GUANGXI REGIONAL COOPERATION AND INTEGRATION PROMOTION INVESTMENT PROGRAM

SEZs as Catalysts for Economic Corridors, Value Chains and Production Networks Training

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Strategic Context

- GMS economic corridor development
- PRC-Vietnam cooperation initiatives
- RCI: opening up PRC's border areas
- RCI in PRC CPS



 Guangxi: constraints and untapped potential



Multitranche Financing Facility

- Impact: Greater economic integration
- Outcome: RCI opportunities realized
- 5 Interlinked Outputs: SME; financial services;
 e-commerce; BEZ development; connectivity
- Why MFF?: long term commitment; flexibility; phased funding; policy dialogue; private sector participation





Policy Framework of MFF

- GMS RIF-IP
- Road Map: Guangxi's Action Plan for GMS & Guangxi's Priority Investment Program
- 5 key policy undertakings
 - Joint master plan for BEZs formulated by 2017
 - Guangxi-Viet Nam border provinces dialogue mechanism for cross-border cooperation institutionalized by 2018
 - Joint Customs Control pilots started by 2018
 - List of border trade goods expanded by 2018
 - PPP for border services introduced by 2018





MFF Structure (Total \$450 million)

PFR	Amount (\$ million)	Expected approval date	Scope	Triggers
T1	130	November 2016	SME, E-commerce, BEZ	
T2	200	Sep 2017	SME, E-commerce, Cross-border financial services, BEZ, Connectivity	subproject readiness; upgrading of BCP to Class 1 approved by PRC central government; signing of PRC-Viet Nam Border Trade Agreement (amended)
ТЗ	120	June 2019	Cross-border financial service, E-commerce, BEZ, Connectivity	subproject readiness; finalization of Joint Master Plan for BEZs



Key Features of MFF

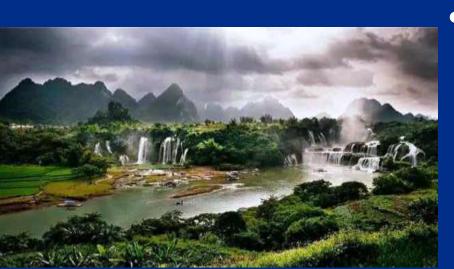
- Focusing on the promotion of cross-border economic activities
- Country ownership and demand-driven
- Cross-border synergy





ADB's Value Added

- Honest broker for cross-border coordination
- Effectively supporting "horizontal cooperation" within PRC
- RCI knowledge and capacity building
 - Trade facilitation
 - Institutional strengthening



 Demonstration and replication (for GMS NSEC and other PRC provinces)

















