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 work focuses on Poverty Reduction, Governance, Environment and Energy, Disaster Management. In terms of South-South cooperation and global work, our focuses are China’s South-South dialogue, foreign aid work, and trilateral cooperation in third countries, sustainable business abroad, global and regional cooperation, and climate change.
China-UNDP
South-South and Global Partnership
2016 Highlights
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China’s global development engagement has been gaining momentum over the past years, both in terms of its scope and the range of modalities put in place. At the core of this engagement lies the 2030 Agenda for Sustainable Development, with China playing a leading role promoting the Agenda globally and at home.

Through a strong partnership between United Nations Development Programme (UNDP), the Government of China, academic and policy institutions, enterprises and NGOs, UNDP offers development advisory services to help achieve the SDGs in China, as well as through China’s South-South cooperation globally.

This brochure offers a glance at the key achievements in 2016 resulting from the China-UNDP Global Partnership, including on China’s development effectiveness and contribution to global governance mechanisms, as well as on specific trilateral projects bringing development solutions on the ground in other developing countries. Underpinned by research and analysis, UNDP aims to offer innovative solutions and inclusive approaches that benefit all stakeholders.

I hope you enjoy the read – and please do reach out to us if you would like to know more or support our future work.

Xie xie!

Agi Veres
UNDP Country Director
UNDP started working in China in 1979. Since then, we have delivered a range of development solutions across China. We continue this work in support of China’s 13th Five year Plan, including to eliminate poverty by 2020, and address environmental degradation and climate change issues.

As the second largest economy globally, China by now is the largest South-South cooperation (SSC) provider covering foreign assistance and other development financing, trade and investments, people-to-people exchanges, building capacities, and sharing experience and technological solutions.

During 2016, UNDP in successful partnership with a range of Chinese counterparts delivered solid results in the above area, most notably:

- Co-hosted with CCIEE the successful Global Governance Forum on Belt & Road Initiative (BRI)
- Identified and developed more than 50 ready-to-implement concepts and proposals for trilateral cooperation worth US$ 100 million.
- Launched the “Mix and Match? How Countries Deliver Development Cooperation and Lessons for China” research results with CAITEC.
- Facilitated cooperation between UNDP, NDRC and the UN Secretary General’s Executive Office to engage 9 developing countries on climate change solutions using China’s expertise and tested technology.

The following pages provide more detail in the areas mentioned above. We are grateful for the partnerships that brought this results in 2016.
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Trilateral and South-South Cooperation

With trilateral cooperation, UNDP China and UNDP offices across the world in more than 177 countries and territories provide networks, international management experiences, knowledge of the local development context, rich global knowledge, and strong partnership-building abilities. All of these competencies are critical components of a successful trilateral cooperation project. Development impact under each project showcased below are evidential examples of UNDP’s role in trilateral cooperation. UNDP has been experimenting three innovative models to scale up Chinese development cooperation and the benefits of trilateral cooperation. In the first development model, Chinese counterparts provide finances and support for designed projects.

What is Trilateral Cooperation?

It offers a unique avenue for technology and knowledge transfer. It facilitates peer-to-peer learning, shares best practices, compliments different parties’ strengths, ensures the mutual benefits of stakeholders throughout the process among three or more partners.

### China-Malawi-UNDP on Disaster Management & Risk Reduction

- **Who:** UNDP offices, DITEA under MOFCOM of the People’s Republic of China, and DoDMA under Government of Malawi.
- **Why:** Reduce losses and damages caused by natural disasters
- **Where:** Malawi’s 15 identified disaster-prone districts
- **How and What:** Throughout 2016, the project undeniably enhanced environmental and social sustainability of disaster management solutions in rural Malawi through small grant projects submitted by NGOs and community based groups.

### China-Cambodia-UNDP Trilateral Cooperation

- **Who:** UNDP offices, DITEA under MOFCOM of the People’s Republic of China, and MAFF under Government of Cambodia.
- **Why:** Promote economic trade and innovate cooperation areas
- **How and What:** USD $400,000 was financed to support technology transfer of cassava through transfers of tools such as targeted Needs Assessments of Cambodian cassava sector, tailored training & incubation
The second model incorporates a fourth partner, often a traditional donor. In this case, an external donor provides finances to pilot the projects but also brings knowhow and experience.

### Phase II Community Based Disaster Management in Asia

- **Who:** Government and counterparts from U.K., Bangladesh, Nepal, and China along with 3,000 direct beneficiaries and 30,000 indirect ones
- **Why:** Develop *resiliency towards natural disasters* and strengthen *community based* disaster risk reduction solutions
- **How and What:** Established a *global research and policy network* with 18 research members and 16 government departments from 6 disaster-prone countries in Asia with peer-to-peer learnings to exchange experiences and knowledge.

