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*UNDP promotes sustainable human development to help build resilient nations and to empower people to build better lives. As the UN's development network, UNDP has drawn on world-wide experience for over three decades to assist China both in developing solutions to its own ongoing development challenges, and in its South-South cooperation and engagement in global development. Domestically, UNDP China's work focuses on Poverty Reduction, Governance, Environment & Energy, and Disaster Management. In terms of South-South cooperation and global work, our focuses are China's South-South dialogue and foreign aid work, trilateral cooperation in third countries, sustainable businesses abroad, global and regional cooperation, and climate change.*

United Nations Development Programme in China

UNDP-China Partnership on  
South-South and Global Cooperation

**2014 Highlights**

<b>APEC</b>	Asia-Pacific Economic Cooperation
<b>ASEAN</b>	Association of Southeast Asian Nations
<b>AU</b>	African Union
<b>BRICS</b>	Brazil, Russia, India, China and South Africa
<b>CAITEC</b>	Chinese Academy of International Trade and Economic Cooperation
<b>CBDM Asia</b>	Community Based Disaster Management in Asia
<b>CCICED</b>	China Council for International Cooperation on Environment and Development
<b>CCIEE</b>	China Center for International Economic Exchanges
<b>CELAC</b>	Community of Latin American and Caribbean States
<b>CICETE</b>	China International Center for Economic and Technical Exchanges
<b>COP</b>	Conference of the Parties
<b>DfID</b>	Department for International Development
<b>ESCAP</b>	Economic and Social Commission for Asia and the Pacific
<b>FOCAC</b>	Forum for China Africa Cooperation
<b>GIZ</b>	German Federal Enterprise for International Cooperation
<b>GPEDC</b>	Global Partnership for Effective Development Cooperation
<b>GTI</b>	Greater Tumen Initiative
<b>IPRCC</b>	International Poverty Reduction Center in China
<b>IRENA</b>	International Renewable Energy Agency
<b>LCC</b>	Local Cooperation Committee
<b>MAFF</b>	Cambodian Ministry of Agriculture, Forestry and Fisheries
<b>MCA</b>	Ministry of Civil Affairs
<b>MOFA</b>	Ministry of Foreign Affairs
<b>MOFCOM</b>	Ministry of Commerce
<b>MoU</b>	Memorandum of Understanding
<b>NCDR</b>	National Committee for Disaster Reduction
<b>NDRC</b>	National Development and Reform Commission
<b>NeST</b>	Network of Southern Think-Tanks

<b>SASAC</b>	State-owned Assets Supervision and Administration Commission
<b>SSC</b>	South-South cooperation
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>UNIDO</b>	United Nations Industrial Development Organization

# Table of Contents

	Foreword	1
	Introduction	2
A	China's South-South Dialogue and Foreign Aid Work	4
B	Trilateral Cooperation	8
C	Sustainable Businesses Abroad	12
D	Global and Regional Cooperation	16
E	Climate Change	21
	Index of Key Chinese Partners	26

# Foreword

In 2010, UNDP and the Government of China signed a Memorandum of Understanding (MoU) to strengthen partnership on shared development priorities and international cooperation. Through dialogue facilitation and demand-driven policy research and projects, the UNDP office in China supports China's efforts for a positive engagement on global development issues.

Recognizing the importance of experience sharing and knowledge exchange in enhancing development, the partnership between UNDP and China emphasizes South-South and triangular cooperation approaches when seeking solutions and providing policy choices for development.

During the year 2014, notable progress has been made in the implementation of the MoU partnership from engaging on global development issues to expanding the portfolio of trilateral cooperation projects.

This **UNDP-China Partnership on South-South and Global Cooperation: 2014 Highlights** brochure is presented to share experiences, lessons learned and key milestones for the year 2014, setting the stage for further collaboration in 2015, especially in the post-2015 development context.

We hope you'll enjoy reading it.



**Alain Noudehou**  
UN Resident Coordinator  
UNDP Resident Representative



**Christophe Bahuet**  
UNDP Country Director

# Introduction

The United Nations Development Programme (UNDP) has operated in China for more than three decades, developing a deep level of trust with the Chinese government and understanding of the Chinese society. As China's role on the global stage grows, economically, political and culturally, the country has become one of the major South-South cooperation (SSC) providers, and an influential voice in global forums such as climate change and trade negotiations.

In 2010, through the signing of a Memorandum of Understanding (MoU), China and UNDP signed a new partnership agreement to enhance collaboration in global development issues. Since then, UNDP has provided support related to China's global cooperation in five focus areas:

- A. China's South-South Dialogue and Foreign Aid Work*
- B. Trilateral Cooperation*
- C. Sustainable Businesses Abroad*
- D. Global and Regional Cooperation*
- E. Climate Change*

In all five focus areas, UNDP China's strategy has been aligned with China's priorities and UNDP's Strategic Plan. UNDP has been working with China along the key development cooperation principles of country ownership (especially mutual respect, equality and demand-driven interventions), as well as transparency, focus on results and inclusivity. UNDP has strengthened and extended its relationships with key Chinese counterparts, including government ministries, think tanks, non-governmental organizations, universities as well as donors and the private sector. It has used innovative models for joint projects and financial or in-kind support from those partners.

