PARTNER ASSISTANCE AMONG CHINA'S PROVINCES (I): AN OVERVIEW

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Executive Summary

- The inter-provincial support network launched more than three decades ago by the Chinese government has initiated rounds of partner assistance programmes (PAPs) to pair wealthy coastal provinces with backward inland ones, with the former mobilised to offer assistance.
- 2. The PAPs work on assisting less-developed bordering areas where ethnic minorities are concentrated to ensure frontier stability and territory security. They also aim to balance the unequal development between the east and the west.
- 3. Partner assistance among Chinese provinces is still under institutional construction.

 The Law on Regional Autonomy by Ethnic Minorities and its implementation regulations create the basic institutional framework for inter-provincial support.
- 4. Through the PAPs, local governments have provided different forms of assistance, including technological cooperation, investment, projects construction and professional training in education and medical organisations.
- 5. The central government has conducted five rounds of PAPs to assist Tibet since the 1980s. In each round, several provinces and provincial level municipalities participated in the programmes with project construction and investment.
- 6. In the meantime, the central government has sent a large number of cadres and professionals from eastern provinces to work in Tibet. They have helped enhance local governance capacity and increased the level of public services.
- 7. Fujian is one of the provinces paired with Tibet. It has aided Nyingchi prefecture (林芝地区) for more than two decades. In these years, Fujian has sent over 300 cadres and professionals to construct 486 projects at a cost of RMB1.9 billion.

- 8. Besides developing frontier and minorities' regions, inter-provincial partner assistance has been used for supporting major national projects, disaster relief, poverty alleviation and so on.
- 9. The PAPs have established a horizontal transfer system among Chinese provinces. Unlike vertical transfers that the central government collects and reallocates fiscal resources among provinces, horizontal transfers through the PAPs have directly benefitted receiving provinces.
- 10. Challenges such as project planning and performance monitoring remain in practice.