### Ghana-Zambia-China UNDP Trilateral Cooperation

- **Who:** UNDP offices, Government of Denmark, relevant counterparts in Ghana, and Zambia
- **Why:** Achieve rural access to modern energy and test a demand-driven approach under South-South Cooperation for knowledge transfer on renewable energy technology
- **Where:** Malawi’s 15 identified disaster-prone districts
- **How and What:** Throughout 2016, the project undeniably enhanced environmental and social sustainability of disaster management solutions in rural Malawi through small grant projects submitted by NGOs and community based groups.

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**Field Visit to Jinniu Community, Chengdu, a Demonstration Community on Jun 2016**

**UN Secretary General Ban Ki-Moon site visits Ghana-Zambia project on June 2016**

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3.

The last model piloted is one where UNDP offices support a component of a larger Chinese program that aims to make vast international development impacts. Like the “10 – 100 – 1000” initiative by China to meet climate change targets set by COP21. China will cooperate with developing countries to set up 10 model areas for low-carbon initiatives, establish 100 carbon reduction projects, provide training to 1,000 people. It is also part of the USD $3.1 Bn South-South Cooperation Climate Fund.
Alliance for Climate Friendly Communities

- **Who:** NDRC, Jamaica, Ecuador, Guinea, Zimbabwe, Tanzania, Seychelles, Sri Lanka, Bangladesh, and Mongolia, Executive Office of the UN Secretary General
- **Why:** Realize modern and clean energy solutions and technology
- **How and What:** Facilitation of a match-making process between developing countries to identify interventions that qualify for financial, technical, equipment support for China’s energy program

Through the ongoing testing of approaches and partnerships, there is a growing request for UNDP to link Chinese institutions with development cooperation opportunities through UNDP’s wide country network, while also assisting in tailoring specific Chinese development experiences with recipient country needs. As such, each concept builds on UNDP’s development expertise in China and recipient country, and includes key Chinese domestic stakeholders and their unique development experiences.

While the focus is on facilitation between China and the world, the attention is also devoted towards strengthening Chinese institutions’ capacities to effectively respond to partner countries’ needs by tailoring experiences to local conditions and priorities.
Many countries across the world hope to learn and draw from China’s development experiences, including to build on UNDP China’s domestic work with the Government. On June 2016, UNDP and FECO brought key counterparts from 13 developing countries together to discuss innovative solutions to waste management. The highly successful E-Waste initiative from China generated high praise and attention. UNDP China and FECO subsequently visited Maldives to discuss solutions to waste management problems. Maldives is keen to replicate and use China’s experience, and field investigations were conducted in Maldives.

In Central Asia, UNDP together with CICETE, RCEEA and XIEG established a platform for knowledge and experience sharing between scholars and experts on disaster risk reduction. Through demonstration zones coupled with series of research, on natural disaster conditions, a range of awareness initiatives were created on issues of enhanced railway avalanche, mountain road wind, snow prevention and control in Kyrgyzstan, Tajikistan, Kazakhstan and Uzbekistan.

2017 Upcoming Events

- **September**, Launch of South-South Cooperation Center
- **November**,
  1. Knowledge exchange visit for Malawi project partners to Beijing
  2. Policy Dialogue from CBDM in Nepal

Rainfall - runoff experimental station and field data acquisition in Xinjiang
2016 has been a remarkable year for China’s global cooperation in the context of stronger commitments towards multilateralism and South-South Cooperation. The operations of the Asian Infrastructure Investment Bank and New Development Bank provided financing to a range of new initiatives, and President Xi Jinping committed 8,000 troops for the UN peacekeeping standby force, USD $100 million in peacekeeping assistances to the African Union, and USD $1 billion to a 10-year joint China-UN Peace and Development Fund among other commitments. Under this context, China has become the largest SSC provider globally in terms of volume and scope of partnerships, enabling peer-to-peer sharing of knowledge, skills, technologies, and best practices with many developing countries.

As a partner of choice, UNDP China is taking a comprehensive approach with research and knowledge-sharing events to facilitate South-South exchanges, stimulate effective dialogue and collaboration among the key stakeholders from China and abroad. Those efforts respond to six significant development challenges by themes. They provided the Chinese government and affiliated institutions with international development perspectives that support the shaping of national policies and positioning globally.

