

**UNITED NATIONS
SUSTAINABLE DEVELOPMENT
COOPERATION FRAMEWORK
PEOPLE'S REPUBLIC OF CHINA
2021-2025**



18 August 2020

*Final version of UNSDCF issued without formal editing and formatting

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Foreword

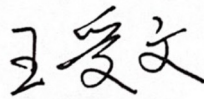
The Government of China and the United Nations (UN) System in China are pleased to present the United Nations Sustainable Development Cooperation Framework (UNSDCF) for the People's Republic of China 2021-2025. The period covered by the UNSDCF is contemporaneous with China's 14th Five-Year Plan, and over the next five years, the UN system will continue to support China to realize the 2030 Agenda for Sustainable Development and to realize Innovation-driven, Coordinated, Green, Open, and Shared Development.

China's development has now entered a new era, and China and the UN System are embarking on a new cycle of cooperation. 2020 marks the year in which the long-standing goals of comprehensively achieving a *Xiaokang* society— a moderately prosperous society in all aspects— and eradicating absolute rural poverty will be achieved. In the coming five years we will continue our sustained efforts to preserve this hard-won progress. The UNSDCF will help China meet and respond to the new opportunities and challenges presented by the country's post-2020 development landscape, including building back better in the post-COVID-19 era and supporting China's high quality development.

Informed by China's development needs and capacities, and the UN System's own comparative advantage and expertise, programming under the new UNSDCF will be strategically centred around three key priority areas: 1) People and Prosperity: Achieving Innovation-driven, Coordinated and Shared Development, 2) Planet: Achieving Green Development towards a more sustainable and resilient environment, and 3) Partnerships: Realizing the full potential of China's international engagement to promote its open development and partnerships to accelerate achievement of the SDGs across the world. Recognising the synergy between China's vision of high quality development and the 2030 Agenda, these three Priority Areas will serve as the foundation for all of the UN System's work in and with China over the coming five years, and will support China's high quality development as well as providing the basis for cooperation with China in assisting other developing countries around the world in achieving the Sustainable Development Goals.


On behalf of the Government of China and the UN System in China, we would like to extend our gratitude to all of those who contributed valuable time and efforts in the drafting and finalization of the UNSDCF, and voice our commitment to ensuring the effective implementation of the UNSDCF 2021-2025, supporting its contributions to the 2030 Agenda and increasing the welfare of the Chinese people.

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EXECUTIVE SUMMARY

1. China has made remarkable economic and social progress over the past 40 years, with impressive poverty reduction achievements and improvements in many social indicators including health and education. Having reached upper-middle income status, China is now entering a new era in its development, as declared by President Xi Jinping in his address to the 19th National Congress of the Communist Party of China in October 2017, an era in which the principal challenge that drives policy-making is no longer a lack of productive capacity, but is the “contradiction between unbalanced and inadequate development and the people’s ever-growing needs for a better life”.
2. In this context, China is pursuing a transition from a development model that prioritized rapid economic growth to a more balanced pursuit of “high-quality development”, development that is innovation-driven, coordinated, green, open and shared by all. This is substantially aligned with the 2030 Agenda for Sustainable Development. China is finalizing its 14th Five-Year Plan (FYP) for Economic and Social Development (2021-2025). In the next five years, development will remain the country’s top priority and emphasis will be placed on keeping main economic indicators within an appropriate range, increasing people’s well-being and bridging internal development gaps, including through ecological improvements and higher living standards. China will build on the poverty alleviation achievements of the 13th FYP period and develop new goals for the reduction of relative and multidimensional poverty.
3. China is the world’s largest developing country which still needs development support from the international community. At the same time, being a major economy, China’s growth is benefitting much of the world through trade, investments and engagement in global development efforts. Through South-South Cooperation, China continues to provide help to the best of its capabilities to other developing countries to support the achievement of the Sustainable Development Goals (SDGs). As a supporter of multilateralism, China supports international cooperation in addressing global development challenges, under its vision of “active promotion of building a human community with a shared future”.
4. In response to China’s new development paradigm, and based on widespread consultations with Chinese Government, three Strategic Priorities were identified for the 2021-2025 United Nations Sustainable Development Cooperation Framework (UNSDCF) for China to support China’s development priorities in the next five years. The three Strategic Priorities are:
 - 1) **Priority 1 - People and Prosperity: Achieving Innovation-driven, Coordinated and Shared Development. Equitable and high-quality economic, social and human development for all throughout the life-course.**
 - 2) **Priority 2 – Planet: Achieving Green Development towards a more sustainable and resilient environment.**
 - 3) **Priority 3 – Partnerships: Realizing the full potential of China’s international engagement to promote its open development and partnerships to accelerate achievement of the SDGs across the world.**

5. Under the three Strategic Priorities, there are six high-level Outcome results for which the UN system will contribute towards the achievement.

Outcome 1: Relative poverty and multi-dimensional poverty are reduced, and more coordinated development leads to reduction in gaps between rural and urban areas and among regions, as more people in China, including left-behind groups, benefit from sustainable, innovation-driven and shared high-quality economic development, with enhanced access to economic opportunities arising through innovation, entrepreneurship and rural revitalization, enjoying decent work, sustainable livelihoods, and the right to development equally for both women and men.

Outcome 2: People’s lives in China are improved further as headway is made in ensuring access to childcare, education, healthcare services, elderly care, housing, and social assistance, and more people in China, including left-behind groups, benefit from equitable and high-quality public services and social protection systems as well as accelerated efforts to reduce gender inequality and other forms of social inequality throughout the life-course.

Outcome 3: People in China and the region benefit from a healthier and more resilient environment.

Outcome 4: China accelerates its transition to a people-centred, inclusive, low carbon, and circular economy.

Outcome 5: China’s international financing, investments and business engagements, including through connectivity initiatives, programmes and projects, contribute to SDG attainment in partner countries.

Outcome 6: Through South-South cooperation and humanitarian cooperation, China makes greater contributions to SDG attainment and the principles of the 2030 Agenda, including leaving no one behind.

6. The implementation of the Cooperation Framework will be coordinated through a Joint Steering Committee, co-chaired by the leader of the Ministry of Commerce and the UN Resident Coordinator, with membership from the United Nations Country Team (UNCT) in China and the relevant agencies within the Government. During implementation of the Cooperation Framework, the Steering Committee will meet once a year to review progress towards the targeted results and recommend strategic adjustments or new opportunities to accelerate action during the subsequent period.
7. The UNCT will be configured in accordance with the principle of a “needs-based, tailored country presence”, called for in the UN Development System repositioning resolution. The UNCT will include both resident and non-resident entities who have committed through signature to contributing towards at least one of the Cooperation Framework Outcomes. The UNCT will also draw on expertise from across the broader UN system, including its regional and global levels as necessary to support the successful implementation of the UNSDCF.

CHAPTER 1: COUNTRY PROGRESS TOWARDS THE 2030 AGENDA

1.1 Country Context

8. In the 40 years since the launch of reform and opening up, China's economic and social achievements have been remarkable. China is the only country to have moved from the low human development group in 1990 to the high development group, with a Human Development Index of 0.758 in 2018,¹ reflecting broad-based improvements in income, health and education.
9. During the current United Nations Development Assistance Framework (UNDAF) period (2016-2020) China achieved further notable progress in advancing social, economic and environmental sustainability. In 2019, GDP reached 99.1 trillion Yuan, representing a 6.1 percent increase over the previous year in constant prices; permanent urban residents exceeded 60 percent of the population; emerging industries continued to grow and upgrading in traditional industries accelerated; the rural poor population was reduced by 11.09 million and the poverty headcount ratio fell to 0.6 percent; pollution prevention and control efforts continued with overall improvements in the environment; and basic old-age insurance, health insurance, and subsistence allowance standards were raised. Having attained upper-middle income country status, China has now announced a new "high-quality development" vision, featuring comprehensive and sustainable improvements in people's lives, a model that is substantially aligned with the 2030 Agenda for Sustainable Development.
10. However, China is also facing a complex and difficult macroeconomic environment. The demographic dividend has gradually vanished and the ageing of the population accelerates. The effectiveness of the investment- and credit-based model that underpinned earlier rapid growth is declining, and GDP growth, while still strong by international standards, has been slowing in recent years. Trade frictions continue. Demand for low-skilled labour that played a large part in making China "the factory of the world" is shifting to lower income countries. Challenges are emerging in promoting new urbanization and rural revitalization. The still unquantifiable economic impact of the COVID-19 pandemic both in China and abroad creates further uncertainties in the coming period.
11. In response, in the next five years under the 14th FYP, development will remain the country's top priority. Emphasis will be placed on keeping main economic indicators within an appropriate range, bridging internal development gaps and increasing people's well-being as well as warding off and defusing risks. Pursuing a people-centred development vision, China will strive to strengthen endogenous development drivers, energize market entities, improve infrastructure, enhance industrial innovation capability and competitiveness, promote ecological improvements and raise people's living standards.
12. Beyond China's own development progress, the country has a large and steadily growing role in promoting global development. As the biggest developing country, China engages actively in South-South Cooperation (SSC)², helping narrow the disparities between Global South and Global North. Other developing countries are often eager to learn from China's experience and benefit from its expertise.

