



United Nations
Development Assistance Framework
for the People's Republic of China
(2006-2010)

联合国对华发展
援助框架

(2006 年 – 2010 年)



United Nations

Development Assistance Framework for the People's Republic of China

2006-2010

March 2005

PREFACE

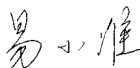
The Chinese Government and the United Nations System in China are very pleased to present you with the United Nations Development Assistance Framework (UNDAF 2006-2010).

The UNDAF (2006-2010) is a product of close and collaborative efforts between the government and the UN Country Team, with the Ministry of Commerce taking the lead in the coordination and consultation process. The UNDAF draws upon the findings of the UN Common Country Assessment which was also prepared through close collaboration with the government agencies, the civil society and the international community.

It is our firm belief and shared goal that the new UNDAF will respond to the demand and challenges of China's development needs, particularly, it will contribute to China's efforts in building a Xiaokang (all round, moderately prosperous) and harmonious society for all Chinese people and in achieving the Millennium Development Goals (MDGs).

On the occasion of the publication of the UNDAF, on behalf of the Chinese Government and the UN System in China, we would like to express our great appreciation to all the Government ministries, commissions, research institutions, donor community and NGOs in China for their valuable time and efforts, and substantive inputs in the drafting process.

Ministry of Commerce



Yi Xiaozhun
Assistant Minister

United Nations



Khalid Malik
UN Resident Coordinator

FOREWORD

The Government of the People's Republic of China puts the highest priority on promoting sustainable development, in establishing a "harmonious socialist society" and in extending its benefits to the largest number of people. This aim is expressed in terms of the 'Xiaokang' (all round, well adjusted development) vision which the Government aims to realise by 2020.

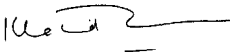
At the Third Session of the Tenth National People's Congress the Premier of the State Council, H.E. Wen Jiabao, underlined that the Government's programme for 2005 lays the foundation of the Eleventh Five Year Plan (2006-2010). In particular, he underscored the need for China to continue on the path of reform and opening up, to balance development, and to put the interest of the people first.

The United Nations Development Assistance Framework (UNDAF) is an expression of the United Nations system's continuing commitment to joint co-operation with the Government of China during the Eleventh Five Year Plan period. It is a planning framework that aims to harmonise the operational activities for development of the United Nations in China, together with the Bretton Woods Institutions, and provides a summary of the UN system's joint goals, objectives and strategies.

The Government of the People's Republic of China and the United Nations system are committed to working together to promote the Government's objectives during the Eleventh Plan period and to fostering growth with equity for the Chinese people. They share the view that the United Nations Development Assistance Framework will provide a firm basis for achieving this objective.

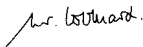
UN Resident Coordinator

Mr. Khalid Malik



UNICEF Representative

Dr. Christian Voumard



UNFPA Representative

Ms. Siri Tellier



WFP Representative

Mr. Douglas Broderick



FAO Representative

Mr. Nouredin Mona



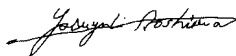
ILO Director

Ms. Constance Thomas



UNESCO Representative

Mr. Yasuyuki Aoshima



World Bank, Country Director

Mr. David Dollar



UNDP Senior

Deputy Resident Representative

Ms. Alessandra Tisot



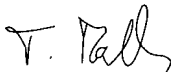
UNEP Country Coordinator

Mr. Xuemin Shao



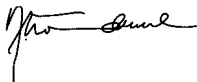
IFAD Country Programme

Mr. Thomas Rath



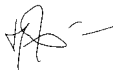
**UNCTAD Technical Cooperation
Service Chief**

Ms. Manuela Tortora



WHO Representative

Dr. Henk Bakedam



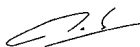
UNIDO Representative

Mr. Sergio Miranda-da-Cruz



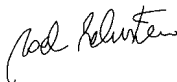
UNHCR Representative

Mr. Michel Gabaudan



UNAIDS Country Coordinator

Mr. Joel Rehnstrom



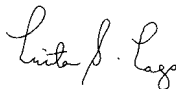
UNODC Programme Expert

Mr. Giovanni Nicotera



**UNIFEM Regional Program
Director for Asia and Southeast Asia**

Ms. Lucita Lazo



UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK (UNDAF)