In 2014 UNDP has strengthened its position as key partner and knowledge hub in South-South and global cooperation-related issues. During the year, the UNDP China office delivered 16 policy research papers and 6 issues and country briefs discussing a wide range of topics from foreign aid to inclusive economic growth. On behalf of the United Nations (UN) development system in China and under the UN *China in the World* Theme Group, UNDP China also hosts and facilitates regular dialogue events for the international community in Beijing every two months on different subjects. In these events, renowned domestic and international and experts such as Mr. Wang Yong, Vice



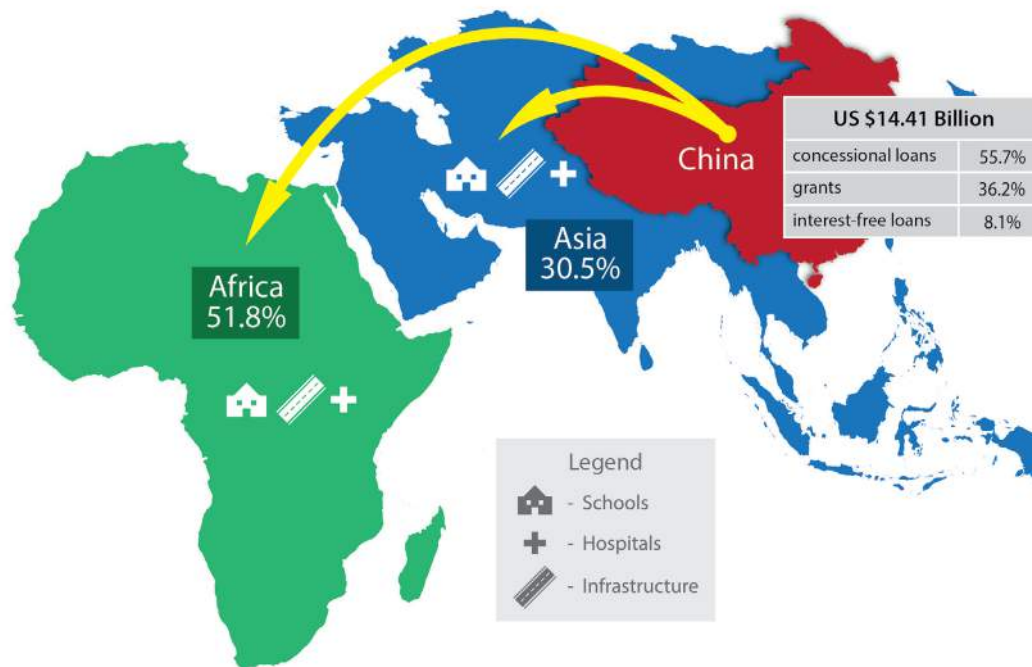
President of China-Africa Development Fund, and Howard French, author of *China's Second Continent: How a Million Migrants Are Building a New Empire in Africa*, participated.

In addition, in 2014, UNDP supported China's global engagement through 10 high-level global dialogues and workshops, including one on the post-2015 development agenda with the Ministry of Foreign Affairs (MOFA) and one in Ethiopia, in partnership with the International Poverty Reduction Center of China and the African Union. These dialogues provided inputs for China's preparatory work to participate in the post 2015 development dialogue.

This brochure presents the highlights of UNDP China's work under the five focus areas of its strengthened partnership with China.

# A China's South-South Dialogue and Foreign Aid Work

China's Foreign Aid Distribution  
(2010-2012)



Source: China's White Paper II

China's engagement on global development debates and influence in international development has increased over the past years, especially with regards to South-South cooperation. For example, according to the *2nd White Paper on China's Foreign Aid*, for the period 2010-2012, China provided a total of US \$14.41 billion in grants, interest-free and concessional loans, of which 51.8 percent went to Africa and 30.5 percent went to Asia. Overall, 52.1 percent went to least developed countries (LDCs). In addition, China's remarkable rapid transformation from a low-income country to a middle-income country and its experience in lifting hundreds of millions of people out of poverty offer some major relevant lessons to other developing countries.

In 2014, UNDP China participated in several consultations that provided insights and recommendations to improve and scale up development cooperation and foreign aid from China. For instance, the Ministry of Commerce invited UNDP China to provide inputs to the *2nd White Paper on China's Foreign Aid*, which summarized China's foreign assistance for three years in total – and stated China's policies on foreign aid going forward. UNDP's comments focused in particular on how China can better demonstrate the benefits of its South-South cooperation, for example setting out more clearly the results of its projects. In addition, the translated English version of China's new *Measures for the Administration of Foreign Aid*, developed by UNDP facilitated further understanding of China's future allocation of its foreign aid.

UNDP China also supported the preparation of the First High-Level Meeting for the Global Partnership for Effective Development Cooperation (GPEDC), held in April 2014 in Mexico, which was designed to promote four key principles of development cooperation (country ownership, focus on results, inclusivity and transparency). Specifically, UNDP brought together in Beijing a range of South-South cooperation providers together with the Special Envoy from Mexico to exchange views and contribute to the preparation of the GPEDC. As a result of this and with UNDP support, a new Network of Southern Think-Tanks (NeST) was born and listed as one of the 39 initial “voluntary initiatives” of the GPEDC. The new Network, amongst other things, will aim to craft a clear definition of South-South cooperation in 2015.

To disseminate information about China's contributions to global development issues and China's development cooperation trends, UNDP China produced a number of publications for domestic and international audiences (see *Publications*). For instance, one UNDP issue brief in late 2014 showed that China's overall contributions to the Ebola crisis – some of which were directed through the UN – has made China one of the largest financial contributors in per capita income terms to the Ebola effort. UNDP also conducted research drawing on other countries' development cooperation experience

## Key Highlights of 2014 Dialogue

**March:** South-South Cooperation Providers Workshop: Preparing for the Global Partnership High Level Meeting in Mexico

**May:** High-level Meeting of the Global Partnership for Effective Development Cooperation (GPEDC)

**August:** 8th China-ASEAN Forum on Social Development and Poverty Reduction; Discussion on China's International Humanitarian Aid and Role of the Red Cross Society

**September:** China-Bangladesh Urban Solution Lab, Beijing

**October:** China's 10.17 Forum on Poverty Alleviation on International Day for the Eradication of Poverty

**December:** Translation of new MOFCOM Measures for the Administration on Foreign Aid



to inform China's future decisions about how it can better evaluate the results of the projects it delivers overseas.