1 <http://www.hdr.undp.org/en/data>

2 <https://digitallibrary.un.org/record/673444>

1.2 China's Vision for Sustainable Development

13. Since 2012, China has accelerated its move to a new mode of economic development and put forward a vision of “innovation-driven, coordinated, green, open and shared” development. These are widely referred to as the “five new development concepts”, which are substantially aligned with the 2030 Agenda for Sustainable Development, and were highlighted as key guiding principles in China’s National Plan for Implementation of the 2030 Agenda for Sustainable Development issued in 2016.
14. China’s current development vision calls for a shift from pursuit of rapid growth to high-quality development, as defined by these five concepts. The country has made “innovation-driven development” the key component of its strategy to maintain healthy economic growth by transforming the growth model from traditional factor- and investment-driven to innovation-driven. “Coordinated development” aims to address the issue of unbalanced development through focusing on integrated and comprehensive impact, and achieve coordinated development between rural and urban areas and among regions. “Green development” represents a vision that “lucid waters and lush mountains are invaluable assets”, aiming to develop eco-friendly growth models and sustainable ways of life in China. “Open development” places high priority on sharing development benefits with the rest of the world based on mutual benefit and “win-win cooperation”, reflecting China’s strong engagement in global development. “Shared development” puts people at the centre, pursuing development for the people and by the people and enabling all people to benefit from development achievements. These five new development concepts are closely aligned with the 17 SDGs in the 2030 Agenda.
15. China sees the year 2020 as a milestone, when the goal of eliminating absolute poverty and comprehensively achieving a “*Xiaokang* Society” - a moderately prosperous society in all respects, will be realized. As China enters this new post-*Xiaokang* era, the Government has laid out ambitious new long-term goals of “basically achieving socialist modernization” by 2035 and become a “great modern socialist nation” by 2050.

1.3 Progress Towards the SDGs

16. China has demonstrated its commitment to the 2030 Agenda and SDG realization, both at home and abroad, including through the issuance in 2016 of its National Plan on Implementation of the 2030 Agenda for Sustainable Development. China shares and contributes, through its progress in implementation of the 2030 Agenda, to the vision of a world of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination; of respect for race, ethnicity and cultural diversity; and of equal opportunity permitting the full realization of human potential and contributing to shared prosperity. At the same time, the strongest driving force behind China’s impressive SDG achievements is not just the SDGs themselves: it is the considerable alignment between the 2030 Agenda and China’s own development agenda. China participated in the first round of Voluntary National Review in 2016 and all the High-level Political Forums, published two SDG Progress Reports in 2017 and 2019 respectively. In common with many other countries, China presently has available official data for roughly one third of all SDG indicators proposed by the expert group. The UN will support the government’s efforts to improve SDG monitoring and measurement, including through the development of a national indicator system, and the improvement in compiling more disaggregated data including on vulnerable groups.
17. The Government’s concerted effort to lift all rural residents living below the current poverty line out of poverty by 2020, has been designated as one of its three “great battles” in the effort to

comprehensively achieve the *Xiaokang* society, with the number of rural poor reduced to 5.51 million as of 2019.³

18. In core social sector goals of nutrition, health care, education and sanitation (SDGs 2, 3, 4 and 6) a series of sustained and steadily expanding government initiatives have produced strong progress in service provision, in enrolment and coverage rates, and in key indicators including under-five stunting, maternal and child mortality rates and expected years of education. China's ability to produce sufficient grain to feed its 1.4 billion people is a major contribution to global food security. China is now developing its next wave of health sector reforms. These are focused on the rationalization of service delivery at different health system levels and on new challenges created by the ageing population and the need for behavioural changes to prevent communicable and non-communicable diseases such as cancer, diabetes, stroke and heart disease, along with road and traffic accidents, the leading causes of premature death.⁴
19. In SDG 4, having achieved universalization of nine years of free and mandatory education, the Government is emphasizing increasing enrolment in pre-primary and senior high school level education, with the goal of universalizing these as well, and is targeting improvements in vocational education to offer training and better paths forward for students who do not complete high school or attend university, and to better meet the demands of the new innovation-driven economic model.
20. Regarding SDG 5, based on the Constitution and Law on the Protection of Women's Rights and Interests, China has established the legal system to protect women's rights. China has also made significant achievements in women's employment, poverty alleviation, education, health and social security. As in much of the world, China will require a sustained effort to ensure gender equality and women's empowerment, including by strengthening ongoing efforts to address prevailing social and economic drivers of gender inequality.
21. China's progress toward SDGs 6, 7, 8 and 9 has also been strong overall, driven by Government investments in infrastructure, business promotion and innovation. The penetration ratios of centralised water supply and tap water in Chinese rural areas were 87% and 82% respectively at the end of 2019, up from 82% and 76% at the end of 2015 (SDG 6). China has achieved universal electrification (SDG 7), including in remote rural areas, and is steadily increasing the share of renewables in total energy mix. China's economic growth (SDG 8) is still strong by any international standard, and employment generation is a top priority, with steady growth in employment and an average of over 13 million urban jobs created each year. A new priority is strengthening the inclusiveness and quality of employment, through policies aimed at gender equality in employment (including equal pay between men and women), and decent work for persons with disabilities and for all young people, including the relatively low-skilled. For SDG 9, China has made notable progress in pursuit of an innovation-based approach, drawing on Fourth Industrial Revolution technologies, to drive industrialization and infrastructure expansion. But there is room for improvement in terms of harnessing innovations for resource efficiency and greater adoption of clean and environmentally sound technologies by industry.
22. China's contribution to the global dimension of SDG 10 is large and multi-faceted. The significant income increases for China's 1.4 billion people have reduced global inequality markedly. China is the largest importer from Africa and many developing countries elsewhere, contributing to their development as well. Through international development cooperation including on infrastructure connectivity, China is directly contributing to development around the globe. China's ambitious new urbanization agenda is strongly aligned with SDG 11. Progress has been made in provision of public services for rural migrant workers and their families, including those left behind in rural areas and a social security system covering both urban and rural residents is taking shape. Steady

3 National Bureau of Statistics of China, http://www.stats.gov.cn/tjgz/tjdt/202002/t20200201_1724811.html

4 http://www.gov.cn/zhengce/content/2019-06/04/content_5397350.htm

progress has also been made in building government subsidized housing projects to meet basic needs and the middle-income group has been expanding.

23. Government efforts to boost responsible consumption (SDG 12) include improved urban waste management and the planned phased reduction of single use plastics. China's climate actions (SDG 13) include increasing the use of renewable energy and promoting new energy vehicles, in which China is a global leader. While China's annual greenhouse gas emissions are lower than many countries on a per capita basis, in absolute terms they have become the largest in the world, reflecting the size of China's economy and the fact that China is still a developing country. In terms of the enabling policies to manage climate-related hazards and risks, China has adopted a comprehensive National Plan on Disaster Prevention and Reduction (2016-2020) which embraces a paradigmatic shift from post-disaster relief to pre-disaster prevention. Towards SDG 15, China is actively engaged in biodiversity conservation and as of end 2018 had set up 2,750 nature reserves with a total area of 1.47 million square kilometres.
24. Under SDG 16, China has conducted a long-term anti-corruption programme, and implemented the National Programme of Action for Child Development (2011-2020), the Law on the Protection of Minors and the National Plan of Action on Combating Trafficking in Persons (2013-2020). At the same time, China is making more efforts to promote and enforce non-discriminatory laws and policies for sustainable development, ensure responsive, inclusive, participatory and representative decision-making at all levels and provide adequate and timely access to information for the public.
25. China's major contributions to SDG 17 through the country's international development initiatives have been highlighted earlier.

