

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The Asian Development Bank (ADB) has been the main development partner of the People's Republic of China (PRC) in its road sector, providing \$5.4 billion in loans since 2000. The World Bank, the Japan International Cooperation Agency, the European Investment Bank, and Agence Française de Développement have also been important partners in the sector. Since 2000, the World Bank has provided \$4.7 billion in loans to finance road investments. Through the Japan Bank for International Cooperation, the Japan International Cooperation Agency has provided ¥195.1 billion, mainly for roads. Agence Française de Développement and the European Investment Bank provided cofinancing of \$88.0 million for road projects in the southwestern region of the country. The key activities of all development partners since 2000 are shown in Table 1.

Table 1: Key Activities in Road Sector of Major Development Partners, 2000–2012

| Projects | Date Approved | Amount |
|---|---------------|-------------------|
| A. Loans from the Asian Development Bank | | (\$ million) |
| 1. Chongqing–Guizhou Roads: Leichong Expressway Project | 21 Nov 2000 | 120.00 |
| 2. Chongqing–Guizhou Roads: Chongzun Expressway Project | 21 Nov 2000 | 200.00 |
| 3. Shaanxi Roads Development Project | 30 Aug 2001 | 250.00 |
| 4. Guangxi Roads Development Project | 30 Oct 2001 | 150.00 |
| 5. Southern Sichuan Roads Development Project | 20 Sep 2002 | 300.00 |
| 6. Shanxi Road Development II Project | 12 Dec 2002 | 124.00 |
| 7. Ningxia Roads Development Project | 11 Sep 2003 | 250.00 |
| 8. Western Yunnan Roads Development Project | 28 Oct 2003 | 250.00 |
| 9. Hunan Roads Development II Project | 9 Sep 2004 | 312.50 |
| 10. Guangxi Roads Development II Project | 21 Oct 2004 | 200.00 |
| 11. Gansu Roads Development Project | 13 Dec 2004 | 300.00 |
| 12. Central Sichuan Roads Development Project | 22 Sep 2005 | 600.00 |
| 13. Hunan Roads Development III Project | 15 Dec 2005 | 208.00 |
| 14. Heilongjiang Road Network Development Project | 26 Jul 2006 | 200.00 |
| 15. Southern Gansu Roads Development Project | 18 Dec 2006 | 300.00 |
| 16. Eastern Sichuan Roads Development Project | 17 Jul 2007 | 200.00 |
| 17. Western Guangxi Roads Development Project | 14 Aug 2007 | 300.00 |
| 18. Xinjiang Regional Road Improvement (Korla–Kuqa Section) Project | 13 Dec 2007 | 150.00 |
| 19. Central Yunnan Roads Development Project | 25 Sep 2008 | 200.00 |
| 20. Anhui Integrated Transport Sector Improvement Project | 10 Dec 2009 | 200.00 |
| 21. Lanzhou Sustainable Urban Transport Project | 11 Dec 2009 | 150.00 |
| 22. Second Heilongjiang Road Network Development Project | 20 Apr 2010 | 200.00 |
| 23. Yunnan Integrated Road Network Development Project | 2 Dec 2010 | 250.00 |
| Total | | 5,414.50 |
| B. Loans from the Japan International Cooperation Agency | | (¥ million) |
| 1. Xinxiang–Zhengzhou Highway Construction Project | 28 Mar 2000 | 23,491.00 |
| 2. Hainan East Expressway Expansion Project | 28 Mar 2000 | 5,274.00 |
| 3. Liangping–Changshou Highway Construction Project | 28 Mar 2000 | 24,000.00 |
| 4. Heilongjiang Heihe–Bei'an Road Construction Project | 30 Mar 2001 | 12,608.00 |
| 5. Hunan Province Road Construction Project | 29 Mar 2002 | 23,000.00 |
| 6. Gansu Province Road Construction Project | 29 Mar 2002 | 20,013.00 |
| Total | | 108,386.00 |
| C. Loans from the World Bank (Highways) | | (\$ million) |
| 1. Guangxi Highway Project | 28 Mar 2000 | 200.00 |
| 2. Third Henan Provincial Highway Project | 16 May 2000 | 150.00 |
| 3. Urumqi Urban Transport Improvement Project | 19 Dec 2000 | 100.00 |
| 4. Shijiazhuang Urban Transport Project | 27 Mar 2001 | 100.00 |
| 5. Second Jiangxi Highway Project | 5 Jun 2001 | 200.00 |
| 6. Inner Mongolia Highway Project | 6 Jun 2002 | 100.00 |

