

**Sharing Urban Best Practices for  
Sustainable Development in Asia and the Pacific**

# **ADB Loans and Technical Assistance Projects Promoting Urban-Rural Integration in the PRC**

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# **ADB Contributions to PRC Urban - Rural Development**

## **ADB Loans, Grants, TA's, PSD: Support by Many Sectors**

Many projects across sectors cover aspect of urban development, rural development and urban-rural integration

## **Urban Development Support: East to West, Big to Small**

From large cities to small and medium-sized cities to townships

From support of coastal region to central, western and northeastern PRC

## **Rural Development Support:**

Agriculture upscaling, value chain, financing

Environmental, land, resources and pollution management

Village upgrading, social welfare, education, community development

## **Urban-Rural Development and Integration Support:**

Urban-rural linkages, roads, logistics, supply-chain integration

Urban-rural infrastructure, and services, and utility management

Integrated environment and resources management (water, waste, pollution, flood risk, climate change adaptation, disaster preparedness)

Economic corridor and city cluster development will contribute to URD

# **Key Aspects of Support for Urban-Rural Development**

## **Projects, Policies, Knowledge**

- **Balanced urban and rural economic development**
- **Socially inclusive urban and rural development**
- **Environmentally sustainable urban-rural development**
- **Connectivity, public services, physical links and infrastructure**
- **Institutional improvements and governance**

# **Selected Projects from the ADB portfolio**

## **ADB Loan and Grant Projects**

Shanxi, Hebei, Liaoning - Small Cities and Towns Development Demonstration  
Integrated Development of Key Townships in Central Liaoning  
Chongqing Urban-Rural Infrastructure Development Project (I and II)  
Jiangxi Pingxiang Integrated Rural-Urban Infrastructure Development

## **ADB's Private Sector Support**

Urban-Rural Water Supply

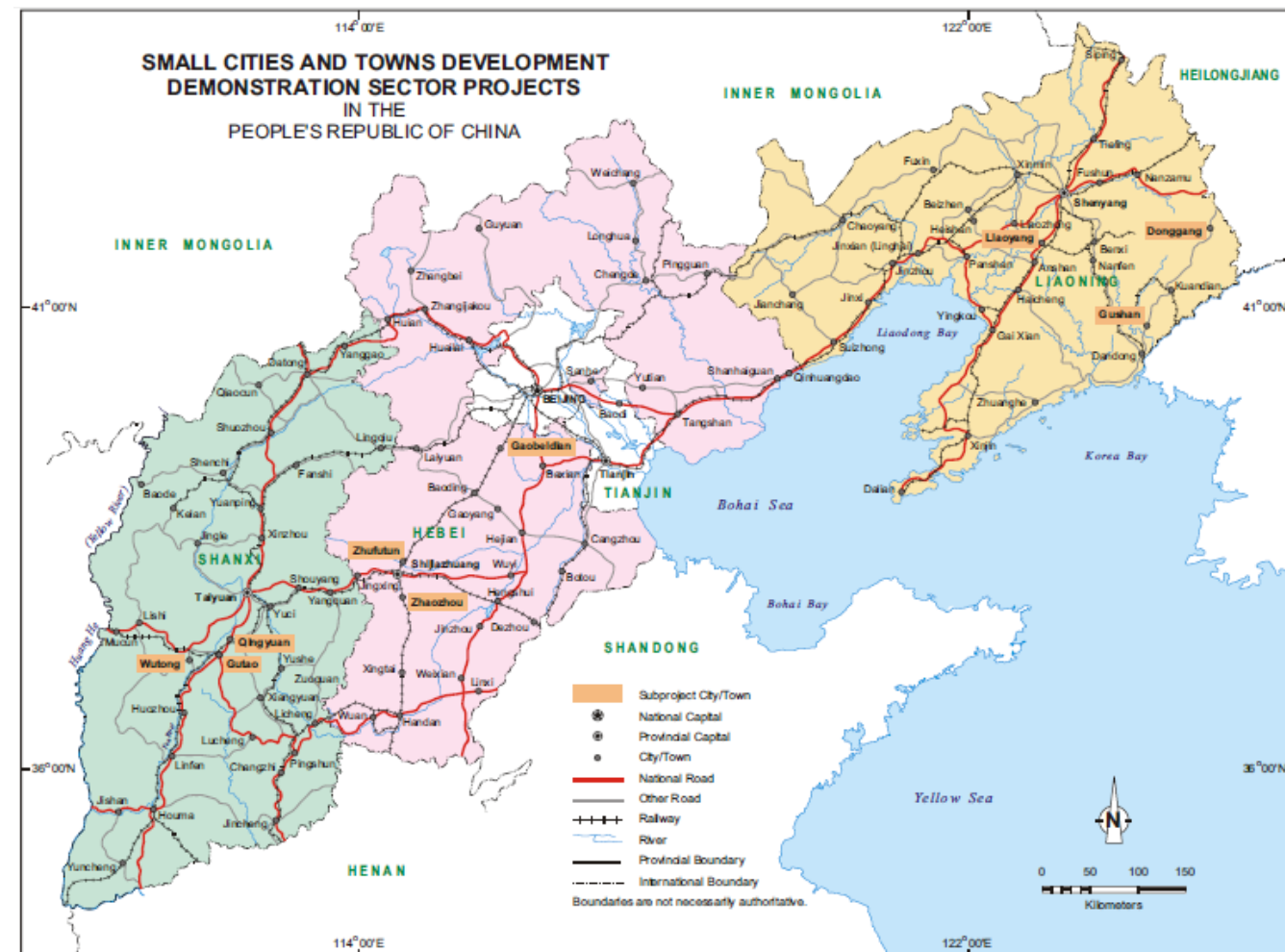
## **ADB Technical Assistance Projects**