1.4 Gaps and Challenges

26. Some acute problems caused by unbalanced and inadequate development across urban-rural and inter-regional divides and different population groups, await solutions; and the quality and effect of development are not what they should be. China's ability to innovate needs to be stronger, the real economy awaits improvement; there is a long way to go in protecting the environment and addressing climate change.
27. The long-term challenge of relative poverty will remain, and addressing it will be the next priority in China's poverty alleviation agenda. To consolidate achievements to date and truly eliminate poverty, robust approaches and mechanisms for tackling relative poverty as well as more expansive definitions of poverty including the urban population, and relative and multidimensional measures will be needed.
28. Further progress will entail addressing a number of cross-cutting challenges. Persistent internal development gaps across urban-rural and inter-regional divides, income inequalities and gaps between different population groups in terms of key measures of well-being remain, and present challenges to ensuring employment, education, healthcare, housing, and elderly care and achieving equalization in public service delivery.
29. While China's development has been highly inclusive, challenges remain in "leaving no one behind". The UN analysis during the development of the Cooperation Framework identified a number of groups who are more at risk of being left behind in China. These include rural migrant workers in urban areas, people living in relatively remote regions with arduous natural conditions, persons with disabilities, the growing elderly population, left-behind rural children, children and women in difficulty, rural smallholder farmers, informal sector workers, victims of human trafficking, and people living with HIV. For China's women and girls, there still remains room for improvement in

addressing the social and economic drivers of gender inequality. These groups frequently overlap, and the intersecting vulnerabilities and cumulative discrimination leave some groups particularly marginalized. These groups often also experience differentiated vulnerabilities to climate and disaster risks and impact from disaster events (e.g. earthquakes, landslides).

CHAPTER 2: UN DEVELOPMENT SYSTEM SUPPORT TO THE 2030 AGENDA

2.1 Cooperation Framework Strategic Priorities

30. The development of this UNSDCF is guided by the following principles:

- i. *Leaving no one behind*
- ii. *Right to Development and Dignity*
- iii. *Gender Equality and Women's Empowerment*
- iv. *Sustainability*
- v. *Resilience*
- vi. *Accountability*

31. Based on these principles and on widespread joint and individual agency consultations with government counterparts and other development partners, three overarching Strategic Priorities for 2021-2025 were formulated. They are closely aligned with the Government's policy agenda, and will be reviewed carefully again by the UN in collaboration with the Government after the release of China's 14th FYP to identify ways to further enhance that alignment:

Priority 1 - People and Prosperity: Achieving Innovation-driven, Coordinated and Shared Development. Equitable and high-quality economic, social and human development for all throughout the life-course.

This strategic priority aims to support China's goal of achieving innovation-driven, coordinated and shared development and improving the lives of all people in China. Its core facets are the promotion of innovation and cooperation in advanced technologies, boosting coordinated development between rural and urban areas and among regions and reducing relative poverty and multi-dimensional poverty. It aims to ensure that all people in China, including left-behind groups, share in high-quality, inclusive, participatory and innovative people-centred development, allowing them to develop to their full potential, be able to enjoy decent work, quality jobs and sustainable livelihoods as well as well-being, dignity and benefit from accelerated efforts to reduce gender inequality and other forms of inequality throughout their life-course.

Priority 2 – Planet: Achieving Green Development towards a more sustainable and resilient environment.

This strategic priority aims to support China's goal of green development through actions to ensure a healthier and more resilient environment – on land, under water, in the oceans and in the atmosphere - including the transition to people-centred, low carbon and circular economy and risk-informed development and enhanced natural resources management capacity.

Priority 3 – Partnerships: Realizing the full potential of China's international engagement to promote its open development and partnerships to accelerate achievement of the SDGs across the world.

This strategic priority aims to support China's open development by drawing on domestic and international resources and strengthening its growing role, influence and potential in

international development and to promote economic, social, environmental, and cultural sustainability and contribute to achievement of the SDGs in China and across the world.

32. Under the three Strategic Priorities, there are six high-level Outcome results for which the UN system will contribute towards the achievement:

Strategic Priority 1	
People and Prosperity: Achieving Innovation-driven, Coordinated and Shared Development	
Outcome 1: Relative poverty and multi-dimensional poverty are reduced, and more coordinated development leads to reduction in gaps between rural and urban areas and among regions, as more people in China, including left-behind groups, benefit from sustainable, innovation-driven and shared high-quality economic development, with enhanced access to economic opportunities arising through innovation, entrepreneurship and rural revitalization, enjoying decent work, sustainable livelihoods and the right to development, equally for both women and men.	Outcome 2: People’s lives in China are improved further as headway is made in ensuring access to childcare, education, healthcare services, elderly care, housing, and social assistance, and more people in China, including left-behind groups, benefit from equitable and high quality public services and social protection systems as well as accelerated efforts to reduce gender inequality and other forms of social inequality throughout the life-course.
Output 1.1: UN analytical inputs and technical assistance have helped to strengthen China’s capacity to implement policies that better incentivize and stimulate public and private innovation and investment to reduce skills mismatches, income inequality and the gap between urban and rural areas, and consolidate achievements in poverty alleviation	Output 2.1: UN analytical inputs and technical assistance have helped to strengthen China’s capacity to design and implement gender-responsive and evidence-based policies and programmes to sustainably address China’s demographic transition.
Output 1.2: UN analytical inputs and technical assistance have helped to strengthen the capacity of China’s government, workers’ and employers’ organizations, as well as other relevant stakeholders to develop and implement laws, policies and regulations to promote more widespread access to an equitable labour market and job opportunities, and that provide adequate protection and equal recognition of employment value for all persons of working age in diverse forms of work arrangements.	Output 2.2: With UN analytical inputs and technical assistance, China is better able to deliver equitable and high-quality and gender-responsive health and care services accessible to all throughout the life-course, designed to respond to the country’s changing demographics and disease burden.
	Output 2.3, UN analytical inputs and technical assistance have helped to strengthen China’s capacity to provide access to adequate and high-quality social protection mechanisms and services for all people in China throughout the life-course.

	<p>Output 2.4: UN analytical inputs and technical assistance have helped to strengthen China’s capacity to develop and implement evidence-based laws, policies and programmes to promote gender equality, and reduce domestic violence, social exclusion, and other forms of social inequality discrimination.</p>
<p>Shared Output 1.3 and 2.5: The public discourse, awareness and engagement in equitable and inclusive sustainable human, social and economic development and the SDGs is increased.</p>	
<p>Shared Output 1.4 and 2.6: With UN analytical inputs and technical assistance, China is better able to deliver inclusive, adaptive and quality lifelong education, learning and skills development which is accessible to all and relevant for life and work in the context of a rapidly evolving economic and social transformation.</p>	
<p>Strategic Priority 2</p> <p>Planet: Achieving Green Development</p>	
<p>Outcome 3: People in China and the region benefit from a healthier and more resilient environment.</p>	<p>Outcome 4: China accelerates its transition to a people-centred, inclusive, low carbon, and circular economy.</p>
<p>Output 3.1: Farmers, fishers, foresters, and livestock owners (both male and female) have enhanced skills, abilities, and access to adopt and implement sustainable and resilient practices in their work, with UN programmes, analytical inputs and technical assistance.</p>	<p>Output 4.1: Innovative new models to reduce GHG/CO2/ODS emissions are available, including public-private partnership approaches to implement sustainable low-carbon practices, with UN programmes, analytical inputs and technical assistance.</p>
<p>Output 3.2: UN analytical inputs and technical assistance have helped to strengthen China’s resources and capacity for developing, implementing and enforcing sustainable and safe agriculture, food production and consumption practices, urbanization and biodiversity conservation policies and investments at national and local levels.</p>	<p>Output 4.2: UN analytical inputs and technical assistance have helped to strengthen the capacity of national and sub-national authorities to develop, implement and monitor national commitments and national policies that address climate change, disaster risk, reduce environmental pollution, and ensure sustainable, healthy and resilient living environments.</p>
<p>Output 3.3: With UN analytical inputs and technical assistance, China develops and adopts innovative technologies, approaches, and gender-responsive practices in support of climate and disaster resilience and biodiversity conservation, including for left-behind groups.</p>	
<p>Output 3.4: UN analytical inputs and technical assistance have helped to strengthen China’s capacity to engage in multilateral agreements to which it is a Party and transboundary platforms to address emerging environmental, agricultural, and health issues linked to climate change.</p>	

Shared Output (3.5 and 4.3): The public discourse and action on the impact of climate change, disasters, the importance of biodiversity conservation and sustainable production and consumption patterns is increased.