Last but not least, UNDP supported China in sharing its lessons learned in poverty reduction with other countries in an effective demand-driven approach. This was done with the International Poverty Reduction Center in China (IPRCC), who delivers a major proportion of training programmes for government officials as part of China's foreign aid.

One key achievement with IPRCC was the testing and demonstration of a new model for training of government officials, using the pilot *China-Bangladesh Urban Solution Lab*. UNDP China and the UNDP Regional Centre for Asia and the Pacific jointly facilitated a government-to-government exchange between China and Bangladesh to study a "one-stop" urban service centre, which is widely used across China to deliver social safety nets to the poor. The format of the training held in Beijing and Gazipur, Bangladesh was tailored so that both sides could actively consider how to adapt the Chinese solution to the Bangladesh context.

An innovative methodology, employing elements of design thinking and systems analysis, was used to demonstrate that this kind of South-South 'knowledge transfer' could be more effective than traditional forms of training. Feedback from participants and IPRCC was also very positive. It is expected that in 2015 Bangladesh will set up an adapted "one-stop" urban centre, and that IPRCC will apply the new methodology into a majority of its training programmes. UNDP also plans to share this methodology with other South-South providers who specialize in similar government-to-government training schemes.

## Key Highlights of 2014 Publication

*International Development Evaluation: Comparing DAC and Non-DAC Approaches* (paper)

*International Development Evaluation: China's Approach and Trends* (paper)

*The Development Needs of Pacific Island Countries* (paper)

*Workshop for South-South Cooperation Providers: Preparing for the Mexico High Level Meeting on the Global Partnership for Effective Development Cooperation* (issue brief)

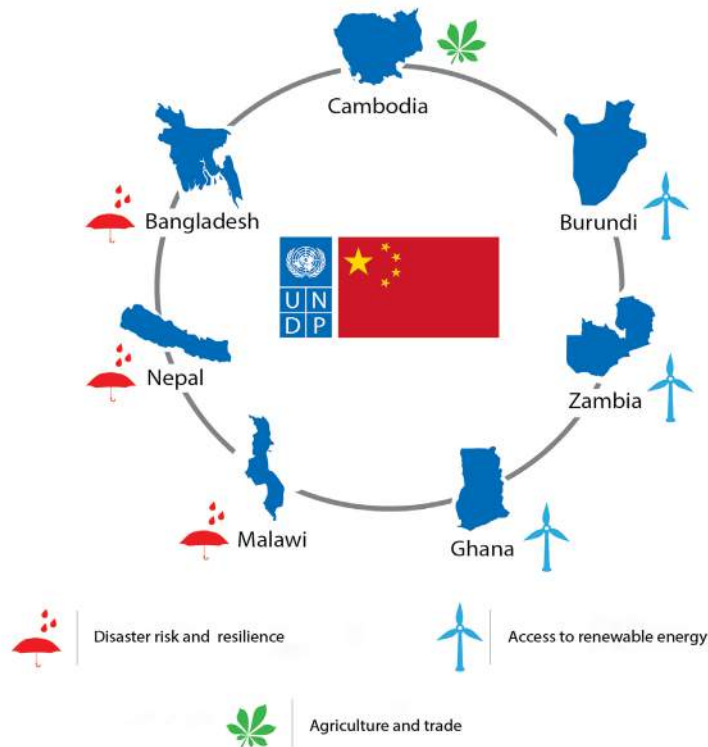
*China's Second White Paper on Foreign Aid* (issue brief)

*The Ebola Virus Outbreak and China's Response* (issue brief)

*Chinese Development Aid in Pacific Island Countries and Opportunities for Cooperation* (issue brief)

# B Trilateral Cooperation

## UNDP-China's Seven Trilateral Cooperation Projects



Trilateral cooperation is a specific approach under which UNDP development expertise is combined with Chinese knowhow to respond to sustainable development challenges facing developing countries. A trilateral project can take various forms, but all involve UNDP and China collaborating at the request of, and for the benefit of, a third recipient country.

While trilateral cooperation is an important emerging new modality for delivering development cooperation, UNDP China believes its main aim is to improve the effectiveness of all the partners involved in delivering development solutions. It is a means to an end – rather than an end in itself. UNDP and China engaged in the first trilateral cooperation project with Cambodia in 2011 and from there we have expanded our joint trilateral cooperation portfolio. During 2014, UNDP and China made significant progress in ongoing trilateral projects with Cambodia as well as with Bangladesh

and Nepal, but also on formulating new projects in four countries - Ghana, Zambia, Burundi and Malawi. In 2014, China's Ministry of Commerce (MOFCOM) contributed US \$1 million for trilateral cooperation with UNDP, and the Government of Denmark contributed US \$5.2 million for the trilateral projects in Ghana and Zambia.

The trilateral project with Cambodia contributes to poverty reduction by supporting farmers to cultivate and trade cassava directly. In 2014 the project took major steps forward building farmers' capacity – so that they can cultivate a higher standard product and move up the value chain while protecting the environment - using Chinese know-how and expertise. Two important missions took place during the year, one with a 17-member Cambodian business-matching delegation visiting Guangxi, where they met with the Vice-Governor and the other one where the Director of the Department of International Trade and Economic Affairs of the Chinese Ministry of Commerce and UNDP China staff went to Cambodia to assess project progress.