CONTENTS

Preface	i
Foreword	ii
Section 1: Introduction	1
Section 2: Expected Results	1
Section 3: Estimated Resource Requirements	11
Section 4: Implementation	11
Section 5: Monitoring and Evaluation	11
Acronyms	12

ANNEXES

Annex I: UNDAF Results Matrix	17
Annex II: UNDAF Monitoring and Evaluation Framework	40

Section 1 - Introduction

In 1997, as part of the United Nations reform agenda, the Secretary General called for the United Nations system at the national level to set out a coherent vision and strategy for achieving common development objectives. These are articulated in the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF).

The CCA analyses the national development situation and identifies key development issues while the UNDAF provides a common strategic framework for the operational activities of the United Nations system at the country level. It aims to constitute a rights-based, strategic and results-driven instrument that supports country led efforts to meet national priorities and goals.

In September 2000 at the United Nations, the world leaders reached a historic agreement on the Millennium Declaration and subsequently eight universal Millennium Development Goals (MDGs). Each MDG goal addresses aspects of poverty reduction and is expected to be achieved by 2015.

The 2003 MDGs China Progress Report was a key document for the preparation of the CCA and the UNDAF. The CCA draft was prepared in late 2004, after extensive consultations with government agencies coordinated by the Ministry of Commerce and with apex institutions such as the National Development Reform Commission and Development Research Centre (of the State Council). A two day UNDAF Prioritisation Retreat was held in Beijing on 17-18 January 2005 for the United Nations Country Team (UNCT) and the 'Mirror' Team of key agencies representing the Government. At its conclusion, retreat participants identified five national priority areas and five UNDAF outcomes for the period 2006-2010.

Section 2 - Results

2.1 National Development Priorities and Objectives

China's economy is one of the fastest growing in the world - an average 9.4 percent over the past two decades. It has resulted in unprecedented progress in reducing poverty and improving the lives of people generally. The government's long term commitment to reform and development has been a key feature in the transformation of China. By 2003, it had reached an annual per capita income of US \$1100. And, though there are sharp variances in the levels of development, none of the 31 provinces, autonomous regions and municipalities in China belongs to UNDP's 'low human development' category.

China's target is to quadruple its 2000 GDP level by the year 2020. China is set to meet most of the MDGs by 2015. China has achieved the MDG goal of halving income poverty. Based on the international poverty line of one US dollar a day, the number of the poor is estimated to have dropped from around 490 million (49 percent) in 1990 to 88 million (6.9 percent) by 2002.

Huge progress has also been made across a range of other socio-development indicators such as life expectancy, child mortality and illiteracy.

Despite these achievements, major challenges remain. This very rapid progress has brought with it new challenges and concerns. Imbalances between urban and rural areas and between the coastal prov-

inces and the interior have sharply increased and positive aggregate figures often conceal considerable and sometimes growing inequalities. The MDG progress report highlights in particular three areas that require greater attention: (a) halting and reversing HIV/AIDS and TB, (b) promoting gender equality and (c) reversing the loss of environmental resources.

In light of these imbalances the Chinese Government is putting high priority on promoting sustainable development and in extending its benefits to the largest number of people. It is, therefore, putting renewed emphasis on its development vision of 'Xiaokang' (all round, well adjusted development) and on achieving Xiaokang by 2020. In 2002, the Xiaokang goal was defined in terms of the following outcomes: quadrupling of per capita incomes; balanced, human centred development; care of the environment; support of individual empowerment; and commitment to improved governance and accountability. In October 2003, the Third Plenary Session of the Sixteenth CCCP gave further clarity to this vision by advocating the 'Scientific Concept of Development' that focuses on 'five balances' - between urban and rural, between different geographical regions, between economic and social, between people and nature and between domestic development and opening-up beyond China's borders.