Strategic Priority 3

Partnerships: Achieving Open Development

Outcome 5: China’s international financing, investments and business engagements, including through connectivity initiatives, programmes and projects, contribute to SDG attainment in partner countries.

Outcome 6: Through South-South cooperation and humanitarian cooperation, China makes greater contributions to SDG attainment and the principles of the 2030 Agenda, including leaving no one behind.

Output 5.1: With UN analytical inputs and technical assistance, China’s regulatory authorities, corporate sector and development banks are better able to develop, implement and financially support socially, environmentally, culturally and economically sustainable and risk-informed investment programmes and business models that contribute to global SDG attainment.

Output 6.1: With UN analytical inputs and technical assistance, the Government and other Chinese institutions have strengthened the design and delivery of evidence-informed development and humanitarian cooperation assistance better in line with international economic, social, and environmental sustainability standards and priorities of partner countries and other stakeholders.

Output 5.2: With UN analytical inputs and technical assistance, China’s public investment policies and implementation strategies contribute more to global economic, social, cultural and environmental sustainability and the SDGs.

Output 6.2: China, as a developing country, has strengthened South-South and trilateral cooperation and partnerships with other countries, platforms and entities including the United Nations development and humanitarian system and agencies, for the achievement of the SDGs around the world.

2.2 Cooperation Framework Outcomes

Outcome 1: Relative poverty and multi-dimensional poverty are reduced, and more coordinated development leads to reduction in gaps between rural and urban areas and among regions, as more people in China, including left-behind groups, benefit from sustainable, innovation-driven and shared high-quality economic development, with enhanced access to economic opportunities arising through innovation, entrepreneurship and rural revitalization, enjoying decent work, sustainable livelihoods and the right to development equally for both women and men.

UN Contributions to Outcome 1

33. The UN will support the Government to develop long-term approaches and mechanisms for solving relative poverty and multi-dimensional poverty, strengthen the organic connection between poverty alleviation and rural revitalization, enhance the Government's multi-dimensional poverty monitoring capabilities, and incorporate relevant cooperation into subsequent poverty alleviation projects.
34. To support the Government's rural revitalization strategy, increase rural opportunities and incomes and contribute to reduction of relative poverty and of rural-urban development gaps, the UN will focus on initiatives to promote modern agriculture production and agribusiness, and pilot agricultural operations of varying scale and form, improve specialized agricultural services and promote the integrated development of the primary, secondary, and tertiary industries in rural areas. Targeted approaches will be supported by the UN to support rural entrepreneurship and e-commerce opportunities, to encourage rural youth to return to their home areas to start businesses, to encourage farmers to seek employment or start businesses in places close to their homes, and to increase non-farming income opportunities for rural smallholders, including through agro-processing and local value addition, including by leveraging culture. The UN will leverage its expertise and resources to help promote the transformation and upgrading of agriculture, forestry, animal husbandry, fishery and agro-processing industry through innovation, and support the Government's endeavors for modern agricultural facilities, safe drinking water, and better living and working environments in rural areas. To stimulate public and private investment in rural areas, the UN will undertake a series of initiatives with Government and—with the consent of the national Government—work with subnational governments and the corporate sector to invest in the SDGs and reduce the gap between urban and rural areas.
35. The UN will support the Government to develop a modernized economy through innovation, promote advanced manufacturing, accelerate the upgrading of traditional industries, stimulate entrepreneurship and innovation, boost the real economy by fostering new growth areas and drivers through research, development and international cooperation on the internet, big data, artificial intelligence and other frontier and disruptive technologies. UN will expand support to small and medium enterprises, helping them promote innovation, apply advances in science and technology, improve internal management, enhance social responsibility and manage risk to improve productivity, working conditions and decent work, and promote inclusive growth.
36. The UN will support the Government in pursuing a proactive employment policy, striving to achieve fuller employment and create better-quality jobs, improve public employment services, and build an educated, skilled, and innovative workforce. Through programming in the areas of technical and vocational education and training (TVET), specialized skills training, and lifelong learning, the UN will help promote capacity building and knowledge sharing, raise productivity of the working-age labour force, open more channels for young people, rural migrant workers, people living with HIV and

others to find jobs and start their own businesses, and promote gender equality at work. The UN will support the government's policy response to the impact of disruptive technologies and the demands of the Fourth Industrial Revolution, through policy and legislation recommendations, , frontier research, and evidence-based analysis, enabling the labour force to realize a smooth and inclusive workforce transformation, ensure equal opportunities for all people in China to fully participate in the labour market and enjoy decent work, and strengthen occupational health safety.

Outcome 2: People's lives in China are improved further as headway is made in ensuring access to childcare, education, healthcare services, elderly care, housing, and social assistance, and more people in China, including left-behind groups, benefit from equitable and high-quality public services and social protection systems as well as accelerated efforts to reduce gender inequality and other forms of social inequality throughout the life-course.

UN Contributions to Outcome 2

37. The UN will carry out a series of activities to support the Government in more effective and innovative delivery of public services so as to ensure and promote people's wellbeing. The UN will support China to achieve its goal of comprehensively establishing a basic public service (BPS) standard system by 2025, and will develop a list of public services other than the national basic list for the reference of the Government.
38. The UN will support the Government's efforts to promote education modernization and advise on the development of a lifelong learning national policy framework and associated standards and curricula through technical assistance so as to ensure fair access to good education for all. The UN will support the development of compulsory education in rural areas to promote coordinated development in line with that in urban areas; scale up early childhood education, preschool education, online education and continuing education with emphasis placed on access for children facing special difficulties, including orphans, children affected by migration (including those left-behind and migrant children), locally integrated refugees and those in rural and remote areas; support the strengthening of general and vocational education (compulsory and senior secondary) to promote inclusion of information literacy and information technologies mainstreaming in learning as well as foundational and life-skills approaches; promote university partnerships through South-South cooperation and academic recognition and student exchange to provide open and distance learning platforms and teacher training; provide support to the Government to design demonstration courses on SDGs to build capacity in the young generation and unlock their huge potential in contributing to sustainable development; build national capacity in delivering comprehensive sexuality education to equip young people with knowledge, skills and attitudes for a healthy and productive life free from HIV and sexually transmitted infections, unintended pregnancies and gender-based violence.
39. The UN will continue to collaborate with the Government to implement its Healthy China Action Plan 2019-2030 and realize Universal Health Coverage (UHC) in China. The UN will support the deepening of health sector reform that takes basic healthcare services as a public good, which has a focus on building a People Centred Integrated Care service delivery model with strong primary health care, as well as supporting the development and implementation of health related legislation. The UN will support utilization of increased investment in the prevention and treatment of emerging and infectious diseases and support preparedness of communities and health systems for responding to health emergencies. The UN will support reducing the risk of communicable and non-communicable diseases, including through healthier diets, more physical activity, improved hygiene practices, reduced alcohol, tobacco and drug consumption, along with efforts to reduce unintentional death and injury caused by road and traffic accidents and improve occupational health

services. The UN will support the health system to improve neonatal, child, adolescent and maternal health and nutrition services, and early childhood development services, strengthen sexual and reproductive health information and services, and improve health-seeking behaviours and family care practices. The UN will support HIV treatment and prevention, the elimination of mother-to-child transmission of HIV, and enhanced capacity of Government, community-based organizations, and other partners to prevent stigma and discrimination.

40. The UN will support the Government to strengthen the social protection system through technical and programmatic support, policy research and capacity building. It will inform national and subnational decisions on improving the basic medical insurance system, pension schemes, unemployment insurance, work-related injury insurance, social assistance systems, support and caring for children, women and elderly people left behind in rural areas, as well as rehabilitation services and full social inclusion for persons with disabilities. The UN will continue to work with the Government to develop ways of providing adequate protection to workers in informal employment, including gig workers, care workers and migrant workers. Further efforts will be focused on continued provision of support and assistance in migration management and strengthening multi-sectoral coordination and response systems relating to prevention and response to domestic violence and human trafficking.
41. The UN will support the Government to address the rapidly ageing population by strengthening the Government's research on population dynamics, low fertility and ageing through UN technical support and policy analysis. The UN will support the Government's efforts in promoting the development of women, children and persons with disabilities, ensuring their legitimate rights and interests, preventing and responding to violence and crimes against women and children. The UN will work with and assist the Government's efforts to create a cleaner cyberspace including through collaboration with information and communications technology (ICT) providers in consultation with the Government, and build the skills of children, adolescents, and women to better protect themselves. Gender equality will be highlighted in relevant UN-supported initiatives including through actions to further the Government's own efforts to promote gender equality by enhancing women's economic empowerment, reducing gender-based violence and harassment, promoting the redistribution of unpaid care work and the role of women in leadership and management positions, and addressing the gender pay gap.