These missions enabled plans to be put in place to ensure more connectivity between Cambodian farmers and the Chinese market. Having such direct contacts with China will mean Cambodian processors do not have to rely on buyers from other countries to sell to China, meaning they can get higher and more predictable prices for their product.

Also as part of trilateral cooperation and with financial support from the UK's Department for International Development (DfID), a project on *Sharing and Learning on Community Based Disaster Management in Asia* (CBDM Asia) made substantial progress, bringing together Bangladesh, China and Nepal. In cooperation with China's Ministry for Civil Affairs (MCA) and the National Committee for Disaster Reduction (NCDR), the project shares Chinese risk mitigation experiences particularly knowledge on risk mapping, contingency plans and drills management with Nepal and Bangladesh. It also serves as a platform to exchange experiences on community

## Key Highlights of 2014 Partnerships

**February-May:** Ghana and Zambia project formulations with site visits to see Chinese technology

**March-November:** China, Bangladesh and Nepal engaging in experience-exchanging workshops and training sessions

**June:** Burundi and Malawi project formulations

**September:** UNDP-China-Cambodia trilateral facilitated a business mission connecting Cambodian farmers to Chinese companies in Guangxi region; Signing agreement on the Ghana and Zambia renewable energy projects

**December:** UNDP China and Ministry of Commerce participated in a mission to Cambodia to discuss ways to support Cambodian cassava farmers

involvement in disaster preparedness.

In 2014, government officials, disaster management practitioners, experts and community representatives from China, Bangladesh, Nepal, the UK and UNDP participated in workshops and policy dialogues on community-based disaster management and developed tools and methodologies to enhance disaster risk assessment at national and local levels. They also exchanged ideas on the post-2015 community-based disaster framework and policies. The project reached out to locals, directly involving over 1,000 people from communities. The key ingredient for the success of the project was its ability to directly engage and coordinate with multiple stakeholders to strengthen disaster preparedness in Bangladesh, Nepal and China.

In Ghana and Zambia, the trilateral projects developed with China's Ministry of Science and Technology (MOST) with financial support from Denmark are some of the first examples of triangular South-South cooperation between China and African countries. Access to electricity is available to only 40 percent and 3 percent of rural residents in Ghana and Zambia, respectively and is a priority for the government of both countries. In line with this national priority, the project aims to ensure that Chinese renewable energy technologies are optimally responding to needs in Ghana and Zambia, and includes the transfer of critical skills needed to use and maintain those technologies on the ground. Overall, the projects will increase and sustain access to energy for the rural poor in the two countries. As such, it can contribute to the UN Secretary-General's Sustainable Energy for All initiative. The project will also allow UNDP and China to study such approaches and gain experiences that may be of interest to other developing countries in the future.

Building on their successful cooperation initiated with the Cambodia project, UNDP China and the Ministry of Commerce in 2014 formulated new projects with Burundi and Malawi. These are jointly financed and will address the issues of energy and disaster management, respectively. The two new projects will be launched in 2015.

UNDP's trilateral cooperation with China and the seven developing countries is a strategic area where significant progress is being made. In 2015, trilateral cooperation is expected to expand to novel countries and sectors, building on UNDP's substantive management expertise. Working on these partnerships is an excellent means to achieving the overall end of improved and scaled up development cooperation worldwide.

*Cambodian Ministry of Agriculture, Forestry and Fisheries (MAFF), Chinese Ministry of Commerce (MOFCOM), UNDP and stakeholders discuss cassava production techniques to increase farmers' income, part of UNDP-Cambodia-China first trilateral cooperation project*

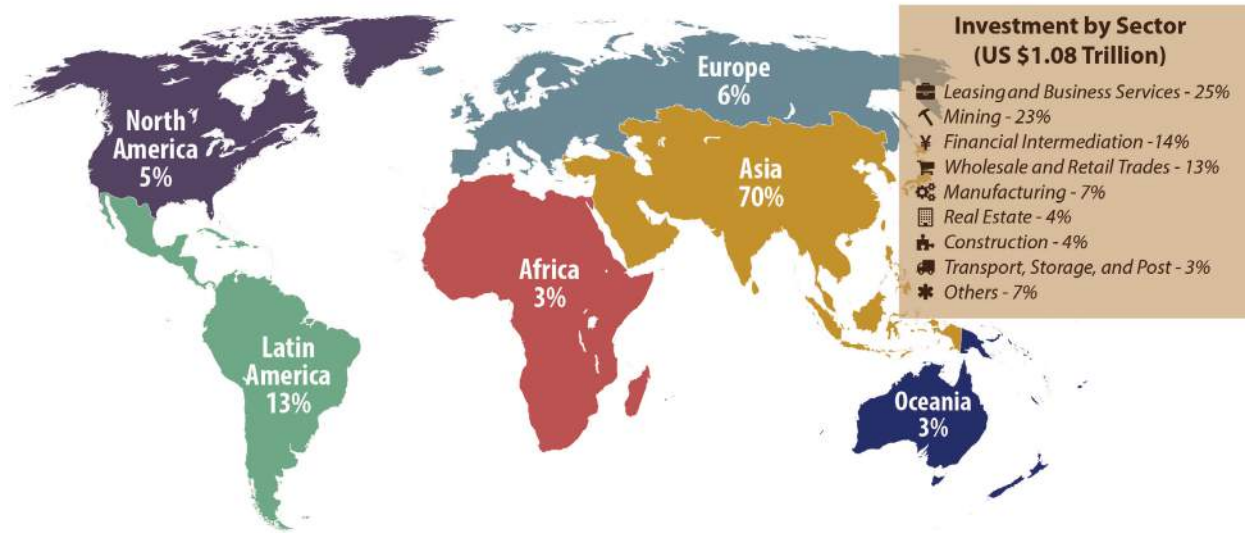






# Sustainable Businesses Abroad

## China's Net Overseas Direct Investment (2013)



Source: 2014 China Statistical Yearbook, National Bureau of Statistics of China

Chinese companies are rapidly expanding their overseas operations in other developing countries. According to China's State Council, on the African continent alone, there are over 2,000 Chinese firms operating.