Pro-active steps are being taken to reach this objective and will be more concretely pursued during the 11th Five Year Plan period (2006-2010). The pursuit of Xiaokang reflects the strong political commitment of the Chinese Government to shift the focus of development beyond purely economic and material well-being to putting people first, and the achievement of sustainable human development outcomes. The 'all-round' Xiaokang vision closely mirrors China's commitment to the Millennium Development Goals (MDGs). As such, it presents a considerable opportunity for the UN system in helping government meet its goals.

2.2 United Nations System's Strategic Focus and Cross-Cutting Themes

Strategic focus

It is accepted that economic growth is the foundation for future development. Sustained growth has resulted in dramatic improvements in the lives of people. China rapid integration in the world trading system is one of the phenomena of the early 21st century. The challenge now is to translate this growth into broad based sustainable development by making it more pro-poor, pro-environment and pro-women. Further, China's expanding share of the world economy creates opportunities for 'win-win' relationships with its trading partners and an increasingly active international role. China's role and participation in international norms, conventions and standards is likely to be decisive in shaping future global cooperation.

On the basis of the Xiaokang vision, the MDGs and the Millennium Declaration and the international instruments to which China is party, the UN system in China has identified the following priority areas where the United Nations system can provide some value added based on its comparative strengths: (a) promoting growth with equity by helping the government develop social and economic policies that 'operationalise' its Xiaokang vision; (b) stronger focus on social development through enhanced capacity and mechanisms for participatory co-ordination, monitoring and evaluation; (c) better management of its natural resources to ensure environmental sustainability; (d) reducing HIV/AIDS, TB and malaria infection and disease rates, and providing care and support for those already infected; and, (e) strengthening China's role and contribution to regional and international cooperation and to multilateralism generally.

Cross-Cutting Themes

Through UNDAF interventions in China, the UNCT seeks to underline the importance of the three following cross-cutting themes that reflect core United Nations values and should affect the way the United Nations system addresses UNDAF outcomes.

Equity. Equity is fundamental to the Xiaokang concept which, above all, seeks to sustainably redress economic and social imbalances. In particular, as noted in the CCA, there are not only growing disparities between urban and rural areas, between men and women and between rich and poor but there are also new forms of urban poverty such as among migrant workers who are not fully employed and are not integrated into urban social services or the increasing numbers of workers who have been laid off from State Owned Enterprises (SOEs). Furthermore, most of the country's rural poor live in remote upland areas of western China and a high proportion of them belong to ethnic minorities. In addition, as China makes the transition to a market economy many groups, not just those classified as poor, fall outside existing social safety nets and this underscores the need to find new and improved forms of social protection such as social insurance schemes, unemployment benefits, and special programmes for the aged. While estimates vary, the Gini co-efficient now exceeds 0.4, a threshold that is often considered by observers as indicative of potential social tensions.

Gender Equality. Goal 3 of the MDGs is to promote gender equality and to empower women. The 2003 Report on China's MDG Progress cites several key areas where the Government has adopted strategies to support women which include (a) launching the 'Education for All' target, complemented by special projects promoting education among disadvantaged groups and reinforcing the inspection system to ensure that laws, regulations and policies are effectively implemented, (b) guaranteeing equal opportunities between women and men in the labour law and in the area of political, social and cultural rights, and (c) protecting women's reproductive health. It notes, however, that, while the 'supportive environment is in place', the MDG of 'equal access for boys and girls to primary and secondary schooling by 2005' 'may not be on track'. It also considers that, with regard to achieving 'gender equality', data gathering and statistical tracking are 'fair' but converting 'statistics into policy' and 'monitoring and evaluation' 'need attention'. Within the UNDAF, there are several initiatives that focus specifically on gender issues, but virtually all UNDAF initiatives offer the opportunity for addressing MDG 3 and making progress toward the 2015 target.

Global norms, conventions and their mechanisms. The common assessment of the UN (CCA) notes the importance of the norms, conventions and standards that have been established by the UN system particularly those in the area of human rights. It recommends that the UN system in China increase its efforts, through advocacy, capacity building, networking and partnering, to support China in the process of ratifying, implementing and promoting key UN conventions, including by enhancing the relationship between China as a state party to the various instruments and the international monitoring mechanisms established by these instruments. The ratification and implementation of international conventions is considered as a cross-cutting theme for the UNDAF. Agencies seek both to support China's formal ratification and/or active implementation of the relevant conventions and to ensure that UNDAF supported programmes and projects are in conformity with international norms and conventions. Agencies also seek to support China in its process of reporting to the relevant international mechanisms established by the instruments to which China is party.