Strategic Options for Urbanization in the PRC  
Industrial Relocation  
Urban-Rural Environmental Master Planning

# ADB Loans: Shanxi , Hebei, Liaoning Small Cities and Towns Development Demonstration Sector Projects

## Story of the Projects

- Balancing regional development in light of rapid urbanization in the PRC, coordinating development of large, medium-sized, small cities and towns
- The projects promote balanced and environmentally sustainable urbanization; narrow the urban-rural gap; and improve production, employment, and living conditions in small cities and towns
- The main sectors are roads and associated services, water supply and wastewater management, upgrading and greening of rivers, district heating, and education.





# ADB Loan: Integrated Development of Key Townships in Central Liaoning

## Development Challenges

- Resource depletion and painful transition from a state-dominated economy.
- Poor infrastructure, severe environmental pollution, significant poverty, and rural migrants with mismatched-employment skills.



# ADB Loan: Integrated Development of Key Townships in Central Liaoning

## Main features of the project

- Strategic urbanization in central Liaoning Province through urban and rural infrastructure improvement in key townships
- Strengthened financial management
- Leadership development program that promotes social inclusion
- People-centric urban infrastructure and public transportation

## Impact

- More competitive, green, and inclusive urbanization in key townships

## Outcome

- Improved sanitation, heating, and transport services





# **ADB Proposed Loan: Jiangxi Pingxiang Integrated Rural-Urban Infrastructure Development**

## **Main development challenges**

Poverty, flood risk with recent severe flood in May 2014, insufficient wastewater collection and treatment, water and soil pollution, lack of rural-urban linkages

## **Main features of the project**

Provide rural-urban infrastructure and linkages.

Environmentally sustainable river management.

Integrated urban-rural utilities and resources management

## **Impact, Outcome, Key outputs**

Aim at socially inclusive, environmentally sustainable, and competitive urban and rural development and improve environmental infrastructure and ecologically sound river basin management.

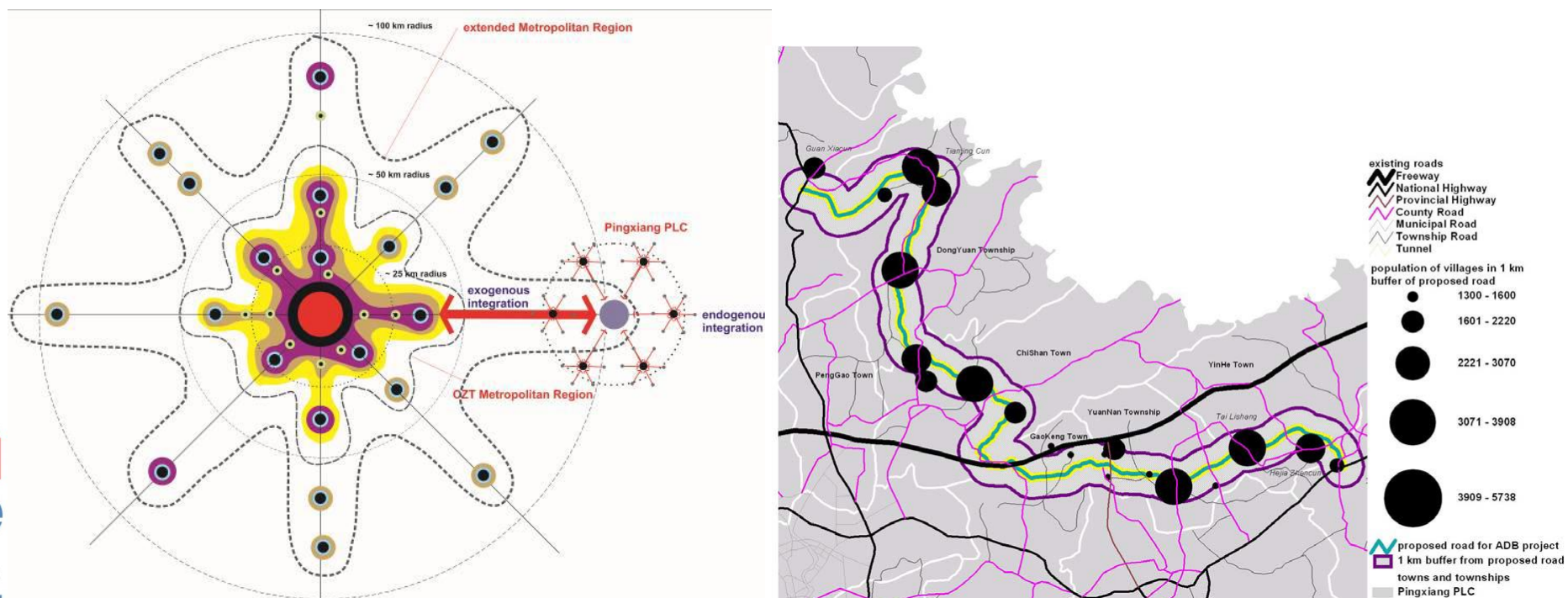
River rehabilitation and flood risk management for 8 rivers in 3 counties and 1 district; wastewater management and pollution control and rural-urban road.