Outcome 3: People in China and the region benefit from a healthier and more resilient environment.

UN Contributions to Outcome 3

42. In support of international commitments towards climate change mitigation, disaster risk reduction and other activities to preserve the environment, the UN will invest in policy engagement, advocacy and modelling of actions for the implementation of the United Nations Framework Convention on Climate Change, the Paris Agreement, the Stockholm Convention on Persistent Organic Pollutants, the Minamata Convention on Mercury, the Montreal Protocol on Substances that Deplete the Ozone Layer, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal and the Sendai Framework for Disaster Risk Reduction 2015-2030. The UN will help facilitate the coordination of regional and transboundary work addressing environmental challenges through regional UN entities and existing platforms and mechanisms.
43. The UN will provide technical support and assistance to model and operationalize green development concepts and technologies for rural revitalization across China, continue to support the development

of and training in innovative approaches and practices, including co-management models, especially in poor areas. Agroecology, and environmental-friendly sustainable livelihood approaches will be promoted on a widespread basis, including at selected World Heritage sites and Biosphere Reserves, based on which nature education modules will be developed as a complementary source of livelihood focusing on biodiversity monitoring and traditional knowledge in disaster risk reduction. Technical support will be provided for the development and implementation of integrated management plans and policies on sustainable agriculture and biodiversity conservation, and for enhancement of public awareness and concern on biodiversity conservation and the sustainable utilization of natural resources.

44. Amongst other activities towards supporting the creation of a more resilient and healthy environment, the UN will: help strengthen protected area and wetland management; reduce and remediate land degradation; support the adoption of sustainable agricultural practices to reduce eutrophication of aquatic environments, soil and water pollution; promote fertigation and phase out of harmful fertilizers and chemicals towards increasing soil health and reducing carbon emissions; strengthen capacity building for climate-smart agriculture and sustainable agriculture; and promote sustainable forest management to enhance reforestation, restoration and rehabilitation, while contributing to improved carbon sequestration and reduced greenhouse gas emissions. In the area of food security and agricultural development, the UN will promote food loss and waste reduction to increase productivity and food security; support capacity development of national and local authorities to fight against animal, plant pests and diseases; advance modern family farming to promote nutrition-sensitive agriculture development and inclusive food value chain development; strengthen preventive biosecurity and sanitation measures in China's food value chain; support demonstration and training on sustainable and resilient practices and technologies in agricultural mechanization, conservation agriculture and integrated straw management; and promote the application of ICT in agriculture.
45. The UN will support the development and testing of innovative new models to reduce greenhouse gases, carbon dioxide (CO₂) and ODS emissions, to address indoor air pollution through operational research and to increase access to safely managed sanitation at home and in public facilities, particularly in rural poverty areas and lower-income urban settings so as to promote more sustainable, healthy and resilient living environments and reduce the human impact of environmental pollution. Risk-informed and child-friendly approaches to urban planning will be promoted. Support will be provided by the UN to improve the living environment in rural areas including through the rural toilet revolution, and improved garbage and sewage treatment.

Outcome 4: China accelerates its transition to a people-centred, inclusive, low carbon, and circular economy.

UN Contributions to Outcome 4

46. The UN will support China to advance the greening of industry, assist the Government in stimulating the development and creation of new green industries that provide environmental-friendly goods and services. UN-supported interventions will be delivered at the policy, institutional, and enterprise levels to facilitate the uptake of cleaner and sustainable production practices in a comprehensive manner.
47. Innovative policy and technical support will focus on emission trading and green energy subsidies to accelerate the energy transitions and to reduce greenhouse gas emissions. through demonstration models, the UN will promote the use of renewable low carbon and off-grid energy solutions for

rural villages, increasing the energy efficiency of industrial production and public buildings, and of motors. The focus of the UN will be to support China to make the new technologies available and creating an enabling environment for widespread adoption and building user capacity.

48. The UN will support the development, promotion and application of advanced hydrochlorofluorocarbons (HCFCs) replacement technologies and policy interventions to phase out the use of HCFCs in the refrigeration, foam, cleaning and other industries. Technical support will be mobilized to support China consolidate the transition to: new energy vehicles; “green logistics” with low carbon transport and sustainable packaging to cut solid waste and also reduce weight for lower carbon footprint; and forward-looking solutions to recycling of lithium car batteries and similar.
49. Across all these areas of cooperation promoting sustainable economic diversification, green growth and environmental health, the UN will encourage the establishment of public-private partnerships. To inspire action towards a circular economy among future decision makers, the UN will promote the inclusion of climate change mitigation, sustainable consumption and environmental conservation in formal curricula and non-formal education and learning courses as well as engage with young leaders from the public and private sectors. The UN will lend support to efforts to rapidly overcome the impact of the COVID-19 outbreak towards the transition to a more inclusive, people-centred, low carbon, and circular economy.

Outcome 5: China’s international financing, investments and business engagements, including through connectivity initiatives, programmes and projects, contribute to SDG attainment in partner countries.

UN Contributions to Outcome 5

50. Through the sharing of information on policy making, capacity building, trilateral cooperation, knowledge support and the review and sharing of good practices and experience, the UN will facilitate China’s efforts to further strengthen the synergy between the 2030 Agenda and the country’s international financing, investments and business engagements, including through connectivity initiatives, programmes and projects, to promote the accelerated achievement of the SDGs and make a greater contribution to global development efforts.
51. The UN in China will actively collaborate with UN Country Teams in host countries of relevant cooperation towards establishment and effective implementation—when not in place—of regulations and legislative frameworks in these host countries, and towards increased capacity to align investments with national and SDG priorities.
52. Through provision of technical assistance and sharing global good practices to the Government, the UN will promote the creation of mechanisms that incentivize international investment by public and private financial enterprises in support of the 2030 Agenda. The UN will assist businesses to follow international best practice and guidelines in their investments abroad, to achieve social and environmental sustainability. Specific efforts will be made to build the capacities of industry associations and businesses on their international engagements and investments to contextualise existing corporate social responsibility and responsible business practices and to ensure that they have the skills to engage in SDG-related investment, including through connectivity initiatives, programmes and projects.

53. Specific efforts will be made to broker partnerships to increase access to medicine and local production in other developing countries, particularly in Africa. Existing major initiatives proposed by China targeted at fostering sustainable development will be leveraged to further promote environmental sustainability, including factoring in impact on greenhouse gas emissions and climate change. Initiatives will be undertaken to engage with domestic and multilateral banks and funds, carry out cooperation in e-commerce and ICT connectivity, systematically identify and establish new partnerships with the private sector, including the ICT industry, and leverage their expertise, networks, influence and financial support. The UN will join and support China in developing and sharing innovative technologies and accelerating the digitalization of China and the world including through connectivity initiatives, programmes and projects.
54. The UN will provide support to help maximize the potential of China's international initiatives and engagements to realise achievement of the 2030 Agenda, and promote multilateral development banks such as the Asian Infrastructure Investment Bank (AIIB) and the private sector's reach, technology and resources for the attainment of the SDGs globally, using socially, environmentally, culturally and economically sustainable approaches. Joint research will be conducted with multilateral development banks and other lenders to demonstrate the value and methodology of integrating SDG-related considerations in investment decisions, as well as develop innovative financial instruments and facilitate implementation of projects using these instruments.
55. The UN recognizes the need to further cooperation with China under Outcome 5 in the context of the great global changes caused by the COVID-19 pandemic and its impact.

Outcome 6: Through South-South cooperation and humanitarian cooperation, China makes greater contributions to SDG attainment and the principles of the 2030 Agenda, including leaving no one behind.