3. Areas of Co-operation and UNDAF Outcomes.

National Priority: *Promoting growth with equity by reducing disparities, balancing economic and social development and focusing on poverty reduction.*

UNDAF Outcome 1: *Social and economic policies are developed and improved to be more scientifically based and human centred for sustainable and equitable growth.*

The Xiaokang vision calls for maintaining high rates of growth but increasingly channelling growth towards the social objectives of speeding up poverty reduction and reducing disparities. This is being increasingly reflected in Government policy and strategy formulation through a variety of national planning processes, but most of all in the 11th Five Year Plan.

To reduce disparities, the Government is seeking to adopt a range of pro-poor fiscal policies and is introducing a pro-poor approach into its urban and rural policies and programmes. Depending how the poverty line is defined, given China's size, the number of poor is still substantial in China, with concentration in the western region (and ethnic areas). Further, new forms of poverty, such as the urban poor, are also emerging. Global MDG progress requires continuing attention to this issue. Recognizing these challenges, the government has also scaled up its investment in targeted anti-poverty programmes and is moving towards the broader involvement and mobilisation of poor people at the local level.

Within the MDG/Xiaokang framework, the UN system will support aspects of the preparation of National Plan (2006-10), provincial plans and western development strategy. Pro-poor fiscal and trade policies are also to be addressed as a key element in achieving this outcome. Targeted poverty reduction programmes are required for the most disadvantaged groups such as women and ethnic minorities.

China's agricultural and industrial sectors provide the basis for its remarkable growth rates. However, in each area certain policy changes would enable growth to continue on a sounder basis and with enhanced equity. In the agricultural sector, UN system's role translates into support for improved policies on farmland registration and protection and on food security, on increased agricultural productivity and access to sustainable rural financial services. In the industrial sector, the UN system thrust is on working with the Government to develop the policies required to put industry on a socially and environmentally sound footing (especially in western China).

Job creation and employment generation more generally are an essential part of poverty reduction and reducing disparities. Creating the conditions for 'jobful growth' is key to the realisation of the governments' Xiaokang vision, especially since in recent years, the pace of poverty reduction has slowed significantly. Efforts to create more and better job opportunities, particularly for small and medium sized enterprises will be a priority.

China has made great strides in health care in the past decades, but as the 2003 MDG progress report indicates, progress towards reduced childhood and maternal mortality targets is slowing down. Emerging infectious diseases such as SARs (Severe Acute Respiratory Disease Syndrome) and avian influ-

enza are becoming increasingly important, as are health-related issues, such as food safety. The share of public expenditure on health, as a proportion of GDP, has been declining (from 1.30% in 1982 to 0.86% in 1992 and 0.82% in 2002). Government is however committed to reversing this trend and improve access to health care. The UN system is providing support for health policy development, formulation, implementation, monitoring and evaluation, particularly for strategies to increase equitable access to quality basic public health services. Support will be provided for integrated essential health and care (EPC) packages that include health, nutrition, water and sanitation and a communications strategy for creating demand for the EPC package. This will be complemented by national programmes to address mineral and vitamin deficiencies and for iodised salt distribution in western China.

The Chinese government has made substantial efforts towards making the legal and policy frameworks supportive of reproductive health and rights. A basic package of FP/RH services is widely available, providing FP services to people of reproductive age free of charge. Contraceptive prevalence rate is as high as 83% among women of reproductive age all over the country. In UN pilot project areas, an increasing number of target groups will benefit from RH/FP information and services as the projects go more in depth and project outcomes are replicated. However, China still faces many challenges in population and development. In population related issues, UN support will continue to cooperate with main partners and promote comprehensive reform.

