

ADB Lecture Series on International Development

Spring 2017 Syllabus

Nature and Purpose of the Course:

This semester-long lecture series will address important topics concerning international development, drawing on ADB's experience with developing member countries in Asia, primarily in the PRC. The PRC's extraordinary progress over the past thirty years and ADB's evolving partnership with the PRC offers important experiences and lessons for other developing countries. The lecture series will emphasize challenges, approaches, and case studies based on development projects, featuring guest lecturers from the management team of the East Asia Department, Asian Development Bank (ADB). 2017 topics will include:

- Role of Multilateral Development Banks in a Developing Country's Growth Process-A Case Study of ADB-PRC Partnership
- China's Energy Sector Development 1987-2017
- Green Urban Development and Green Financing
- Transport: Connecting People, Places, and Markets in the PRC
- Healthy Rivers and Ecosystem Restoration: the Role of ADB
- Water Supply, Flood Risk Management and Disaster Prevention
- Promoting Economic Diversification and Employment Creation in Mongolia through Regional Cooperation Trade Facilitation
- Inclusion and Gender Equality in China
- Trade Facilitation
- Fiscal Management in Resource Rich Economies
- ADB's Operations and Portfolio in the PRC
- Growth Opportunities in Asia: Role of Global Production Networks and Economic Corridors

At the end of the course students are expected to have gained familiarity with: (i) the institutional arrangement concerning international development and cooperation; (ii) the approaches and processes that development assistance is delivered by multi-lateral development banks; (iii) current thinking and best practices in key sectors that ADB is engaged in, especially current and future cooperation priorities with the government of the People's Republic of China. The course also provides a forum for interaction with ADB senior development practitioners.

Course Website:

The course website is hosted on the ADB-PRC RCSI website. All course material will be posted on the course website, including the syllabus, presentations and reading material. The following is the link:

www.rksi.org

COURSE OUTLINE

1. Role of Multilateral Development Banks in a Developing Country's Growth Process-A Case Study of ADB-PRC Partnership (6 April, Thursday, 14:30-16:30)

Ayumi Konishi, Director General, East Asia Department (EARD), ADB

ADB has been a development partner of the PRC for the last 30 years, helping the country to achieve the largest reduction of poverty in the world and the rapid transformation to the upper middle income status. This opening lecture will discuss how ADB assistance's to the PRC has evolved over the years, and the recent change in emphasis now that the PRC is an upper middle income country. In particular, the lecture will review the role PRC is expecting ADB to play and how ADB is planning to respond to these expectations.

*Reference:

- People's Republic of China: Country Partnership Strategy. (2016-2020) [<http://www.adb.org/documents/peoples-republic-china-country-partnership-strategy-2016-2020>]

2. China's Energy Sector Development 1987-2017 (4 May, Thursday, 13:30-15:30)

Ashok Bhargava, Director, Energy Division, EARD

The lecture will elaborate on how ADB- PRC partnership in energy sector has evolved over the past 3 decades from accelerated capacity addition to bridge the demand supply gap in early days to forward looking low-carbon energy sector transformation with larger role of energy efficiency and renewable energy. There will be examples of projects and knowledge work that have helped reforms, demonstrate new technologies and introduce market-based mechanisms.

3. Green Urban Development and Green Financing (18 May, Thursday, 10:00-12:00)

Jenny Hubert, Principal Infrastructure Specialist, EARD

The urbanization ratio in China increased from 19% in 1978 to 54% in 2013. The number of cities rose from 193 in 1978 to 658 in 2013. Continued rural - urban migration is expected to lead to a projected urban population of 816 million by 2020. In 2014, the government set-up a Green Finance Task Force, which issued a series of recommendations to set-up a green finance system. The understanding is that a country based green finance model requires strong national policies, supported by financing, addressing the specific risks of urban infrastructure investments and catalyzing large scale Private and Commercial Funding into green urban infrastructure. The China Development Research Foundation estimates that the China needs to invest CNY24 trillion (\$3.8 trillion) in urban infrastructure by 2020 to meet the needs with public funding capped at 15%,

resulting in a massive gap. Challenges for local governments include increased debt, a limited tax base, and limited options to finance infrastructure. The lecture will first look at planning strategies to green urban master plans addressing infrastructure gaps and institutional bottlenecks and then review funding options to finance green urban infrastructure.

