

 Early Warning System

ADB-50031-001

Facility for Strengthening Policy Reform and Capacity Building



## Quick Facts

Countries	China
Financial Institutions	Asian Development Bank (ADB)
Status	Active
Bank Risk Rating	B
Voting Date	2016-07-19
Borrower	Government of People's Republic of China
Sectors	Law and Government
Investment Type(s)	Grant
Investment Amount (USD)	\$ 0.80 million
Project Cost (USD)	\$ 0.80 million



### Project Description

Though the People's Republic of China (PRC) has made considerable progress in overall economic growth in the past three decades, the country still has a long way to reach a moderately prosperous and harmonious society (xiao kang) by 2020. Excessive reliance on investment, exports and industrial development in the past have created imbalances and structural constraints such as low factor productivity resulting from overinvestment and excess capacity, growing income and regional disparities, and environmental concerns. This has led the government to question the soundness of the growth model. Under the new normal which focuses on quality rather than quantity of economic growth, the PRC economy is facing numerous challenges: declining factor productivity; widening income inequality; increasing urban and rural gap; environmental degradation and pollution; resource constraints; economic rebalancing; downside of urbanization; weak institutional capacity; poor policy coordination among government agencies; and above all the need to shape its institutions from economic growth-led to public service-oriented to respond to new and emerging challenges. The PRC's 13th Five Year Plan (FYP) 2016-2020 was approved by the National People's Congress in March 2016. The plan outlines a policy framework, as well as priorities and economic and social development targets, including medium- high economic growth; innovation-driven development; ecological civilization and green development; and inclusive development and building a modern social sector, among others.

The proposed TA is the eighth one of the facility- type TA series . The creation and evolution of facility -type TA by EARD has provided an important tool that enhances ADB's ability to quickly and flexibly respond to emerging policy and capacity building issues. It is also an important means to support and disseminate innovation serving different objectives of Country Partnership Strategy and the PRC reform priorities. The evolution of facility- type TAs as a vehicle for delivering just in time knowledge has been noted and is being replicated in other developing member countries (DMCs). To date, only TA 8780 of the approved seven facility- type TA projects is ongoing and its funds are already fully committed. However, continuing policy recommendations and capacity building are in critical need for the PRC government to quickly and effectively formulate and execute policies to address the economic and social development challenges under the " new normal ". In addition, the implementation period of the proposed TA will coincide with the initial implementation period of the 13th FYP. This TA also supports the implementation of the recently approved PRC Country Knowledge Plan (CKP) in terms of knowledge generation and sharing.

The subprojects under the completed facility type TAs contributed to varying degrees to the implementation of the government's priority areas identified in its five year plans; enabled policy analyses on emergent, urgent issues; and strengthened the capacity of the executing and implementing agencies. Building on the success of and lessons learnt from past facility type TAs, the proposed TA will equip the PRC government with policy inputs, tools, and forum to be able to best respond to the development challenges and achievement of the targets of the 13th FYP.

### IMPACT

Effective policy formulation for implementing key socioeconomic development goals of the Thirteenth Five-Year Plan and capacity enhancement of relevant government agencies realized

### CONSULTING SERVICES

The TA requires approximately 70 person-months of international and national consultants/resource persons. The expertise includes a wide range area of economic and social development. The consultants will be engaged by ADB in accordance with the Guidelines on the Use of Consultants (2013, as amended from time to time). The proceeds of the TA will be disbursed in line with ADB's Technical Assistance Disbursement Handbook (2010, as amended from time to time).



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## Investment Description

- Asian Development Bank (ADB)



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## Contact Information

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### ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>



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## Bank Documents

- [Facility for Strengthening Policy Reform and Capacity Building: Technical Assistance Report](#) [\[Original Source\]](#)
- [Project Disclosure PDF](#)