As noted in the 2003 MDGs progress report, China is ahead of target in ensuring that all children will be enrolled in primary school by 2015. However, while public expenditure on education is increasing (though still under the 4 percent of GDP target), there continued to be large regional disparities in access to education. Funding in poor areas is a particular problem as education is currently funded largely from local budgets. But in poor areas there is often insufficient revenue and most parents also lack the resources to make the necessary donations. In the education sector, the UN system is focusing on two areas: policies to promote access to quality education for all, especially disadvantaged groups, and, in target areas, programmes to encourage school readiness, kindergartens and child-friendly quality schools.

Achieving Xiaokang and other development goals will only be possible within a framework of good governance and rule of law. In particular, continued attention needs to be paid to human rights law and equity and fairness concerns, to protect the disadvantaged and vulnerable, and achieve Xiaokang balances. Enhanced application of existing law is especially required with respect to the promotion of gender equality and rights. UN places priority on helping realise women's rights, with particular focus on the implementation of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). This includes support to legal institutions to make them more effective (especially in western China) and to be better able to protect the human rights of the poor and disadvantaged and to promote gender equality. Policies and the necessary legal framework will also be improved to promote the development of civil society. Anti-corruption legislation is to be strengthened and codes of conduct developed, especially to strengthen civil service transparency and accountability.

Current government policy supports greater public participation in the development process. Government organised NGOs and mass organisations are very active in their respective fields, but Government also recognises the importance of civil society organisations to strengthen the development process, including as service providers. However, for an active civil society and grass-roots organisations to flourish and have real impact, there is need for a more supportive legal and institutional environment. UN will seek to provide support in this area.

Guided by the priority placed by the government on 'culture based' development, the UN system will provide inputs and international experience for national programmes to safeguard and revitalise ethnic cultures and to integrate them in the process of economic and social development.

National Priority:

Scientific and human centred perspective balancing social and economic development.

Outcome 2:

Enhanced capacities and mechanisms for participation, co-ordination, monitoring and evaluation for effective policy implementation in the social sectors.

Within the policy framework set out above under Outcome 1, the second UNDAF outcome concerns the 'scaling up' the implementation of social policies and programmes in sectors such as health, education and social protection, that are central to achieving Xiaokang and MDG objectives.

The combination of China's Xiaokang vision and of its commitment to the MDGs and its obligations under international human rights instruments provides a robust framework for the United Nations system's programmes in China. However, effective implementation requires the more systematic use of planning instruments and management tools.

The UN system is actively involved in developing some of the key Xiaokang methodologies and indicators that are required among government agencies and key stakeholders for effective implementation. UN agencies are also supporting Government's capacity to collect, compile and utilise research, data and evaluation findings with a view to introducing systematic evidence-based review of project experiences and research including disaggregating of statistics to reveal patterns of inequality or discrimination. In particular, policy makers, programme managers and service providers will be provided with capacity building in the development, monitoring and dissemination of such initiatives as the Plan of Action for Children, CEDAW, the Beijing Platform of Action and a plan to prevent trafficking of girls and young women and made aware of gender and ageing issues.

Piloting of improved village and city development planning mechanisms are being supported by UN agencies to ensure that social service delivery is better managed and in a participatory manner.

Social protection. With the increase in rural to urban migration, approximately 10 percent of China's population (120 million) lives in areas other than their native location. As more than half of these have not formalised their migration, they and their families tend to be at risk to problems associated with low paid, unsafe work and trafficking, and they may not be eligible for public services. The national system for workers protection was established after 1949 but appears insufficient to provide the necessary protection in the market economy.

The 1994 Labour Law includes comprehensive legislation for the protection of workers but, as of 2005, some of its provisions are still not fully enforced. The UN will help government in extending social protection to excluded groups and develop improved policies to protect the rights of migrant workers. It also plans to address the issue of trafficking in women and children by promoting safe and regulated migration between 'receiving' and 'sending' provinces. These activities complement ongoing support for na-

tional legislation and policies that provide for the protection of minors, juvenile justice and street children, and the need for migrants to have improved access to economic, social and cultural services.