4. Transport: Connecting People, Places, and Markets in the PRC (18 May, Thursday, 14:30-16:30)

Robert Guild, Director, Transport and Communications Division, EARD

The People's Republic of China has experienced major growth and expansion in the past 30 years. Transport investments have been among the main drivers of this growth, including ADB support of over US\$20 billion (in constant 2016 prices) to the sector since 1989. This session will introduce the economic and social rationale for investment in transport infrastructure; survey the development of ADB's support over the past 30 years; and present case studies of projects in the road, rail, and water transport subsectors. The session will include an interactive discussion of future priorities for ADB support, including urban transport, regional cooperation and integration, and climate change.

*References:

- ADB Sustainable Transport Initiative Operational Plan.
[<http://www.adb.org/documents/sustainable-transport-initiative-operational-plan>]
- Sector Assistance Program Evaluation of Asian Development Bank Assistance for Roads and Railways in the People's Republic of China.
[<http://www.adb.org/documents/sector-assistance-program-evaluation-asian-development-bank-assistance-roads-and-railways>]

*References-optional-recommend reading only 10-page main report and 5-page economic analysis:

- Yunnan Pu'er Regional Integrated Road Network Development Project.
[<http://www.adb.org/projects/46040-003/main#project-documents>]
- Hunan Xiangjiang Inland Waterway Transport Project.
[<http://www.adb.org/projects/43031-013/main#project-documents>]
- Hubei-Yichang Sustainable Urban Transport Project.
[<http://www.adb.org/projects/45023-002/main#project-documents>]

5. Healthy Rivers and Ecosystem Restoration: the Role of ADB (26 May, Friday, 13:30-15:30)

Qingfeng Zhang, Director, Environment, Natural Resources and Agriculture Division, EARD

The lecture will present an overview of water security in the countries of Asia and the Pacific, discuss why healthy rivers are the foundations for the sustainable achievement of a water secure future. The lecture will argue the need for

increased action and investments to restore and protect rivers in many DMCs and basins, and present the role of ADB in restoring healthy rivers and ecosystems. The lecture will share the speaker's thoughts on knowledge solutions for restoring aquatic ecosystems in Asia.

*Reference:

- Asia Water Development Outlook: Measuring Water Security in the Asia and the Pacific, 2013, ADB. [<http://www.adb.org/publications/asian-water-development-outlook-2013>]
- Toward an Environmentally Sustainable Future – Country Environmental Analysis of the PRC, Asian Development Bank Publication, 2012 [<https://www.adb.org/publications/toward-environmentally-sustainable-future-country-environmental-analysis-prc>]
- Drying Up – What to do about droughts in the PRC, Asian Development Bank Publication, 2012 [<https://www.adb.org/publications/drying-what-do-about-droughts-peoples-republic-china>]
- Eco-Compensation for Watershed Services in the PRC, Asian Development Bank Publication, 2011. [<https://www.adb.org/publications/eco-compensation-watershed-services-peoples-republic-china>]
- An Eco-Compensation Policy Framework for the People's Republic of China: Challenges and Opportunities, Asian Development Bank Publication, 2010 [<https://www.adb.org/publications/eco-compensation-policy-framework-peoples-republic-china-challenges-and-opportunities>]
- Payments for Ecological Services and Eco-Compensation: Practices and Innovations in the People's Republic of China, Asian Development Bank Publication, 2010. [<https://www.adb.org/publications/payments-ecological-services-and-eco-compensation-practices-and-innovations-peoples>]
- Rural Biomass Renewable Energy 2020 in the PRC, Asian Development Bank Publication, 2010. [<https://www.adb.org/publications/rural-biomass-energy-2020-peoples-republic-china>]
- Reviving Lakes and Wetlands: Lessons Learned from the People's Republic of China, Asian Development Bank Publication, 2008 [<https://www.adb.org/publications/reviving-lakes-and-wetlands-lessons-learned-peoples-republic-china>]
- Country Environmental Analysis for People's Republic of China, Asian Development Bank Publication, 2007. [<https://www.adb.org/documents/country-environmental-analysis-peoples-republic-china>]

6. Water Supply, Flood Risk Management and Disaster Prevention (1 June, Thursday, 13:30-15:30)

Sangay Penjor, Director, Urban and Social Sectors Division, EARD

Syllabus will include:

- Water supply will cover integrated water resource management, water security, water conservation, urban water supply and corporatization of water utilities, treatment of incremental wastewater generated, water tariff reforms and sustainability of water supply systems and citing some past and ongoing ADB water supply projects.
- Flood risk management approaches and designs as part of urban environmental improvement strategies citing completed and ongoing ADB projects in the PRC as case studies.
- The disaster risk management approach case study under the Guangxi Wuzhou Project.