# ADB Proposed Loan: Jiangxi Pingxiang Integrated Rural-Urban Infrastructure Development

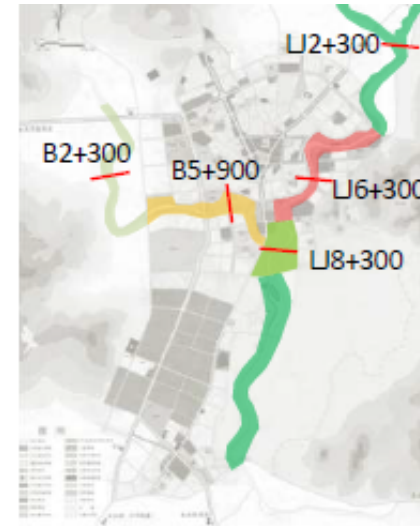
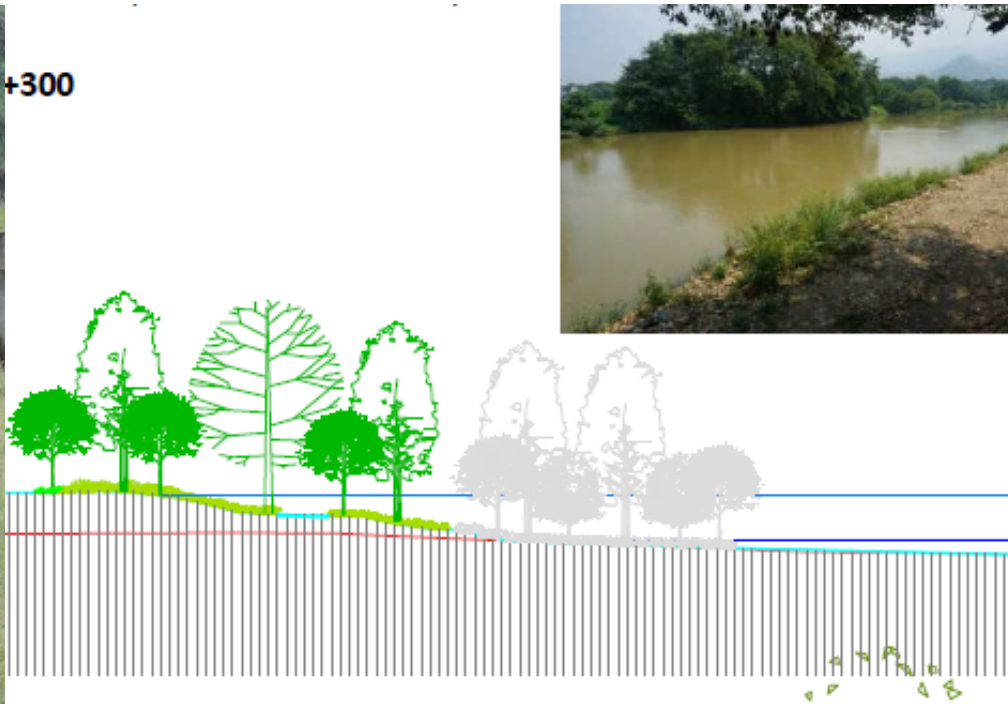
## Key elements contributing to urban-rural integration