Public Health Safety. Many health issues in China are related to public health safety. Among others, these include food safety, laboratory bio-safety, blood and drug safety, tobacco control, occupational and road safety and emergency preparedness. Outbreaks of food poisoning are being reported and the quality of pharmaceuticals remains a concern. Public awareness of the dangers of tobacco smoking remains low. Occupational injuries are high, especially in the mining industry. Road traffic fatalities are rising fast. The UN system is supporting Government efforts to develop policies and strategies for public health safety and to provide capacity building for the reduction of safety and health risks in the community, schools and workplace. It is also reinforcing systems to increase the levels of safety for blood and drug use and, promoting the establishment of a national food safety regulatory framework. Work is underway on quality standards for agricultural products and on the intersection of human and animal diseases.

National Priority:

Balancing People and Nature

OUTCOME 3:

More efficient management of natural resources and development of environmentally-friendly behaviour in order to ensure environmental sustainability (with special focus on energy, biodiversity and water resources).

Given present trends, the Xiaokang challenge is to ensure that high growth rates become more pro-environment. There is, of course, a sharp contrast between the western provinces and the fast growing economic centres of the east coast. While the west suffers from issues of land degradation and challenges of poverty reduction, the east is struggling to cope with the consequences of rapid industrialisation. In the west, soil erosion and deforestation threaten China's natural resource base and the conservation of its biodiversity. Meanwhile, some of China's cities are among the most polluted in the world and much of its water resource is unsuitable for human use. Ever worsening industrial pollution also has serious effects on human health. The government is increasingly aware of these environment challenges and is taking on policies and programmes to lay the basis for stronger protection of the environment.

On the basis of the MDG related to environmental sustainability and on the findings of the CCA, the UNDAF focuses on three specific areas in the environment sector: energy efficiency, biodiversity conservation and water resources.

Energy efficiency. In terms of energy, China is coping with the combined challenges of growing energy needs, limited high quality energy resources, environmental pollution and energy security. In the energy sector the CCA notes that there is a need to increase energy savings, energy efficiency and the use of renewable resources while at the same time promoting industrial adjustment and developing energy efficient processes and standards, especially in the major energy consuming sectors.

In the energy field the expected UNDAF outcome is improved energy efficiency and enhanced utilization of new and renewable energy resources. The UN system is working with Energy Supply Companies (ESCOs) to increase energy efficiency and promoting renewable energy resources. At the same time, the UN system is supporting projects that aim to achieve improved end-use energy efficiency and enhanced application of new and renewable energy technologies.

Conservation and Sustainable Use of Biodiversity. China's large (and still growing) population, combined with inappropriate land use practices, has had a negative impact on the quality of the scarce productive land and other natural resources. This has led to land degradation, grassland destruction, soil erosion and water pollution - all of which threaten both China's agricultural potential and its globally significant biodiversity. In regards to MDG goal 7 target 9 - 'Integrating the principles of sustainable development into policies and programmes and reversing the loss of environmental resources' - while China is not yet on track, there is strong commitment to achieving this target.

Under the UNDAF biodiversity outcome on "more effective conservation and sustainable use of biodiversity", the UN system aims to strengthen the national co-ordination mechanism for effective biodiversity management, to mainstream biodiversity into the planning and investment process, and to provide management support in targeted pilot areas. At the same time, analytical studies will be carried out on trade and environment issues (including bio trade). Underlining the importance of sustainable agriculture in the future China and the agricultural way of life, the UN system is supporting the development of an environmentally sustainable agricultural development strategy, and on land improvement and management.

Air Quality and Water resources. China suffers from considerable regional disparities in regards to access to water and much of the arable land is in water-scarce parts of the country. At the same time, water use remains inefficient and as water prices are low, there is little or no incentive for users to save water by investing in water-efficient technologies or commercial recycling of water. Rapid development has resulted in a severe decline in water and air quality. Many of China's cities are increasingly polluted. This impacts negatively on overall environmental quality and people's health.

With 75 percent of its population having access to safe drinking water, China is slightly behind the MDG target. Access to safe drinking water has improved more in cities than in rural areas and in coastal more than in remote and minority areas. However, more generally the quality of drinking water remains a challenge.