**Six Thematic Areas**

1. Poverty and Inequality
2. Sustainable Development
3. Development Effectiveness
4. Business Abroad
5. China-Africa Cooperation
6. Green Development

![China and South-South Cooperation](image)
- USD $14.41 billion total of Chinese development cooperation according to the 2nd White Paper on China’s Foreign Aid.
- #10 in 2012 and #9 in 2013 among top providing development partners according to research by JICA
- Grants, interest-free loans and concessional loans are the three forms of aid. In addition there are also projects, exchange of goods, technical transfer, capacity development, volunteer programs and more
- Scaling-up and effectiveness of Chinese development cooperation should extend to various sectors beyond traditional infrastructure projects

February 2016, UNDP arranged for policy experts from the UN’s Multi-Partner Trust Fund Office in New York to visit central government institutions tasked with establishing the South-South Cooperation Aid Fund
Development Effectiveness

“Case Studies on Chinese Agricultural Aid in Africa”

- With Who: MOFCOM and FECC under Ministry of Agriculture
- Why: Enhance the understanding of Chinese foreign aid in agricultural sector
- How and What: Joint research and case studies examined and collected data from two Chinese agricultural aid projects in Mozambique and Guinea-Bissau

“Mix and Match? How Countries Deliver Development Cooperation and Lessons for China”

- With Who: CAITEC
- Why: Increase development impact
- How and What: A report that examines common trends and differences between China, Brazil, India, the U.S.A, and more. Particularly focuses on blended modalities and mixing of modalities.
- Impact: Increased development effectiveness when launched on November 2016 in Beijing and during the Second Global Partnership for Effective Development Cooperation High-Level Forum in Nairobi on December 2016

“South-South Cooperation Providers and SDG 17: Accelerating the Sustainable Development Goals Achievements”

- With Who: CAITEC and NeST which is a global think-tank established among South-South providers
- Why: Foster an inclusive environment to share best practices and stimulate discussions on achieving the SDG 17
- How and What: A workshop was held in Beijing on November 7th – 9th 2016 to discuss approaches to South-South Cooperation and how these will be reflected under SDG 17
- Impact: Attendees from more than ten institutes and a dozen countries like Thailand, Brazil, Indonesia, India, Mexico

NDP-FECC joint research team interviews representatives of the Contuboel farm in Guinea-Bissau

Participants from Mexico, Thailand, and China gathered at the SSC and SDG 17 workshop on November 2016
South-South Cooperation’s comparative advantages to achieve the SDGs*

1. **On financing**, SSC can stimulate lending & innovative financing to assist LDCs
2. **On technology transfers**, activities can be conducted at a much lower costs
3. **On capacity-building and trade**, the SDGs can increase value-added trade in the South compared to the traditional trade flows
4. **On policy**, SSC can contribute significantly to policy coherence and partnership-building among each other and with the North

*takeaways from Nov. SSC workshop

“China’s South-South Cooperation with Pacific Island Countries in the Context of the 2030 Agenda for Sustainable Development”

- **With Who**: CAITEC
- **Why**: Enhances *Chinese cooperation in Pacific Island countries* with recommendation on health, infrastructure, climate change, and renewable energy
- **How and What**: A *report series* on China and Pacific island countries development needs that focuses on *infrastructure, climate change, health and renewable energy*. A *workshop* was attended by *30 participants* to *exchange perspectives* related to countries’ priorities, financing capacity gaps, and *cooperation* could be focused on *more* in the Pacific. Inputs were provided by CDB, EXIM Bank and other key relevant experts.
- **Impact**: The report series suggest that there is scope for China to increase development while also nurturing the specific diversity and complexity surrounding the Pacific region by tailoring and aligning to partner countries’ national development priorities

Workshop on China-Pacific Island Countries Cooperation for the Sustainable Development Goals held in November 2016

Climate Change and SSC

“China’s climate change South-South Cooperation. More money, more impact?” to Date and Future Trends

- **Why**: Provide an overview of the historic and current state of *China’s South-South cooperation on mitigating and adapting to climate change*
- **How and What**: A *report* that considers and analyses China’s partner countries and how China could support these countries in the future
What is “China in the World”?
- It is organized by UN in China, to provide an informal and collaborative space for discussions and partnership-building.

UNDP China’s role
- On behalf of UN CITW group, UNDP China facilitates knowledge generation and discussion on China’s global engagement, through dialogue events drawing participation from more than 70 embassies and international organizations in Beijing.

Speakers and Attendees at CITW include...