| Projects | Date Approved | Amount |
|---|----------------------|-----------------|
| 7. Xinjiang Highway III Project | 5 Sep 2002 | 150.00 |
| 8. Hubei Xiaogan–Xiangfan Highway Project | 17 Sep 2002 | 250.00 |
| 9. Second Anhui Highway Project | 24 Jun 2003 | 250.00 |
| 10. Wuhan Urban Transport Project | 9 Mar 2004 | 200.00 |
| 11. Hubei Shiman Highway Project | 24 Jun 2004 | 200.00 |
| 12. Inner Mongolia Highway and Trade Corridor Project | 15 Feb 2005 | 100.00 |
| 13. Fuzhou Nantai Island Peri-urban Development Project | 15 Dec 2005 | 100.00 |
| 14. Third Jiangxi Highway Project | 27 Jun 2006 | 200.00 |
| 15. Liaoning Medium Cities Infrastructure Project | 27 Jun 2006 | 218.00 |
| 16. Sichuan Urban Development Project | 7 Sep 2006 | 180.00 |
| 17. Fujian Highway Sector Investment Project | 12 Oct 2006 | 320.00 |
| 18. Shaanxi Ankang Road Development Project | 13 Mar 2007 | 300.00 |
| 19. Guiyang Transport Project | 8 Jan 2008 | 100.00 |
| 20. Anhui Highway Rehabilitation and Improvement Project | 22 Apr 2008 | 200.00 |
| 21. Hubei Yiba Highway Project | 31 Mar 2009 | 150.00 |
| 22. Ningxia Highway Project | 13 May 2010 | 250.00 |
| 23. Fujian Highway Sector Investment Project Additional Financing | 19 May 2011 | 50.00 |
| 24. Changzhi Sustainable Urban Transport Project | 22 Mar 2012 | 200.00 |
| 25. China GEF City Cluster Eco-Transport Project | 29 Mar 2012 | 25.05 |
| 26. Hubei Xiangyang Urban Transport | 26 Apr 2012 | 210.87 |
| 27. Xinjiang Yining Urban Transport Improvement Project | 29 May 2012 | 208.00 |
| Total | | 4,711.92 |
| D. Cofinancing from AFD and EIB | | (\$ million) |
| 1. Western Yunnan Roads Development Project (AFD) | 28 Oct 2003 | 38.00 |
| 2. Guangxi Roads Development Project (EIB) | 30 Oct 2001 | 50.00 |
| Total | | 88.00 |

AFD = Agence Française de Développement, EIB = European Investment Bank, GEF = Global Environment Facility.
Sources: Asian Development Bank, Japan Bank for International Cooperation, and World Bank.

2. The World Bank has provided loans totaling \$824 million to finance seven investments in inland waterway transport (IWT) sector (Table 2). ADB approved its first IWT project in the PRC in December 2012.

Table 2: Key Activities in IWT Sector of Major Development Partners, 2000–2012

| Projects | Date Approved | Amount |
|--|----------------------|---------------|
| A. Loans from World Bank | | (\$ million) |
| 1. Inland Waterways Project | 20 Jun 1995 | 210.00 |
| 2. Second Inland Waterways Project | 29 May 1998 | 123.00 |
| 3. Third Inland Waterways Project | 21 Jun 2001 | 150.00 |
| 4. Fourth Inland Waterways Project | 25 Mar 2004 | 91.00 |
| 5. China: Fifth Inland Waterways Project | 11 Oct 2005 | 100.00 |
| 6. Jiangxi Shihutang Navigation and Hydropower Complex Project | 25 Sep 2008 | 100.00 |
| 7. Anhui Shaying River Channel Improvement Project | 12 Apr 2011 | 100.00 |
| Total | | 824.00 |
| B. Loans from ADB | | (\$ million) |
| 1. Inland Waterways Project | 7 Dec 2012 | 150.00 |
| Total | | 150.00 |

Source: Asian Development Bank, World Bank.

B. Institutional Arrangements and Processes for Development Coordination

3. ADB coordinates with the PRC's other development partners to discuss progress and issues in both the road and IWT sectors. This includes regular meetings with the World Bank for coordination and information sharing. The ADB Resident Mission in the PRC and the World Bank's PRC office periodically organize informal round tables to enhance dialogue and collaboration between international development partners and donors.

4. Support from ADB and the World Bank for transport in the PRC has been closely aligned with the programs established under the government's 5-year plans. In May 2012, ADB prepared a new transport support program for its country partnership strategy, 2011–2015 for the PRC, which will align with the government's transport sector initiatives under its Twelfth Five-Year Plan, 2011–2015.

C. Achievements and Issues

5. ADB's support for transport sector in the PRC has had much in common with the support provided by the World Bank, except that ADB has focused mostly on roads and railways in the landlocked provinces while the World Bank has also financed projects in the eastern central region. World Bank lending has also been diversified across more transport subsectors.

6. In line with ADB's Sustainable Transport Initiative Operational Plan approved in 2010, ADB is diversifying its transport portfolio toward making the transport system in the PRC more sustainable.¹ In the road sector, ADB plans to increase its support for road asset management, rural roads, and traffic safety. ADB has provided more support for urban public transport, railways, and IWT. ADB's first urban public transport project in the PRC was approved in 2009.

7. The proposed Anhui Intermodal Sustainable Transport Project will build on ADB's past involvement in the infrastructure sector in Anhui Province such as the Anhui Integrated Transport Sector Improvement Project (approved in 2009).² The proposed project represents an important step in terms of ADB's Sustainable Transport Initiative by including both road and IWT components in one project in the PRC for the first time. The project will improve public transport and road safety, help upgrade IWT navigation channels and intelligent shipping, as well as provide an interface between transport modes.

D. Summary and Recommendations

8. ADB transport projects provide access to markets, health, services, employment, and social services. Aligned with the government's poverty reduction efforts, the majority of ADB lending, particularly in the transport sector, targets the central and western provinces to support inclusive, pro-poor economic growth in the PRC. ADB's involvement in transport infrastructure has reduced the geographic isolation of the rural poor. ADB will continue to work with the government to strengthen its fight against poverty. Infrastructure projects in Anhui have helped stimulate sustainable economic growth, improve trade, and alleviate poverty.

9. ADB will coordinate closely with other development partners on policy dialogue and share its development experiences. The government coordinates the activities of different development partners, and has used ADB's technical assistance for research and to help shape a number of policy interventions, as well as for formulating ideas and programs for its 5-year plans.

¹ ADB. 2010. *Sustainable Transport Initiative Operation Plan*. Manila.

² ADB. 2009. *Anhui Integrated Transport Sector Improvement Project*. Manila.