The UNDAF outcome aims towards more efficient use of water resources, improved air quality and better access to clean and safe drinking water. This includes improved water governance at the central and municipal levels and capacity building for water quality surveillance and policy implementation. The UN system will support the government in taking on the issues of arsenic and bacterial water contamination, which complements the collaboration on innovative approaches to water supply, on access to safe drinking water and improved water management for irrigation purposes

NATIONAL PRIORITY:

To slow down and reverse the spread of HIV/AIDS and TB and Malaria (MDG 6).

UNDAF OUTCOME 4.

HIV/AIDS, TB and malaria infection and disease rates reduced, care and support for those infected improved and the rights of those living with HIV/AIDS protected.

At present, national HIV prevalence remains low but clusters of high prevalence exist, both geographically and among specific sub-groups, including minorities. Based on observed patterns and trends, the

epidemic could increase rapidly in the coming years unless active measures are taken to hold it in check. As of now, the most frequent modes of HIV transmission are through sharing contaminated needles among Injecting Drug Users (IDUs) and in the past, unsafe practices related to blood and blood plasma collection. However, prevalence is increasing among sex workers and men who have sex with men (MSM) and the fear is that HIV will soon start spreading rapidly among the general public. The growing feminization of HIV/AIDS presents additional challenges.

The central government has adopted a National Medium and Long Term Plan for AIDS Prevention and Control (1998-2010) and a Plan of Action (2001-2005) and several provinces have already developed their own action plans to respond to the local situation. The UN system will support the preparation and implementation of a national five plan for 2006-2010.

Within this framework the government has launched a series of multi-sector information, education and communication (IEC) initiatives to raise awareness about HIV/AIDS transmission and prevention. Measures are also being taken to improve the safety of blood supplies. In 2004, free anti-retroviral therapy was launched for rural and poor urban patients and the China Comprehensive AIDS Response (China CARES) Programme was expanded.

Constraints preventing the implementation of recent policies include the following: lack of capacity and motivation of some local service providers; self-financing (user fees) in accessing health services; low level of awareness and commitment in some provinces; frequently prevalent severe stigma and discrimination against People Living with HIV/AIDS (PLWHA) and lack of adequate legislation to assist work with high risk groups such as IDUs and sex workers

Around 45 percent of the population is infected with the tuberculosis bacilli and there are an estimated 4.5 million cases in the country, 80 percent of which are in the rural areas. The government has recently intensified its TB control effort and aims to achieve the 2005 global TB control targets. Key issues in the TB control programme are financial burden, drug resistance, TB/HIV co-infection, and the key constraints include financing multi-drug resistant TB and TB/HIV co-infection.

China has achieved major progress in malaria control and eradication in recent years, but malaria remains endemic in some central and southern parts of the country.

As regards HIV/AIDS, the United Nations system is concentrating its efforts in the following areas. (a) Supporting the "three ones" (a multi-sector national five year plan; coordination and implementation, and; monitoring and evaluation). (b) Reducing vulnerability and risk behaviour among specific groups, e. g. minorities. (c) Providing improved treatment, care and support for people infected or affected by HIV/AIDS. (d) Increasing awareness of HIV/AIDS and reducing stigma and discrimination, drawing on local language and culture. (e) Promoting a stronger engagement by civil society and (f) addressing the gender dimensions of HIV/AIDS.

With regard to TB control and treatment, the UNDAF focus is on programmes to strengthen government leadership and support for combating the TB epidemic, including extending diagnosis and treatment throughout the country. UNDAF outcomes concerning malaria are improved prevention, detection and response.

NATIONAL PRIORITY:***Balancing domestic and opening-up development.*****UNDAF OUTCOME 5:*****Within the framework of international norms, conventions, and their mechanisms, and of the Global Compact, China's role in the international arena is enhanced, including through providing increased levels of South-South Cooperation.***

As a result of the successful implementation of its reform and open-door policies during the past decades, China is playing an increasingly important role in global and regional affairs. China's membership of the WTO is a positive signal towards the rest of the international trading community and the increases in Chinese imports, especially from other developing countries, show the spill over benefits from its rapidly increasing prosperity. Considerable untapped potential, however, remains especially in trading relationships with ASEAN and with both Northeast Asia and Central Asian countries.