UN Contributions to Outcome 6

56. While mobilizing international resources in support of China's development in various areas, the UN will utilise a coordinated approach in leveraging mechanisms of China's South-South and international development cooperation, including the South-South Cooperation Assistance Fund (SSCAF) and the UN Peace and Development Trust Fund, to advocate with the Government and provide technical assistance, develop guidelines and practices on humanitarian and development cooperation informed by global standards and norms, as well as capacity development at the institutional, administrative, community, and individual levels, to promote the implementation of the 2030 Agenda by relevant developing countries.
57. The UN will promote the new modalities on development cooperation, including additional triangular models, support South-South cooperation as assistance to China in solving the problem of relative poverty. Using its global presence, the UN will strengthen partner countries' capacities to plan for, receive and efficiently utilize Chinese development cooperation and humanitarian assistance and facilitate actions towards an inclusive and equal approach to cooperation.
58. The UN will continue to support the Government in deepened engagement in multilateral development and humanitarian forums, including a wide range of global UN platforms. Gender-responsiveness and equity and the SDG principle of leaving no one behind will be mainstreamed within all collaboration between the UN and China's development cooperation entities.
59. The UN will also explore how to couple its grants, loans and development aid with additional private sector financing in mutual agreement with the Government

60. The UN will promote two-way South-South knowledge exchange, learning and partnerships and use its global networks and platforms to facilitate knowledge transfers and technical exchanges. The UN will facilitate support for Government agencies, as well as the private sector and academia in mutual agreement with the Government, to develop institutionalised programmes for bilateral and multilateral South-South cooperation focused on knowledge generation, capacity building and staff exchange, including joint research involving institutions and think tanks from China and other developing countries. The UN will utilize volunteering as means to promote people-to- people exchanges.
61. The UN will support China in helping other developing countries address economic and social impact of COVID-19, including sharing with them China's experience in dealing with the health impact of COVID-19.

2.3. Synergies and Sustainability between Cooperation Framework Outcomes

62. There is a collaborative complementary relationship across all Outcomes, particularly between Outcomes 1 and 2 (Strategic Priority 1), between Outcomes 3 and 4 (Strategic Priority 2), and between Outcomes 5 and 6 (under Strategic Priority 3).
63. Sustainability of the impact of all Outcomes beyond 2025 will be ensured through close alignment between the Cooperation Framework and national development priorities and plans. The UN will leverage its well-established partnerships at the country level to ensure full involvement and buy-in from national partners for the implementation of the Cooperation Framework.
64. At the programme level, sustainability will be ensured by clearly articulated, and regularly revisited, exit-strategies and risk mitigation plan embedded in programme design. Building on successes from the UNDAF, the UN will continue to financially support pilot projects, which aim to test and promote innovative solutions.
65. Furthermore, with regards to the maximization of implementation impacts, the Mid-Term Review of the 2016-2020 UNDAF found that this had happened most effectively in cases where UN entities collaborated with each other and leveraged on complementarities regarding a particular intervention. Building on this finding, the UN will strengthen integration of UN entities' normative work through enhanced collaboration of the UNSDCF Results Groups.

2.4. UN Comparative Advantages and UNCT Configuration

66. For 40 years, the UN system has become a longstanding trusted partner of the Government. According to the Mid-Term Review of the 2016-2020 UNDAF, the UN has strong global networks through which it can mobilize cutting-edge international expertise on advanced development challenges which China can learn from. The UN is also recognized by Chinese partners for its high-quality programme implementation, including its strong emphasis on monitoring and evaluation (M&E).
67. The UN takes a human-centred approach that cares for vulnerable groups and emphasizes gender equality, as well as relevant, effective and sustainable development cooperation, which is highly compatible with the thinking of the Government.

68. Furthermore, the UN in China's recognised role as a neutral partner with strong international convening power, places it in a unique position to support the Government in its global engagement and partnerships abroad. The UN is well placed to support alignment of China's international engagements and the SDGs through fact-based and impartial support. In addition, the UN is positioned to play a unique role to facilitate matchmaking between partner countries and China based on partner country needs, through utilizing its global footprint.
69. China's need for UN support, including cutting-edge policy advice and technical expertise in the areas outlined in this Cooperation Framework is highly likely to remain beyond 2025. The UN's comparative advantages as identified above are therefore assumed to continue to be relevant throughout the UNSDCF cycle.
70. The Cooperation Framework Outcomes and Outputs are ambitious and span a broad range of development issues that are cross-cutting in nature. The UNCT will need to draw upon the capacities across the UN system to configure its members in accordance with the principle of a "needs-based, tailored country presence", called for in the UN development system repositioning resolution. The UNCT will be committed through signature to contributing towards at least one of the Cooperation Framework Outcomes. Annex 2 provides an overview of the assessment of capacities and expertise within the UN entities.
71. While the main responsibility for the implementation of the Cooperation Framework will rest with the UNCT members, resources from the broader UN system will be utilized on a needs basis, including additional resources and expertise at the regional and global levels, to ensure that the UN provides cutting-edge advisory services. The UN Coordinator in China will play a key role in this.

CHAPTER 3: COOPERATION FRAMEWORK IMPLEMENTATION PLAN

3.1. Implementation Strategy

72. The UN system in China will support the achievement of the Outcomes of the Cooperation Framework through a wide range of implementation strategies, including:
- Strategic policy advice, evidence-based analysis, research and technical inputs to address the new development challenges facing China;
 - Supporting the sustainable development of China in the economic, social, environmental and cultural fields through specific project-level cooperation;
 - Advocacy, technical assistance and capacity development to government agencies, and civil society institutions, in mutual agreement with the Government to assist with delivering on national and international commitments, informing legislation and policymaking, and for providing quality public services;
 - Modelling of innovative solutions to development challenges with government agencies as well as with local governments and the private sector, in mutual agreement with the Government; and
 - Leveraging global and regional networks and platforms to strengthen development cooperation and knowledge and experience sharing between China and other countries.

3.3 Governance Architecture

73. The implementation of the Cooperation Framework will be coordinated through a National/UN Joint Steering Committee. The Steering Committee will be co-chaired by the leader of the Ministry of Commerce and the UN Resident Coordinator and its membership will include the RCO and UNCT members and relevant Chinese governmental entities. During implementation of the Cooperation Framework, the Steering Committee will meet once a year to review progress towards the targeted results and recommend strategic adjustments or new opportunities to accelerate action during the subsequent period. Participation of the All-China Federation of Trade Unions, the All-China Women Federation, and the China Disabled Persons Federation in the review and implementation of the UNSDCF will be made at the level of the Results Groups.

3.4 Risk Management and Assumptions

74. There are three main overall risks to the successful implementation of the Cooperation Framework, which cut across all the Outcome results.
75. The first risk relates to the UN system in China being unable to ensure and continue to maintain its own added value and effectively use its own strategic and technical policy support to help China achieve “high-quality development”, in light of reduced financial support to China. The Cooperation Framework aims to position the UN as a strategic and technical policy advisor to the Government on the complex development challenges it is facing as it moves from a “high speed” to a “high-quality” development model. To mitigate the risk, the UN in China will focus on China’s

actual development needs and key areas based on China's development stage, provide strategic and technical policy support to China, and effectively introduce high-quality development experience through field projects when funds are sufficient, to further help the Government meet the Chinese people's longing for a better life. Additionally, the UN will undertake actions to better mobilize and strategically utilize the expertise and resources that exist across the system at regional and global levels.

76. The second risk relates to the UN being unable to mobilize the funding needed to implement the Cooperation Framework. To manage the risk, the UN and Government will collaborate to mobilize the needed resources, commensurate with China's status as the biggest developing country and an upper-middle income country.
77. The third risk relates to the potential occurrence of external events, including pandemics and natural disaster, which would have a negative impact of the UN and the Government's possibility to continue implementation of ongoing activities, as well as on development gains already made. This was the situation in 2020 with the outbreak of the COVID-19. Based on the experience of the COVID-19 crisis, the UNSDCF has an enhanced focus on prevention and preparedness of pandemics through health system strengthening. The activities related to strengthening of social protection systems outlined in this UNSDCF will further contribute to decreasing the vulnerability of people when faced with shocks caused by epidemics, natural disasters or other emergencies.

CHAPTER 4. MONITORING AND EVALUATION PLAN

4.1 Monitoring Plan

78. Monitoring the implementation progress of the UNSDCF through the Results Matrix (Annex 1) will be a critical function of the UNCT in close collaboration with the relevant government agencies. In operationalizing the monitoring plan, the UN will make maximum use of the China's official national data and information systems. The UN will also support capacity development of the Government for data collation, analysis and use, and SDG monitoring.
79. The monitoring responsibility will primarily be within the UN inter-agency working groups established under the UNSDCF and will be coordinated by the Resident Coordinator's Office. Planning, monitoring and reporting of the UNSDCF will be done through the online platform "UN Info" working collaboratively with the Government.

