

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. Since 1992, the Asian Development Bank (ADB) has provided over 30 loans totaling more than \$4 billion to the People's Republic of China (PRC) for environmental improvement and infrastructure projects. ADB has also provided over \$60 million for more than 90 technical assistance studies on policy reform, institutional strengthening, environmental management, poverty reduction, and project preparation.

2. Guangxi Zhuang Autonomous Region has signed agreements with ADB and the World Bank to borrow foreign loans financing roads, urban development, and environmental improvement projects, with a contracted amount of \$1.200 billion from ADB during 2001–2012, and \$2.935 billion from the World Bank during 1988–2012, as shown in Tables 1 and 2, respectively.

Table 1: Asian Development Bank Assistance for Infrastructure and Environmental Improvement in Guangxi

No.	Project Name	Date of Approval	Amount (\$ million)
1	Loan 1851-PRC: Guangxi Roads Development	2001	150
2	Loan 2094-PRC: Guangxi Roads Development II Project	2004	200
3	Loan 2657-PRC: Guangxi Southwestern Cities Development Project	2010	150
4	Loan 2345-PRC: Western Guangxi Roads Development Project	2007	300
5	Loan 2491-PRC: Guangxi Wuzhou Urban Development Project	2008	100
6	Loan 2239-PRC: Guangxi Nanning Urban Environmental Upgrading	2006	100
7	Loan 2821-PRC: Guangxi Beibu Gulf Cities Development Project	2011	200
	Total		1,200

PRC = People's Republic of China
Source: Asian Development Bank.

Table 2: World Bank Funded Loan Projects in Guangxi

No.	Project	Date of Approval	Foreign Loan (\$ million)
1	The Second Liuzhou Environment Management Project	2011	150
2	Nanning Urban Environment Project	2010	100
3	NanGuang Railway Project	2009	300
4	Guangxi Integrated Forestry Development and Conservation Project	2006	100
5	Eco-Farming Project	2008	120
6	Poor Rural Communities Development Project	2005	100
7	Liuzhou Environment Management Project	2005	100
8	Fourth Inland Waterways Project	2004	91
9	Basic Education in Western Areas Project	2003	100
10	Guangxi Highway Project	2000	200
11	Guangxi Urban Environment Project	1998	92
12	Inland Waterways Project	1995	210

No.	Project	Date of Approval	Foreign Loan (\$ million)
13	Southwest Poverty Reduction Project	1995	247
15	Basic Education in Poor and Minority Area Project	1994	100
16	Agricultural Support Services Project	1993	115
17	Rural Water Supply and Sanitation Project	1992	110
18	National Forestation Project	1990	300
19	Rural Sector Adjustment Loan Project	1988	300
	Total		2,835

Source: World Bank Group.

3. Since 1991, Nanning has benefitted from four World Bank loan projects, one ADB loan project,¹ and nine significant bilateral loans from the governments of Austria, Israel, Japan, and Spain as well as the Nordic Investment Bank. These projects have included interventions in agriculture, education,² environmental improvement (including wastewater and solid waste management), health, information systems, river regulation, urban safety (fire control), and water supply.

4. Lessons from previous development projects that are applicable to this project include (i) the project design should link up closely with the urban master plan and socioeconomic development plan of the project area, (ii) the project scope must be well-defined and enjoy strong local government commitment, (iii) changes in project design should be avoided so as not to disrupt implementation progress, (iv) a strong project management organization able to provide close coordination is a major factor contributing to the smooth implementation of a project, and (v) frequent changes in the project management office staff should be avoided and training should be considered and delivered as needed.

B. Institutional Arrangements and Processes for Development Coordination

5. ADB is committed to sharing sector information and experiences in partnership with its developing member countries and other development agencies, and collaborates with a large number of multilateral and bilateral aid agencies. In line with its support for the 2005 Paris Declaration and the 2008 Accra Agenda for Action, ADB has harmonized its policies, procedures, and practices with its key development partners through parallel implementation structures, technical working groups, and joint missions. Through participation in world forums ADB supports global and regional efforts to reduce poverty, enhance economic development, and provide humanitarian aid to the very poor.

6. In the PRC, the development assistance is primarily coordinated by the central government. All development partners are requested to align their operations to support the implementation of a national development strategy as set out in the PRC's Twelfth Five-Year Plan, 2011–2015 for social and economic development and approved by the People's Congress. ADB's PRC Resident Mission plays a key role in drawing lessons from project design

¹ ADB. 2006. Report and Recommendation of the President to the Board of Directors: Proposed Loan to the People's Republic of China for the Guangxi Nanning Urban Environmental Upgrading. Manila (Loan 2239-PRC, \$100 million, approved on 26 Jun 2006).

² Upgrading of training bases for the Nanning College of Vocational Technology, €4.98million, Government of Spain, 2006–2007. This loan was used to successfully upgrade the equipment used for seven training bases at Nanning College of Vocational Technology, which is a tertiary-level technical and vocational education and training institution in Nanning.

and implementation and shares these with the PRC government and other development partners (all of which have resident missions in Beijing) through regular exchanges.

7. At the Guangxi regional level, the regional development reform commission and regional finance bureau both exercise development coordination. These bodies receive requests for development assistance from local governments, match needs to the priorities and programs of the different development partners, hold consultations with those partners to establish areas of mutual interest, and make requests to the national level for projects to be included in the relevant country support program.

8. There are separate project management offices established within Guangxi for various ADB, World Bank, and other foreign-funded projects. The various project management offices at the regional and city levels coordinate closely and share respective experiences.

C. Achievements and Issues

9. Coordination with major development partners has been strengthened since 1992 to support the PRC in achieving sustainable urban development and economic growth, including through five-year plans, strategic master plans, public awareness and education, financial and institutional strengthening, and achievement of the Millennium Development Goals.

D. Summary and Recommendations

10. The project team will coordinate with other development partners during project implementation. Strengthening of development coordination in the PRC is expected to minimize transaction costs, maximize responsiveness, solve policy issues more systematically, provide greater support for institutional strengthening and capacity building, and increase accountability to achieve greater development impact.