China has long regarded South-South Co-operation (SSC) as a corner stone of its foreign policy and it supports a variety of programmes that are concerned mainly with policy guidance, economic trade and science and technology. However, with the growth of the Chinese economy and of its share of world trade, economic rather than political concerns are increasingly influencing the orientation of China's SSC. In the past a variety of ministries were mandated with SSC but it is increasingly realised that greater institutional co-ordination would help to increase impact and that public-private partnerships should also be further developed.

The CCA identifies advocacy and capacity building for strengthening multilateralism as a priority area of international co-operation. In particular, the United Nations system aims to support China in ratifying, implementing and promoting key international conventions as a basis for closer global integration and for setting the basis of contributing to the achievement of MDG 8, particularly in the areas of trade and development assistance. The UN system is actively pursuing the follow-up to resolutions of UN international conferences as well as ratification and implementation of a variety of international conventions and frameworks relevant to their mandate.

As the country prospers, some transition support might be necessary to facilitate China's growing role in international cooperation. For instance, in the area of food provision, the UN will maintain a presence in China for donor liaison purposes, while preparing for Standby-Agreements to support China's emergence as a potential donor for emergency relief purposes. The emergence of China as a donor in the Tsunami relief effort is another important milestone.

China is an active partner at the regional level also. Among regional groupings, China is a member of the Shanghai Co-operation Organisation (that covers China, four countries in Central Asia and Russia) and of the ASEAN plus three group (with Japan and the Republic of Korea). The UN system is actively engaged in the strengthening of China's cooperation with its neighbours in Central Asia (on the revival of the 'Silk Road'), in northeast Asia and in connexion with the Mekong-Lancang cooperation effort. Greater use of public private partnerships is being encouraged for this purpose.

With regard to public-private partnerships, the growing involvement of the Chinese business community in UN matters in China, and in the Global Compact are positive signs of broad engagement of different sectors of society in economic and social development.

China has also been actively involved in the advocacy and processes of setting human rights norms and standards through the various human rights mechanisms at the regional and global levels. For example, China took the lead in drafting an international convention on the rights of persons with disabilities and in supporting the elaboration of the proposed supplement to the 1993 Standard Rules on the Equalization of Opportunities for People with Disabilities.

UN agencies concerned with the health sector are promoting enhanced cross-border links to help combat communicable diseases such as HIV/AIDS, tuberculosis and malaria through sharing of experiences and expertise and the diffusion of international best practices. Efforts will also be made to reduce the cross-border trafficking of women and children. Support will also be provided to promote the role of China on the International Health Regulation and the Framework Convention on Tobacco Control.

Section 3 - Estimated Resource Requirements

The estimated financial resources required by the UN system for its contribution to the achievement of each expected UNDAF outcome are presented in the Results Matrix. These contributions include projections of the resources that each United Nations Agency plans to raise and make available during the next programming cycle to support corresponding outcomes in its programme.

It should be noted that the Result Matrix figures are at present only indicative. The actual resource commitments will be made only in country programmes or project documents and in accordance with the procedures and approval mechanisms of each agency.

Section 4 - Implementation

Under the coordination of the Resident Co-ordinator, regular Country Team meetings will further facilitate information exchange and promote strengthened partnerships in joint programming as well as in administrative areas. Closer correspondence will be established between the United Nations Thematic Groups and the five UNDAF areas of co-operation.

The UNDAF will be implemented with a focus on results which will be reviewed and reflected in the Resident Co-ordinator's annual report to the UN Secretary General.

Section 5 - Monitoring and Evaluation

Monitoring progress towards the achievement of the UNDAF outcomes will be undertaken periodically. Field visits, stakeholder meetings, desk reviews and reports will constitute the main monitoring mechanisms. A UNDAF Monitoring and Evaluation programme cycle calendar will be produced with the aim of improving the co-ordination of UN M&E activities, identifying gaps in data collection and highlighting how and when the products of UN M&E activities are used.

A joint mid-term review of the UNDAF will be conducted in 2008 to coincide with individual agency programme mid-term reviews and an end of cycle evaluation will assess achievements, lessons learned and best practices, as well as constraints, and lay the basis for the subsequent UNDAF.