Xu Haoliang, Assistant Administrator and Director for the Regional Bureau for Asia and the Pacific of UNDP
Deborah Brautigam, Director of the International Development Program at John Hopkins University
Dr. Hu Angang, Director of the Center for China Studies of Chinese Academy of Sciences at Tsinghua University
Dr. Li Xiaoyun, Chairman of the Global Networks of Southern Think tanks (NeST)

CITW Dialogue Series Themes in 2016
- Development Cooperation: Lessons for China? How countries operationalize development cooperation
- China’s 13th Five-Year Plan and its impact on jobs
- Trends and future directions of China’s Agricultural Engagement in Africa
- Waste not, Want not: Energy efficiency policy in China and India
- The development outcome of the G20
- Consultation on South-South Cooperation Providers and SDG 17

2017 Upcoming Events
- **May**, Blended financing for development: Opportunities and Trends in China
- **April**, Communicating Development Cooperation to Domestic Audiences
- **September**, Case Studies on Chinese Agricultural Aid in Africa
- **November**, China-Africa production capacity cooperation
With increasing international demand and strong domestic push to increase Chinese enterprises overseas’ operational standards as the global presence of enterprises continues to grow, a policy space has opened around environmental, social development, and corporate governance to host partner countries.

**Chinese Investment Abroad**

- **Third largest outward investor in the world** where China has gained increasing global prominence along with its rapid growing overseas investment and influence in development finance
- **USD $170.11 billion, an increase of 44.1% YOY by MOFCOM’s data**, is the total non-financial outbound direct investment from China in 2016
- **7,961 overseas ventures across 164 countries and region** have Chinese enterprises investment footprint last year

Despite challenges faced by Chinese enterprises both at home and abroad where audiences have a lack of understanding to Chinese businesses’ foreign practices, there is more and more involvement from Chinese companies in international platforms like Extractive Industries Transparency Initiative (EITI) and the UN Global Compact. Domestic demand for Chinese enterprises to become more sustainable, and especially to contribute on achieving the Sustainable Development Goals, also play a key role. With many past experiences of Chinese investment projects abroad including the SEZs, sustainability is one of the priorities to ensure greater success in the future and to improve from the image of Chinese businesses overseas.

Chinese companies are evolving from manufacturers to exporters

UNDP China’s engagement has significant importance in relation topics of sustainability, green impact and development dividends from investments
Sustainable Development of Chinese Enterprises

Following the launch of 2015 Report on Sustainable Development of Chinese Enterprises Overseas a range of dialogue events were arranged during 2016 to build momentum and constructive dialogue between Chinese Enterprises and the international community. For example on March 2016, a roundtable discussion was held at OECD in Paris, gathering experts and practitioners to exchange views on impact of Chinese overseas investment on international development. On September 2016, the report had an opportunity to be presented at the United Nations Headquarter in New York in which brought together private sector leaders, government officials, and other relevant stakeholders to discuss challenges, lessons learnt, and future suggestions in regards to sustainable practices of Chinese companies operations abroad.

Building on success of the 2015 Report, UNDP China together with CAITEC under MOFCOM, and SASAC continue the tripartite cooperation to further strengthen Chinese enterprises’ capacity to engage in sustainable development practices, and to enhance their information disclosure to the wider community. The second report is under preparation and will be published in May 2017, looking at Chinese enterprises’ roles in assisting the implementation of the 2030 Sustainable Development Agenda in countries and regions along the Belt and the Road Initiative.
What’s Next for Africa?

- Much room for further cooperation between China and Africa to overcome African countries challenges in industrialization and economic development
- 4.7% is the level of GDP in sub-Saharan Africa that will be increased by China’s transition
- Africa are best in position to export consumer goods to China, such as agricultural goods, and they can benefit most from China’s lower but more balanced growth
- Expand Chinese presence in Africa’s special economic zones, or create new ones

What's Next for Africa?

China and Africa

Made in Africa Initiative (MIAI)

- **With Who:** FCSSC and MIAI
- **Why:** Provide institutional support to the MIAI by leveraging China and Asian countries’ experience to generate quick successes in export-oriented light manufacturing
- **How and What:** A pilot project in July 2016 that had industrial development strategies for Africa, identification of comparative advantages, and promotion of inclusive industrialization

Alliance with Center for New Structure Economics

- **Why:** Key activities from the MoU include advancing research, policy dialogue and capacity development support on economic transformation through joint efforts
- **How and What:** A MoU was signed in May 2016 by UNDP Associate Administrator Mr. Tegegnework Gettu and CNSE Director Professor Justin Yifu Lin