- Contribute to economic development of townships and villages
- Public services and linkages to poor rural villages and townships.
- Urban-rural partnerships for ecological river management, pollution control and flood risk management.
- Public rural-urban river greenway and river parks. Wastewater collection and treatment in townships. Rural-urban linkage road reducing travel time and increasing safety and security.
- Rural-urban alliances: Municipality – County – District cooperation and inter-departmental cooperation among DRC, PB, EPB, WRB





# ADB Proposed Loan: Jiangxi Pingxiang Integrated Rural-Urban Infrastructure Development



-  现状植被
-  新增植被
-  现状地形
-  规划地形
-  设计常水位
-  设计洪水水位

Ecologically sound river rehabilitation and flood risk management



# **ADB Proposed Loan: Jiangxi Pingxiang Integrated Rural-Urban Infrastructure Development**

## **Lessons learnt so far**

### **▪ Things to replicate**

Coordination and cooperation among domestic and international consultants and institutions and rural-urban knowledge sharing for integrated ecological rural-urban river management.

### **▪ Things to improve**

Stronger integration spatially and cross-sector of infrastructure development and economic activity planning and value chain integration i.e. flood resilient farming, agri-tourism, eco-compensation

Stronger Integration of public-private-partnerships

### **▪ Things to avoid**

Uncoordinated ad-hoc decisions changing the game of infrastructure and utility planning and management

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# **ADB TA: Institutionalization of Urban-Rural Environmental Masterplanning in the PRC**

## **The Story of the Policy Advisory Technical Assistance Project**

- **Environmental degradation and pollution caused by urban development**
- **Ecosystems services and socio-economic benefits and values are underestimated**
- **TA impact: More environmentally sustainable urbanization in PRC**
- **TA to develop legal framework to make UREMP legally binding instrument providing upstream input for the development of regional land-use plans and urban-rural master plans downstream.**

# **ADB TA: Institutionalization of Urban-Rural Environmental Masterplanning in the PRC**

## **Key elements for balanced & integrated urban-rural development**

- **Institutionalize and mainstream UREMP as a new, mandatory planning instrument**
- **Institutionalize inter-departmental and cross-jurisdictional coordination and partnerships**
- **Provide technical guidelines, capacity development**
- **Develop environmental management, monitoring, governance and enforcement systems,**
- **Promote eco-compensation mechanisms and urban-rural environmental protection partnerships**
- **Integrate UREMP with regional planning and downstream urban-rural planning**
- **Public outreach, awareness campaigns, public involvement**

# **ADB TA : Policy Study on Industrial Relocation in the PRC**

- **Industrial relocation from east inwards began in the 1980s.**
- **Driven by expanded market access, preferential government policies, reduced costs of productive factors, and natural resources.**
- **Total volume of CNY4.5 trillion (1997–2007).**
- **Policy study looked at the dimensions and drivers of the industrial relocation process and recommended strategies to address negative externalities.**

# ADB TA : Policy Study on Industrial Relocation in the PRC

## Economic

- Potential for boosting employment and shift it up toward industrial type
- Potential for industrial zones in receiving regions to develop into new urban areas (inadequate infrastructure being the largest constraints for relocation)
- Potential for optimized specialization and restructuring of the industrial chain

## Social

- Reduced migration: increased opportunity for migrants to find industrial jobs close to their place of origin in the regions receiving the relocated industries; consequent alleviation of migrants influx in the eastern coastal urban area
- TVET to develop human capital able to match relocated industries demand

## Environmental

- Relocation is an opportunity for industries to upgrade their technologies into cleaner ones



# **ADB TA: Fujian Soil Conservation and Rural Development (Phase II) Project**

- **Impact:** to narrow the income disparity between urban and rural households in fragile environments of Fujian.
- **Outcome:** to improve and diversify income opportunities of rural households in mountainous and coastal areas of Fujian.
- **Outputs:**
  - conservation farming and forestation;
  - aquaculture;
  - integrated livestock farming
  - agricultural market;
  - agro-processing;
  - rehabilitation and development of small hydropower stations, rural water supply, and rural roads.

# ADB TA: Fujian Soil Conservation and Rural Development (Phase II) Project



- Agro-processing
- Agricultural Markets





# ADB TA: Fujian Soil Conservation and Rural Development (Phase II) Project

## Successful experiences

- ✓ Develop agro-processing capacity in county seat or large towns to promote rural economic development
  - Agro-processing Subprojects in Fujian
    - branding and marketing of farm produce
    - introducing quality standards and technology
    - expanded market opportunities
    - increased farm gate prices, and
    - provided local off-farm employment
  - The number of designated towns increase from 2173 (1978) to 20113 (2013)
  - *Develop local agro-processing industry in a sustainable manner is important to the urbanization and Urban-Rural Integration*

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**Thank you.**