

## China, People's Republic of: Innovating Eco-Compensation Mechanisms in Yangtze River Basin

Project Name	Innovating Eco-Compensation Mech	anisms in Yangtze River Basin				
Project Number	55006-001					
Country / Economy	China, People's Republic of					
Project Status	Approved					
Project Type / Modality of Assistance	Technical Assistance					
Source of Funding / Amount	TA 10033-PRC: Innovating Eco-Compensation Mechanisms in Yangtze River Basin					
	Global Environment Facility	US\$ 8.07 million				
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth					
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity developm Knowledge solutions Partnerships Private sector development	ent				
Sector / Subsector		ural development / Agricultural policy, institutional and capacity development - Land-based natural resources nstitutional and capacity development - Water-based natural resources management				
Gender Equity and Mainstreaming	Some gender elements					
Description	The knowledge and support technical assistance (TA) will support the Government of the People's Republic of China (PRC) in innovating ecocompensation mechanisms in the Yangtze River basin through: (i) providing policy advice on an eco-compensation framework for healthy ecosystems in the Yangtze River basin; (ii) enhancing measures to protect biodiversity and enable eco-compensation in Chishui River basin (CRB); (iii) enhancing agricultural practices and skills for plastic pollution reduction and enabling of eco-compensation in the Yangtze River basin; and (iv) strengthening knowledge management, strategic partnerships, sustainable financing, and performance monitoring.  The TA requested by the Government of the PRC, is aligned with the three strategic priorities under the Asian Development Bank's (ADB) country partnership strategy, 20212025, particularly with the strategic priority on environmentally sustainable development.					
Project Rationale and Linkage to Country/Regional Strategy	3.The Yangtze River basin's globally unique and diverse ecosystems are at risk. The Yangtze River is the longest river in the PRC and the third largest in the world, and the basin is home to 459 million people, about one-third of the PRC's total population. The Yangtze River offers a range of ecosystem services benefiting people in the region. The basin's area provides about 35% of the country's freshwater resources, supports food production, and contributes about 45% of national gross domestic product. The basin is also one of the world's most biologically diverse ecoregions, accounts for 20% of the PRC's total wetland areas and is home to over 400 endemic species. The climatic, geographical, and geomorphological complexity of the basin's river-lake relations underpins a variety of microclimates and diverse ecosystems. Forests and grasslands play an important role to reduce soil erosion, and store and sequester carbon, which has a direct impact on global climate change. Therefore, protecting the Yangtze River ecosystem is vital for regional and international ecological security. However, the basin faces increasing challenges related to rapid economic development, unsustainable water and land uses, and high pollution loads, especially in the upper and middle reaches. This has resulted in the degradation of rural landscapes, water quality, and loss of natural habitats in key biodiversity hotspot areas like the CRB, and agricultural pollution affecting rural livelihoods.					
Impact	Terrestrial and freshwater ecosystem	m health in the upper and middle reaches of the Yangtze River basin improved				
Project Outcome						
Description of Outcome		Use of innovative eco-compensation mechanisms for global environmental benefits in the Yangtze River basin increased				
Progress Toward Outcome		dedeed				
Implementation Progress						
Description of Project Outputs		Policy advice on a comprehensive eco-compensation policy framework for healthy ecosystems in the Yangtze River basin finalized Capacity to protect biodiversity and enable eco-compensation in the CRB enhanced Agricultural field plastic pollution reduction practices and eco-compensation mechanisms advanced Knowledge and skills for eco-compensation performance monitoring in the basin enhanced				
Status of Implementation Progr	ress (Outputs, Activities, and Issues)					
Geographical Location		Nation-wide				
Summary of Environmental and	d Social Aspects					
•	a social repocts					
Environmental Aspects Involuntary Resettlement						
Indigenous Peoples						
Stakeholder Communication, P	articipation, and consultation					

**During Project Implementation** 

Business Opportunit	Business Opportunities				
Consulting Services	A consulting firm will be recruited using the quality- and cost-based selection method, using a quality-cost ratio of 90:10 and simplified technical proposal according to the Asian Development Bank's (ADB) Procurement Policy (2017, as amended from time to time and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).				
Procurement	Procurement will follow the ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers (2017, as amended from time to time).				
Responsible ADB Officer		Cardascia, Silvia			
Responsible ADB Department		East Asia Department			

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Responsible ADB Department	East Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, EARD
Executing Agencies	National Development and Reform Commission

Timetable	
Concept Clearance	19 Jul 2022
Fact Finding	23 Aug 2022 to 23 Aug 2022
MRM	-
Approval	09 Dec 2022
Last Review Mission	-
Last PDS Update	12 Dec 2022

## TA 10033-PRC

Financing Plan/TA Utilization						Cumulative Disbursements			
ADB	Cofinancing	Counterpar	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor		Others			
0.00	8,073,396.00	0.00	0.00	0	0.00	0.00	8,073,396.00	-	0.00

Project Page https://www.adb.org/projects/55006-001/main	
Request for Information	http://www.adb.org/forms/request-information-form?subject=55006-001
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