The Africa-China Poverty Reduction and Development Conference

- **With Who:** IPRCC
- **How and What:** A sub-forum of Forum on China-Africa Cooperation with more than 150 participants including representatives from nongovernmental organizations and enterprises from China, international organizations and 14 African countries like Mauritius, South Africa, Nigeria, Mozambique and Togo, shared experience in industrial development while talking about ways to deepen China-Africa exchange and cooperation.
- **Follow up:** A country roundtable was organized for Ivory Coast Minister with related Chinese stakeholders to explore the cooperation opportunities for industrialization in the Ivory Coast

2017 Upcoming Events

- **May:** 2016 Sustainable Development of Chinese Enterprises Report
- **September:** FOCAC Sub-forum: China-Africa Poverty Reduction and Development Conference

Sub-FOCAC Forum in Shanghai on Sept. 2016
In 2016, China’s global and regional cooperation activities reached new heights and were geared towards a demonstrated commitment to the 2030 Agenda. China is one of the 23 countries who participated in the first round of voluntary national reviews (VNRs) of progress on the implementation of the 2030 Agenda, held during the July 2016 meeting of High-level Political Forum, under the auspices of the Economic and Social Council and has submitted its national plan on October 2016. Efforts to facilitate inclusive development internationally marked China’s engagement throughout the year, including during the 8th BRICS summit in Goa called New Development Bank to focus on funding specific development priorities and to create a network of investors. The Asia-Pacific Economic Cooperation leaders’ meeting held in Peru in November 2016 advocated the Regional Comprehensive Economic Partnership as a regional trade initiative to further a shared agenda within the 2030 Agenda as balanced and comprehensive multilateral framework for international cooperation.

**The Belt and Road Initiative (BRI)**

In its global and regional outreach, the China-led BRI is further increasing its relevance with more than 100 countries and international organizations have been engaged and more than 40 agreements signed. On September 19 2016, UNDP and the government of China signed a MoU on BRI that aims to enhance collaboration between UNDP and the Chinese government for the implementation of BRI and the 2030 Agenda for Sustainable Development. at the margins of the 71st United Nations General Assembly during Premier Li Keqiang’s visit.
UNDP and its' Role

✓ UNDP assists China by specially providing input on BRI, drawing on its broad convening power and country network.

✓ UNDP China and CCIEE co-organized the Third High-level Policy Forum on Global Governance on November 2016. It is a high-profile platform that discusses the BRI and its outlooks for global sustainable development, participants included government officials, scholars, senior leaders, and other development stakeholders from over 25 different countries.

✓ The Forum featured opening keynote speeches by UN Under Secretary General and UNDP Associate Administrator Mr. Tegegnework Gettu, Vice Chairman of the 12th National People’s Congress (NPC) Standing Committee Mr. Zhang Ping, UN Assistant Secretary General and UNDP Assistant Administrator and RBAP Director Mr. Xu Haoliang, Executive Vice Chairman and CEO of CCIEE Mr. Zhang Xiaoqiang, and Vice Minister of Commerce Mr. Qian Keming.

✓ UNDP also produced three thematic scoping papers to stimulate the discussions for the Third High-level Global Governance Forum on BRI development dividends, the opportunities for shared-vision and the sustainable development of transport and economic corridors. The scoping papers provided valuable recommendations and policy input to ensure growth and development along the BRI are inclusive and sustainable.
Common Prosperity and Win-Win Cooperation: Industrial Opportunities along the Belt and Road

UNDP, CCIEE and Outlook Weekly co-organized the Business Dialogue on November 11th 2016

The event aimed to facilitate dialogue on the BRI and its potential linkage to the 2030 Agenda, including the Sustainable Development Goals with UNDP representatives, government officials, and investors

A highlight of the forum was the launch of the Business Platform on the BRI with the aim of maximizing business engagement in favor of sustainable development

UNDP also facilitates China’s engagement on advancing leadership. In May 2016, the Ministry of Environmental Protection, commissioned by Central Organization Department of the CPC organized the Special Training on Ecological and Environmental Protection in France. 33 senior government officials from central above vice-ministerial and Director-General level and mayors from local government participated the training. The training was composed of two phases: warm-up training in China and overseas training in France, respectively in Peking University and Ecole Nationale d’Administration (ENA). Four training modules in the programme, i.e. urban air quality control, innovation and environmental management, environmental public participation, ecological and environmental protection were held in France.

2017 Upcoming Events

- **May,**
  1. Completion of the Global Governance Report
  2. Completion of China Development Bank Report

- **September,**
  1. BRICS Summit in Xiamen

- **November,**
  1. Launch of the joint programme of the BRI Action Plan with Chinese Government
  2. Launch of the training programme of the Business Platform