The perception of Chinese overseas investment is currently both positive and negative. Chinese investment contributes to needed infrastructure in host countries, economic development and increased revenue, and also skills and technology transfer. At the same time, the issue of sustainable development is taking on increasing importance for these companies – because their operations, like all foreign companies, from start up to closure, have major economic, environmental and social consequences and have come under increased scrutiny from the media and the public.

For instance, a Chinese labour-intensive shoe making manufacturing business named Huajian Group has set up a factory in Ethiopia – inside a “Special Economic Zone” operated by China on the request of the Ethiopian government. The company has almost 3,000 local employees, many of whom were young and would otherwise not have jobs. Countries in Africa such as Ethiopia need industrial development as well as such job creation – the number of young people (defined as age 10-24) in Sub-Saharan Africa is just under 300 million now, and is projected to almost double to around 570 million by 2050.

UNDP has therefore begun working with the Chinese government and Chinese companies to promote adherence to sustainable development principles in their operations in other developing countries, particularly with respect to environmental and labour standards.

In 2014, UNDP entered into a dialogue with the Chinese Academy of International Trade and Economic Cooperation (CAITEC) under the Ministry of Commerce (MOFCOM) and the Research Centre of State-owned Assets Supervision and Administration Commission (SASAC) of the State Council, on the sustainable development practices of Chinese companies in other developing countries. UNDP’s dialogue with CAITEC and SASAC can yield considerable influence on policies and guidelines for Chinese companies’ overseas investments and bring about a transformational change.

As a result of this initial dialogue, UNDP, CAITEC and SASAC jointly launched the *Project of Overseas Sustainable Development of Chinese Companies*. The project will initially compile a report on the activities of Chinese companies that are related to sustainable development. It will also establish a high profile international Advisory Board that will provide views and recommendations for new policies. Building on those initial steps, the project may expand and help companies take practical steps to respond to challenges faced during overseas operations and build trust with relevant stakeholders.

## Key Highlights of 2014 Dialogue

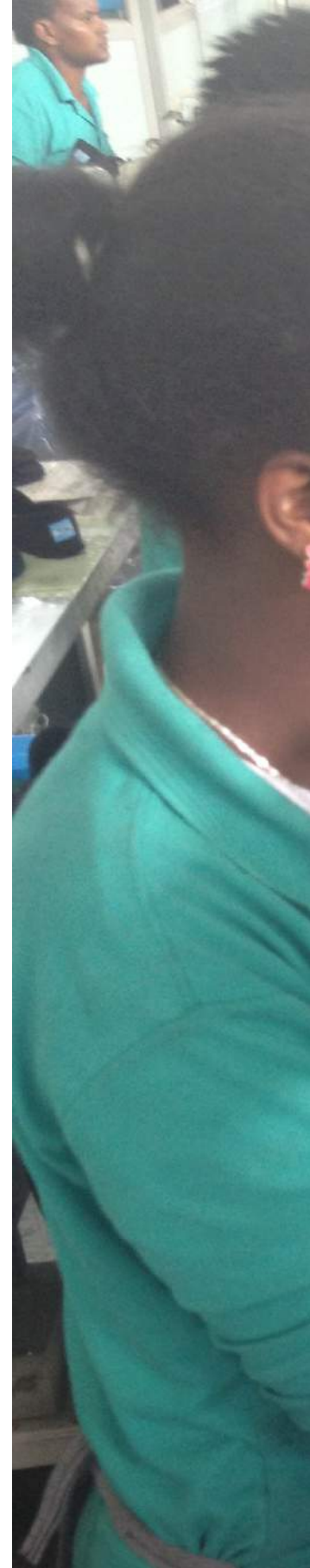
**March:** Launched plan for first ever comprehensive report on Overseas Sustainable Development of Chinese Companies

**June:** Participated in Consultations on Corporate Social Responsibility (CSR) Guidelines for the Chinese Outbound Mining Investors

**October:** Conducted survey with over 1,000 Chinese companies on their progress in sustainable development overseas

While the main outputs of the project are expected in 2015, one major milestone crossed in 2014 was the design and distribution of an extensive questionnaire (70 questions) to over 1,000 Chinese companies operating abroad, to feed into the abovementioned comprehensive report. The survey results included in the 2015 report will help get a clearer picture of companies' operations in economic, environmental, and social terms.

*Employees working in a Chinese shoemaking factory in Ethiopia*





# D Global and Regional Cooperation

**Changing the Balance:  
Regional and Global Development Banks  
Approximate Capital Base (US \$)**



Source: Development Bank's Corporate Reports

China is an increasingly important player in global, political and economic governance. The country is the second largest economy in the world, and a member of the BRICS and G20. It has major regular dialogues with developed and developing countries and regional organizations such as the Association of Southeast Asian Nations (ASEAN), the African Union (AU), and the Community of Latin American and Caribbean States (CELAC). It also engages in regional forums such as the Forum for China Africa Cooperation (FOCAC) and the Pacific Forum. In 2014 specifically, China hosted the Asia-Pacific Economic Cooperation (APEC) Summit, made progress on the New Development Bank with other BRICS members, and announced the creation of a Silk Road Fund and the Asian Infrastructure Investment Bank, which are all of global importance.

