14th Five-Year Plan (2021-2025) are the main pillars to keep shaping the PRC's objective for ecological civilization and overall green transformation. This form of green transformation has a stronger focus on high-quality development, people's broader well-being, innovation, urban-rural development cooperation, improved natural resources management and policy reforms for balancing environmental protection and economic growth. Yet river basins remain a development challenge due to their complexity and requirement for integrated approaches that are multisectoral and inclusive. While the Yellow River has been earmarked as a strategically important core region for supporting long-term sustained green development in the PRC, the health of the river and its ecosystem need prompt action to enable the desired long-term sustained green development in the PRC. Learning from the YREB programmatic approach and rural vitalization. Building on over \$10 billion investment demonstration projects in the YREB during 2000-2015, ADB has historically played a catalytic role in the Yangtze River. In order to maximize its limited resources and institutional advantages, ADB set up the YREB programmatic approach (phase one 2017-2020) to support the PRC's YREB Plan with cross-sector and knowledge-driven integrated projects. The fundamental innovation of this approach is its geographic concept of 'corridor' encompassing economic, social, and ecological multidimensional linkages. This is a step beyond traditional watershed catchment management towards a more holistic protection of regional public goods. This approach was expanded to support the rural vitalization strategy and is ongoing both in the YREB and other regions. The core principles of these interventions provide highly relevant lessons for addressing the Yellow River Basin's complex challenges. These include the adoption of a whole-of-ecosystem approach by planning across the basin; multi-stakeholder engagement to carefully identify and address impacts on communities and livelihoods; the design of institutional frameworks to incentivize long-term financial sustainability for eco-compensation programs and facilitate creation of an enabling environment to achieve the desired social, economic, and environmental outcomes across the basin.

Impact Resilient ecological protection and security in the Yellow River Basin achieved

Project Outcome

Description of Outcome High-quality development opportunities in the Yellow River Basin increased

Progress Toward Outcome

Implementation Progress

Description of Project Outputs Strategic institutional, policy and governance reforms on key Yellow River development issues promoted
Innovative technologies, approaches and solutions to address development constraints in Yellow River Basin proposed
Knowledge sharing, strategic partnerships for multi-stakeholder and private sector engagement supported

Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location Nation-wide

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 Robertson, Suzanne Kay

Responsible ADB Department East Asia Department

Responsible ADB Division Environment, Natural Resources & Agriculture Division, EARD

Executing Agencies National Development and Reform Commission
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Timetable

Concept Clearance	04 Sep 2020
Fact Finding	-
MRM	-
Approval	04 Nov 2020
Last Review Mission	-
Last PDS Update	04 Nov 2020

TA 0048-PRC

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,932,000.00	0.00	0.00	0.00	0.00	0.00	1,932,000.00	-	0.00

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