4.2 Cooperation Framework Review and Reporting

80. At any time during the five-year implementation of the UNSDCF, the Cooperation Framework can be reviewed according to China's development priorities and actual conditions as agreed upon by the UN and the Government. The UNSDCF will also be adjusted and revised jointly by the UN and the Government based on China's development status and needs.
81. The UN will undertake annual reviews of the UNSDCF to measure overall progress towards planned results, monitor risks, identify key opportunities and challenges, and reflect on experience to inform decisions and course correction in the evolving context of China and the world.
82. The UN inter-agency working groups will prepare a report annually submitted to the Joint Steering Committee for review, which will report on the implementation progress of UNSDCF and provide evidence to explain to the Government and partners any necessary adaptations in UN programming for continued relevance, and make sure the implementation of the Cooperation Framework remains effective in an ever-changing context.

4.3 Evaluation Plan

83. A final independent evaluation of the UNSDCF will be conducted in 2024, in order to contribute to the preparation of a subsequent Cooperation Framework. The evaluation will be commissioned by the UN Resident Coordinator and its Terms of Reference will be developed in a transparent and inclusive manner involving all UNCT members, Government of China and other key stakeholders. It will be independently conducted following the United Nations Evaluation Group standards and norms, as well as according to China's

Annex 1: Results Matrix for UNSDCF for 2021-2025^{††}

Outcomes	Indicator	Means of Verification	Baseline	Target 2025
Outcome 1: Relative poverty and multi-dimensional poverty are reduced, and more coordinated development leads to reduction in gaps between rural and urban areas and among regions, as more people in China, including left-behind groups, benefit from sustainable, innovation-driven and shared high-quality economic development, with enhanced access to economic opportunities arising through innovation, entrepreneurship and rural revitalization, enjoying decent work, sustainable livelihoods, and the right to development equally for both women and men.	1.1 Unemployment rate, by sex and age (SDG 8.5.2)	Statistical Communiqué on the National Economic and Social Development, Official data from National Bureau of Statistics (NBS)	5.2% - Survey of urban unemployment (end of 2019)	To be determined (TBD)
	1.2 Labour force participation rate, disaggregated by sex, age	ILO Statistics	Female: 60.5% Male: 75.3% (2019)	TBD

^{††} A fully elaborated Results Matrix—to be updated periodically in mutual agreement with the Government—will be developed upon the release of China’s 14th Five-Year Plan to ensure alignment with the government’s priorities and with output-level indicators to reflect UN’s contributions to the achievement of the outcome targets.

	1.3 Percentage of women in the labour force and in the board of directors and the board of supervisors ¹	Data from All China Federation of Trade Unions	Labour force: 43.7% Board of directors: 39.9% Board of supervisors: 41.9% (2018)	TBD
	1.4 Manufacturing employment as a proportion of total employment (SDG 9.2.2)	UNIDO database	14.8% (2019)	TBD
	1.5 Proportion of small-scale industries in total industry value added (SDG 9.3.1)	UNIDO database	60% (2019)	TBD
	1.6 Proportion of medium and high-tech industry value added in total value added	UNIDO database	19.5% (2019)	TBD
	1.7 GINI Index	Official data from NBS	0.465 (2019)	Steady decrease (specific number TBD)
	1.8 Ratio of urban and rural disposable income per capita	Official data from NBS	2.64:1 (2019)	TBD
	1.9 Real growth rates of disposable income per capita	Official data from NBS	5.8% (2019)	Increase in step with economic growth (specific number TBD)
Outcome 2: People's lives in China are improved further as headway is made in ensuring access to childcare, education, healthcare services, elderly care, housing, and social	2.1 Proportion of population living below the national poverty line by sex and age (SDG1.2.1)	Official data from NBS	0.6% (2019)	Poverty eliminated under the current standard
	2.2 Human Development Index (HDI) of China	UNDP HDI high-quality Report	0.758 (2018)	0.775

¹ Board of directors and board of supervisors are all referring to employee directors and employee supervisors.

<p>assistance, and more people in China, including left-behind groups, benefit from equitable and public services and social protection systems as well as accelerated efforts to reduce gender inequality and other forms of social inequality throughout the life-course.</p>	<p>2.3 Coverage of social insurance programmes by age, sex and type of residence</p>	<p>Official data from Ministry of Human Resources and Social Security, and National Healthcare Security Administration (NHSA)</p>	<p>Urban employee pension: 434.82 million Basic pension for urban and rural residents: 532.66 million Unemployment insurance: 205.43 million Work injury insurance: 254.74 million Maternity insurance programmes: 214.32 million (2019)</p>	<p>TBD</p>
	<p>2.4 Coverage of medical insurance programmes by age and sex</p>	<p>Official data from NHSA</p>	<p>Overall: 96.7% (1354.36 million) Employee medical insurance: 329.26 million Residence basic medical insurance: 1025.10 million (2019)</p>	<p>Stable at around 97%; and moving towards UHC² (TBD)</p>
	<p>2.5 Proportion of total government spending on essential services (education, health and social protection) (SDG 1.a.2)</p>	<p>Annual Income and Expenditure Report, Ministry of Finance (MOF)</p>	<p>Total: 34%, 8129 billion (2019) Education: 14.6%, 3491.3 billion Health: 7.0%, 1679.7 billion Social protection and employment: 12.4%, 2958 billion</p>	<p>At least 35%</p>

² On February 25, 2020, the CPC Central Committee and the State Council issued a circular on deepening the reform of the healthcare insurance system, which laid out a blueprint for the reform in the next five years. 2025 targets: more mature and established medical insurance system, and basic completion of reform tasks in key mechanisms such as benefit package, financing and operation, provider payment and fund supervision, and in key areas including medical service supply and medical insurance management services.

	2.6 Prevalence of stunting among children under five years (SDG 2.2.1)	China Nutrition and Health Surveillance, China Centre for Disease Control and Prevention (CDC)	Overall: 8.1% (2012) Urban: 4.3% Rural 11.2%	Overall: 7.0%
	2.7 Rate of increase of prevalence of overweight and obesity in persons aged 18+ years	China Nutrition and Health Surveillance, CDC	Rate of increase from 2002-2012 in: Overweight: 32% Obesity: 67.6% (2012) ³	Decline in growth rate (Specific number TBD)
	2.8 Maternal mortality ratio (SDG 3.1.1)	China Health Statistical Yearbook, National Health Commission (NHC)	18.3/100,000 (2018)	15/100,000 ⁴
	2.9 Neonatal mortality rate (SDG 3.2.2)	China Health Statistical Yearbook, NHC	Overall: 3.9‰ (2018); Urban: 2.2‰; Rural: 4.7‰	3.4‰
	2.10 Child injury mortality rate	Official data from NBS	11.7/100,000 (2018)	10.0/100,000
	2.11 Prevalence of HIV among total population	China HIV Estimation Report, NHC	0.09% (2019)	0.18% ⁵
	2.12 Premature death attributed to cardiovascular disease, cancer, chronic respiratory disease or diabetes (SDG 3.4.1) ⁶	Healthy China Action Plan 2019-2030 (HCAP) - Premature death attributed to CVD, cancer, chronic	18.5% (2015)	≤14.8% ⁷

3 According to the HCAP, between 2022 and 2030 the rate of increase in adult overweight and obesity will decline.

4 By 2025, the number of maternal deaths per 100,000 live births will be 15. The estimated figures refer to the maternal mortality target rate established in the HCAP, in which the mortality rate will not exceed 18/100,000 by 2022 and 12/100,000 by 2030.

5 By 2025, prevalence of HIV will be 0.18%. This estimate refers to the target HIV prevalence in the HCAP of less than 0.15% by 2022, less than 0.18% by 2025, and less than 0.2% by 2030.