Linked to this, UNDP assists China by specifically providing advice and options where China's engagement in these forums can support global poverty reduction and development. This is especially critical in the context of the post-2015 development framework, which will succeed the 8 Millennium Development Goals expiring in 2015.

In 2014, UNDP China provided advice on how China can enhance its positive impact on development through the following.

### **Global Engagement**

To support China's external engagement on the post-2015 process, a joint international workshop was organized by UNDP China and the Chinese Ministry of Foreign Affairs (MOFA)—the first such event that the latter organized with an international organization. This event provided a timely update to Chinese stakeholders including government officials and non-government organizations. Over 20 Chinese line ministries and UN agencies participated, opening a new channel of development dialogue for China in preparation of its participation at the 70th General Assembly session.

Under a joint initiative on global governance launched in 2012, UNDP and the China Center for International Economic Exchanges (CCIEE) with research inputs from the Shanghai Institute for International Studies (SIIS) held the Second High-Level Forum on Global Governance in October 2014. The Forum focused on the status

## **Key Highlights of 2014 Dialogue**

**June:** UNDP and Ministry of Foreign Affairs joint workshop on post-2015 process

**September:** 15th Consultative Commission Meeting of the Greater Tumen Initiative (GTI); North-East Asian EXIM Banks Association Inaugural Meeting

**October:** Second High-Level Forum on Global Governance on Sustainable Development Financing

**November:** UNDP paper for APEC consultations on inclusive growth; 5th Africa-China Poverty Reduction and Development Conference

### **Publication**

*China's Evolving Africa Policy based on Premier Li Keqiang's visit to African countries in May 2014* (issue brief)

*Global Economic Governance and the Role of International Institutions* (paper)

*Sustainable Financing for Development in the Post-2015 Context* (paper)

*The Role of Developing Countries in Global Economic Governance with a Special Analysis on China's Role* (paper)

*Economics of Inclusive Growth*


*Role of Social Protection in Enhancing Productivity and Promoting Inclusive Growth*

*Peace in the context of the Post-2015 Development Agenda*



*Xu Haoliang (right), Assistant Secretary-General of the United Nations, Zhao Jinjun, Deputy Director of Foreign Affairs Committee (centre), and Alain Noudehou (left), UNDP Resident Representative and UN Resident Coordinator in China, participate in the Second High-Level Forum on Global Governance, Beijing, China*





and future of global economic governance with a special emphasis on sustainable development financing, as the latter is an important component of the post-2015 agenda.

In advance of the Forum, UNDP China commissioned and published three scoping papers to provide a structural academic framework for the Forum, on the topics of “Global Economic Governance and the Role of International Institutions,” “Sustainable Financing for Development in the Post-2015 Context” and “The Role of Developing Countries in Global Economic Governance with a Special Analysis on China’s Role”.

During the Forum, high-level participants including Zeng Peiyan, Former Vice Premier, Xu Haoliang, UN Assistant Secretary-General and UNDP Regional Director for Asia and the Pacific, and Supachai Panitchpakdi, Former Director General of the World Trade Organization shared views on how China and other countries, through participation in groups such as the G20, BRICS and the UN, and through sustainable development financing can better support poverty reduction and development. Participants also debated the issue of voice and representation in both the context of the existing international institutions and in the anticipated framework of the newly proposed ones.

The Forum produced numerous findings and policy recommendations, and it is expected that many will be valuable to China in determining its priorities for its upcoming presidency of the G20 in 2016. From the post-2015 perspective, the recommendations will also feed into China’s position during the Third International Conference on Financing for Development to be held in July 2015 as well as the Post-2015 Summit in September 2015.

### **Regional Dialogue and Engagement**

In 2014, at the request of the Ministry of Foreign Affairs (MOFA), UNDP China prepared a paper entitled *Economics of Inclusive Growth: A study on drivers of cross-economy differences in inequality level across APEC region and policy framework to promote inclusive growth* which was used as an input to the consultative process of APEC 2014 and the APEC Summit declaration. Using econometric analysis, the paper argued that specific interventions to promote inclusiveness – through human capital accumulation (education) and innovation in the region could contribute to higher productivity or stronger labour input growth, or both. The paper thus proposed an inclusive growth policy framework that was tailored for the APEC region, taking into account two major regional development challenges – an aging population and a large informal sector. In addition and in the context of the China-ASEAN relationship, UNDP partnered with the IPRCC to deliver the 8th China-ASEAN Forum on Social Development and Poverty Reduction, in Nay Pyi Taw, Myanmar, where UNDP also promoted a similar perspective.