7. Promoting Economic Diversification and Employment Creation in Mongolia through Regional Cooperation (9 June, Friday, 13:30-15:30)

Robert Schoellhammer, Advisor, EARD

Taking the case of Mongolia, the lecture will explore how cooperation with the PRC can help economic diversification and create employment. The lecture will provide an overview of the Mongolian economy, ADB's role in promoting its development, including investments that promote mutually-beneficial regional cooperation. The lecture will also examine the prospects for regional programs and initiatives for promoting development in Mongolia, and other inner Asian countries.

8. Inclusion and Gender Equality in China (12 June, Monday, 10:00-12:00)

Benedict Bingham, Country Director, PRC Resident Mission, EARD

The lecture will discuss issues of inclusion and gender equality in the PRC. The lecture will seek to explore two questions (a) does inequality in China matter, given the dramatic reduction in poverty over the past 30 years? and (b) why focus on gender equality specifically? The lecture draws on two forthcoming ADB studies. The first is a paper prepared in collaboration with the IMF entitled "Inequality in China – Trends, Drivers and Policy Remedies". The second paper is a study prepared in collaboration with the ILO entitled "Gender Equality and the Labor Market, Women, Work and Migration in the People's Republic of China." The lecture hopes to draw on the research in these two studies to answer these two questions and draw some lessons on potential areas of reform to promote inclusive growth, covering both macro-economic and micro-economic reforms."

9. Trade Facilitation (14 June, Wednesday, 10:00-12:00)

Ying Qian, Director, Public Management, Financial Sector, and Regional Cooperation Division, EARD

The lecture will cover how trade facilitation can help countries better reach economic development potential through more efficient and increased flow of goods, finance, information and people across borders. The lecture will introduce:

- Definition of trade facilitation
- Agencies and stakeholders involved in trade facilitation and agency specific trade facilitation issues, including customs, sanitary and phytosanitary agencies, immigration agencies, and others as well as private sector
- International conventions including the WTO trade facilitation agreement and international bodies focusing on trade facilitation
- Trade facilitation and regional cooperation
- ADB's ongoing programs and projects on trade facilitation
- Trade facilitation results

10. Fiscal Management in Resource Rich Economies (15 June, Thursday, 10:00-12:00)

Akiko Hagiwara, Senior Economist, EARD

This lecture sheds light on Asia's growing demand for commodities and factors affecting economic performance of commodity dependent economies. First, commodity price cycles in the past decade have synchronized, taking in oil, metals, and many agricultural products. While supply shocks such as bad harvests account for commodity price spikes, they do not explain why such a broad range of prices have moved nearly in unison. This suggests that the commodity boom–bust cycle has a strong demand element. The lecture discusses to what extent demand from developing Asian economies—particularly larger economies like the PRC and India—affect global commodity price trends. Second, while most countries in the region welcome lower commodity prices, as low prices would help contain inflation, commodity exporters naturally have a different perspective. Countries that depend on commodity exports for foreign exchange and government revenues can suffer significant macroeconomic shocks from volatile or excessively low prices. This is particularly true for countries that rely on extracted natural resources such as petroleum, metals, and minerals. The lecture looks more closely at these economies to examine the factors that help some resource-dependent economies cope with these shocks better than others.

*Reference:

- Asian Development Bank, 2014. "Coping with volatile export prices" in Asian development outlook 2014. in Fiscal policy for inclusive growth. Manila, Philippines.
- Asian Development Bank, 2013. ."Developing Asia's rising demand for commodities" in Asian development outlook 2013. Asia's energy challenge. Manila, Philippines.
- Akiko Terada-Hagiwara, Mai Lin C. Villaruel, Aaron Batten, and Christopher Edmonds, 2015. "Role of Absorptive Capacity in Natural

11. ADB's Operations and Portfolio in the PRC (15 June Thursday, 13:30-15:30)
Xinning Jia, Deputy Country Director, PRC Resident Mission, EARD

This lecture session will give a snapshot of ADB's operations in PRC over past 30 years, its portfolio, and the evolving sectoral and geographical interventions over the time. The lecture will provide an overview of ADB's operational cycle in terms of programming, project preparation and implementation. The lecture will briefly touch upon the implementation challenges of projects. The lecture will also give a quick brief of ADB in general, who we are, how we help, and its opportunity.

12. Growth Opportunities in Asia: Role of Global Production Networks and Economic Corridors (26 June, Monday, 10:00-12:00)
Teresa Kho, Deputy Director General, EARD

The lecture will present the changing economic context of growth in the region, India's "Make in India" campaign, India's resulting focus on industrial corridor developments, and the opportunities it will present for foreign direct investment in the country. The lecture will also discuss ADB's overall role in the corridor development as well as facilitating regional trade and investments in South Asia.

13. Wrap-up (26 June, Monday, 13:30-PM)