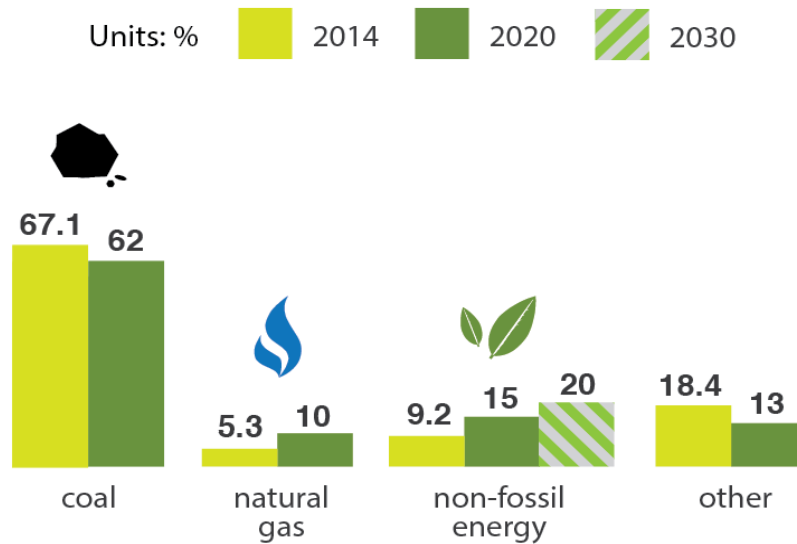
In North-East Asia, UNDP supports the Greater Tumen Initiative (GTI) with participation from China, the Republic of Korea, Mongolia and the Russian Federation. The Initiative, in the form

of a UNDP regional programme, supports the development of an interregional infrastructure, the promotion of trade, and a more business-friendly environment. It also provides a very useful platform for regular exchange amongst participating countries on development issues in the North-East Asia region.

In October 2014, the 15th Consultative Commission Meeting of the Greater Tumen Initiative (GTI) took place in Yanji, Jilin Province with participation from member governments as well as partner organizations including UNDP, UNESCAP, UNIDO and GIZ. The North-East Asian EXIM Banks Association attended the meeting and agreed to coordinate their infrastructure financing activities in the region. In addition, the Commission endorsed the proposed transition for the GTI from a UNDP programme to an independent organization in 2015. The new organization will further strengthen the objectives of regional development efforts envisaged by the member countries. Given the strategic importance of this initiative for North-East Asia, UNDP will continue to provide technical and policy advice during this transition phase.

Regarding China's engagement in the Africa region and under a project with the China International Center for Economic and Technical Exchanges (CICETE), UNDP China with the International Poverty Reduction Center in China (IPRCC), delivered the 5th Africa-China Poverty Reduction and Development Conference, held in Ethiopia in November 2014. The theme of the conference was 'Industrial Development: Cross-perspectives from Africa and China.' With China becoming Africa's largest trading partner as of 2009, Africa has further grown in importance for China. The 150 participants from African governments, China, regional and international organizations concurred that China's experience in successful industrialisation is useful, and that African countries can learn from, adapt and improve on China's model. The conference concluded with agreement to continue cooperation to share lessons and ideas for how to achieve structural transformation and poverty reduction in Africa, which will be followed up in 2015.

## China's Climate Change Pledge



Source: State Council of China

China is a critical actor when it comes to climate change. In absolute terms, the country is the largest single emitter of carbon dioxide in the world and its per capita emissions, while they remain much lower than the United States' level of 16.4 tons, were reported in 2014 to have reached the EU's level of 7.4 tons. Recent research also suggests more than 1.2 million premature deaths in China and an estimated decrease of 5.5 years in life expectancy in the north of China due to air pollution.

Increasingly, China is taking a leadership role in shaping climate change developments and solutions. In a major joint announcement with the United States made in November 2014, China committed itself to carbon dioxide emissions peaking at 2030 and a 20 percent share of non-fossil fuel energy use by 2030.

Already, four of the world's five biggest solar panel manufactures and four of the world's largest wind turbine manufactures are from China. Moreover, China has already installed nearly 250 million smart meters in homes, to help control heating and lighting. Statistics show China's investment in renewable energy is also the highest in the world. The International Renewable Energy Agency (IRENA) estimates that in 2012, China directly employed over 1.7 million people in the renewable

energy sector – i.e. almost a third of the entire global labour force employed in that sector. In addition, the National Development and Reform Commission (NDRC) spends around US \$11 million per year on supporting South-South cooperation projects to combat climate change in other countries, especially focused on renewable energy and training for government officials on climate change policies.

This is why UNDP has engaged in very close cooperation with the Government of China, in particular the NDRC to address climate change and make a positive impact at both the domestic and global level. In 2014, UNDP China with funding from Norway has continued supporting the Chinese government in developing the National Emission Trading System and 22 sectorial greenhouse gas methodologies. To help China meet its commitments to curb pollution and its compliance with multilateral environmental agreements, through policy advice, UNDP also continued to support NDRC for key environment regulatory reforms. As a result, Energy Standards and Labelling were revised and China's Top-Runner Energy Efficiency System was approved. These policies will propel an industry-wide energy efficient product upgrade and reduce greenhouse gas emissions by Chinese businesses.

To raise awareness and reach out to the Chinese population, UNDP and NDRC launched a Public Service Announcement (PSA) themed "A Call for Low-Carbon Life" that promotes low-carbon lifestyles. The PSA was broadcasted on multiple CCTV channels for three days reaching hundreds of millions of Chinese people.

At the local level, UNDP introduced an innovative approach to decelerate the degradation of natural conservations. The integrated community participatory programs resulted in preservation of more than 9 million ha of land of priority conservation zones along Huai River and Gansu and Qinghai Province, benefiting more than 7.9 million people.

In terms of policy work, a key 2014 result was the *China-India Low Carbon Report*. The study was one of the first collaborative efforts between major research institutes in both India and China working



*To promote the idea of a low-carbon lifestyle to Chinese citizens, the National Development and Reform Commission (NDRC) with the UNDP launched a Public Service Announcement (PSA) themed "A Call for Low-Carbon Life."*

on climate change. China and India are not only the first and third largest carbon emitters and the largest and second most populated countries in the world respectively, but they are also home to the largest concentrations of poor people, with one third of the 1.2 billion people living on less than \$1.25 a day in 2014 in India and around 10 percent living in China. Therefore, their strategies for carbon management are interesting to compare, and each country can learn from the other. The study examined several major aspects of low carbon development – low carbon technologies, research and development policies, and financing – in national and subnational contexts and identified areas for greater cooperation. The *China India Low Carbon Report* was presented at the Third China-India Strategic Economic Dialogue in March 2014 with the Chairman of the National Development and Reform Commission (NDRC) Mr. Xu Shaoshi and key policymakers in attendance.

In 2014, UNDP China also worked closely with a key advisory body in China, the China Council for International Cooperation on Environment and Development (CCICED). UNDP China supported CCICED through a Special Policy Study project on “Good City Models under the Concept of Ecological Civilization” and authored a *Cities and Low-Carbon Development in China* paper. These were used in the CCICED annual general meeting held in Beijing in November in which Mr. Zhang Gaoli, Vice Premier and Mr. Magdy Martínez-Solimán, UN Assistant Secretary-General participated.

In 2014, the UN Summit on Climate Change in September, and the Lima 20th Conference of Parties (COP) for climate change negotiations in November were both important milestones on route to the COP 21 meeting in Paris which is expected to deliver a new agreement on climate change. During these two meetings, and in particular via the South-South Cooperation on Climate Change Forum at COP 20, which was co-hosted by UNDP and attracted over 200 environment ministers and senior delegates, China announced plans to double their South-South cooperation. Helen Clark, UNDP Administrator as well as Minister Xie Zhenhua, Vice Chairman of NDRC and other ministers were in attendance.

Climate Change will be an important area of focus in 2015.

## Key Highlights of 2014 Dialogue

**March:** Ground breaking China-India Low Carbon Study launch in Third Meeting of China-India Strategic Economic Dialogue in Beijing

**October:** Co-hosted the China-International Urban Development Forum: Towards a Sustainable Future at the Great Hall of the People in Beijing to mark the first World Cities Day

**December:** Participated in Council for International Cooperation on Environment and Development (CCICED) Forum on Management and Institutional Innovation in Green Development; Co-hosted South-South Cooperation on Climate Change Forum during COP 20 in Lima attracting over 200 environment ministers

## Publication

*Low Carbon Development in China and India: Issues and Strategies (report)*

*Cities and Low-Carbon Development in China: Prepared for the China Council for International Cooperation on Environment and Development (CCICED)*



# 第三次中印战略经济双

Third Meeting of China-India Strategic Economic Di





*Participants launch the China-India Low Carbon Report at the Third Meeting of China-India Strategic Economic Dialogue*

# Index of Key Chinese Partners

**CAITEC (Chinese Academy of International Trade and Economic Cooperation)** conducts policy research on economic, development cooperation and trade and provides analysis and advice to its affiliate, the Ministry of Commerce, government departments and the business community.

<http://www.caitec.ird.cn/en/index.html>

**CCICED (China Council for International Cooperation on Environment and Development)** was established in 1992 as a high level international advisory body to the State Council composed of renowned Chinese and international figures and experts in the field of environment and development.

<http://www.cciced.net/encciced/>

**CCIEE (China Center for International Economic Exchanges)** was established in 2009 to promote international economic research and cooperation domestically and internationally under the guidance and supervision of the National Development and Reform Commission (NDRC, see below).

<http://english.cciee.org.cn>

**CICETE (China International Center for Economic and Technical Exchanges)** is a specialized international assistance executing agency under the Ministry of Commerce that supports China's economic and social development and the achievement of the Millennium Development Goals; CICETE implements UNDP projects under the UNDP Country Programme in China.

<http://www.cicete.org/en/>

**IPRCC (International Poverty Reduction Center in China)** was established in 2005 by the Chinese government, UNDP and other international organizations as a platform for knowledge sharing, information exchange and international collaboration in the areas of poverty reduction and development. <http://www.iprcc.org>

**MCA (Ministry of Civil Affairs)** is responsible for disaster management, civil society and social organization policies and social administrative affairs. <http://www.mca.gov.cn/>

**MOFA (Ministry of Foreign Affairs)** is responsible for the implementation of China's diplomatic principles and policies. [http://www.fmprc.gov.cn/mfa\\_eng/](http://www.fmprc.gov.cn/mfa_eng/)

**MOFCOM (Ministry of Commerce)** formulates policy on foreign trade, export and import regulations, foreign direct investments, negotiating bilateral and multilateral trade agreements as well as China's foreign aid. <http://english.mofcom.gov.cn>



**MOST (Ministry of Science and Technology)** is responsible for science and technology development plans and policies, including international cooperation and exchange on science and technology through bilateral and multilateral channels. <http://www.most.gov.cn/eng/>

**NCDR (China National Committee for Disaster Reduction)** is an inter-agency body for 34 ministries and departments to study disaster reduction, coordinate major disaster activities, give guidance to local governments in their disaster reduction work, and promote international exchanges and cooperation.

**NDRC (National Development and Reform Commission)** is responsible for coordinating social development policies with national economic development policies, including in the areas of sustainable development and climate change. NDRC liaises with international organizations and governments through its Department of International Cooperation. <http://en/ndrc.gov.cn/mfdic/>

**SASAC (State-owned Assets Supervision and Administration Commission)** is responsible for the management of Chinese state-owned enterprises, including the drafting of laws and regulations pertaining to their operations overseas. <http://www.sasac.gov.cn>

**SIIS (Shanghai Institute for International Studies)** is a leading research organization for studies of international politics, economy, security strategy and China's external relations. <http://en.siis.org.cn/>



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