6 This indicator has been adjusted according to China's statistical methods, from "mortality rate" to "premature death".

7 Regarding premature death attributed to cardiovascular disease, cancer, chronic respiratory disease or diabetes among people aged 30 to 70, the Healthy China Action Plan (2019-2030) sets the goal to reduce the death rate to not exceed 15.9% by 2022 and 13% by 2030. In order to ensure that this target is achieved from now (2020) to 2030, the attribution rate needs to be reduced at an average annual rate of 0.36%, so the 2025 target is calculated to not exceed 14.8%.

		respiratory disease and diabetes among 30-70 years old, NHC		
	2.13 Alcohol per capita consumption (aged 18 years and older) within a calendar year in litres of pure alcohol (SDG 3.5.2 ⁸)	Chinese Status Epidemiological Report on Alcohol Consumption and Health Consequences, CDC	7.02 litre per year (10.6 for male, 0.6 for female; 4.2 in urban settings, 7.8 in rural settings) (2018)	10% reduction based on 2018 baseline ⁹
	2.14 Health worker density and distribution (SDG 3.c.1)	China Health Statistical Yearbook, NHC	Number of licensed doctors (assistant doctors) /1000 permanent residents: 2.6 (2018)	2.8 ¹⁰
	2.15 Gross early childhood education enrolment rate in pre-primary education	Official data from Ministry of Education (MOE)	81.7% (2018)	90%
	2.16 Percentage of teachers qualified according to national standards by education level and type of institution	Official data from MOE	Pre-primary education: 90.25%; Primary education: 95.82%; Lower secondary education: 97.9%; Upper secondary education: 87.68% (2018)	Pre-primary education: 92%; Primary education: 98%; Lower-secondary education: 98% Upper secondary education: 88.5%
	2.17 Proportion of ever-partnered women and girls aged 18 years and older subjected to physical, sexual or psychological violence by a current or a former intimate partner in	National Survey on Status of Women, All China Women's Federation (ACWF) and NBS ¹²	24.7% (2010)	TBD

8 Revised from “aged 15 years” to “aged 18 years” given the data availability in China.

9 HCAP does not include a quantitative target. WHO GPW 13 sets a 2023 target: 7% relative reduction in the harmful use of alcohol within national context. That is an average annual decrease of 1.4% from 2018 to 2023. Following this trend, it will be reduced by 10% by 2025.

10 HCAP target: By 2030, the number of practicing (assistant) physicians per 1,000 residents to reach 3.0.

12 The survey is conducted by ACWF and NBS every 10 years. The most recent data was collected in 2010 and next round of data to be collected in 2020.

	the previous 12 months, by form of violence and by age (SDG 5.2.1) ¹¹			
	2.18 Number of provinces/ministries who have enacted provincial level/sectoral legislations on the implementation of the national anti-domestic violence law	Websites of Provincial-level People's Congresses, National Working Committee on Children and Women and ACWF	4 provincial legislations: Hunan, Hubei, Guizhou and Shandong enacted relevant laws in 2019 3 sectoral guidelines: ACWF, Supreme Court, and Ministry of Public Security	5 provincial legislations, 5 sectoral guidelines
	2.19 Sex ratio at birth (SRB)	Population Census, 1% National Population Sample Survey, National Sample Survey of Population Changes, NBS	111.9 (2017)	Long-term target is to realize normalized SRB by 2030 (103- 107)
	2.20 Proportion of personal health expenditure to the total health expenditure	China Statistical Yearbook, NBS	28.6% (2018)	Around 27%
Outcome 3: People in China and the region benefit from a healthier and more resilient environment.	3.1 Mortality rate attributed to household and ambient air pollution, by age and sex (SDG 3.9.1)	Joint household and ambient air pollution attributable burden of disease, WHO database	Mortality rate per 100,000 capita: 140 (144 for male; 135 for female) (2016)	Year-on-year reduction (TBD)
	3.2 Annual mean levels of fine particulate matter (PM2.5) in cities (population weighted) (SDG 11.6.2)	Official data from Ministry of Ecology and Environment (MEE), (PM2.5) [ug/m3] of 337 main cities	36 (2019)	Improved continuously (TBD)
	3.3 Forest area as a proportion of total land area (SDG 15.1.1)	Official release from National Forestry and Grassland Administration	22.9% (2019)	Increased continuously (TBD)

¹¹ Revised from “aged 15 years” to “aged 18 years” given the data availability in China

	3.4 Proportion of total government spending on agriculture, forestry and water	Official data from MOF	9.4%: CNY 2242 billion (2019)	Increased steadily (TBD)
Outcome 4: China accelerates its transition to a people-centred, inclusive, low carbon, and circular economy.	4.1 Renewable energy share in the total final energy consumption (SDG 7.2.1)	Annual Report China's Policies and Actions for Addressing Climate Change, MEE	14.3% (2018)	TBD
	4.2 Reduction rate of carbon dioxide emissions per unit GDP	Annual Report on China's Policies and Actions for Addressing Climate Change, MEE	4.0% (2018)	TBD
Outcome 5: China's international financing, investments and business engagements, including through connectivity initiatives, programmes and projects, contribute to SDG attainment in partner countries	5.1 New initiatives/projects on China's international financing, investments and business engagements with UN participation that enhance SDG attainment	Programme/project reports and government and other relevant document review	Not available	TBD
Outcome 6: Through South-South cooperation and humanitarian cooperation, China makes greater contributions to SDG attainment and the principles of the 2030 Agenda, including leaving no one behind.	6.1 Increased south-south cooperation between China and other developing countries that enhances SDG attainment	Programme/project reports and government document review	Not applicable	TBD

Annex 2. UNCT Configuration – Assessment of capacities

The Cooperation Framework Outcomes and outputs are ambitious and span a broad range of development issues that are cross-cutting in nature. To deliver on these, the UNCT will need to draw upon the capacities across the UN system. Specifically, the UNCT will be configured in accordance with the principle of a “needs-based, tailored country presence”, called for in the UN development system repositioning resolution. Based on an assessment of the capacities and expertise needed to deliver on the UNSDCF, the UNCT will include UN entities identified through the assessment and which have committed through signature to contributing towards at least one of the Cooperation Framework Outcomes. Annex 2 provides an overview of the assessment of capacities and expertise within the UN entities.

While the main responsibility for the implementation of the Cooperation Framework will rest with the UNCT members, additional assets and expertise from across the broader UN system, including its regional and global levels will be mobilized to support as necessary. This additional expertise will be essential for the UN to fulfil its role as a provider of cutting-edge advice. Resources from the broader UN system will be utilized on a needs basis, with the UN Resident Coordinator playing a key role in mobilizing expertise. The table below illustrates the collaborative capacity of all members of the UNCT and identifies each agencies’ individual contributions and capacities mapped against the Three Priority Areas and Six Outcomes of the UNSDCF.

Representative/ Programme Office	Agency	People		Planet		Prosperity	
		Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5	Outcome 6
X	ESCAP*- CSAM			X	X		
X	FAO	X	X	X	X	X	X
X	ICAO						X
X	IFAD	X	X	X	X		X
X	ILO	X	X				X
X	IOM	X					X
X	UNAIDS	X	X			X	X
X	UNDP	X	X	X	X	X	X
X	UNEP			X	X		
X	UNESCO	X	X	X	X	X	X
X	UNFPA	X	X				X
X	UN- Habitat			X			
X	UNHCR	X					
X	UNICEF	X	X	X	X	X	X
X	UNIDO		X	X	X	X	X
X	UNV					X	
X	UN Women	X	X	X	X	X	X
X	WFP		X	X			X
X	WHO		X			X	X

* Also through headquarters, regional, or sub-regional office

Annex 3. Legal Annex

Whereas the Government of China (hereinafter referred to as “the Government”) has entered into the following relationships:

- a) **With United Nations Development Programme** (hereinafter referred to as UNDP) have entered into a basic agreement to govern UNDP’s assistance to the country (Standard Basic Assistance Agreement or SBAA), which was signed by both parties on 29 June 1979. Based on Article I, paragraph 2 of the SBAA, UNDP’s assistance to the Government shall be made available to the Government and shall be furnished and received in accordance with the relevant and applicable resolutions and decisions of the competent UNDP organs, and subject to the availability of the necessary funds to the UNDP. In particular, decision 2005/1 of 28 January 2005 of UNDP’s Executive Board approved the new Financial Regulations and Rules and along with them the new definitions of ‘execution’ and ‘implementation’ enabling UNDP to fully implement the new Common Country Programming Procedures resulting from the UNDG simplification and harmonization initiative. In light of this decision this Cooperation Framework together with a work plan (which shall form part of this Cooperation Framework and is incorporated herein by reference) concluded hereunder constitute together a project document as referred to in the SBAA.
- b) **With the United Nations Children’s Fund (UNICEF)** a Basic Cooperation Agreement (BCA) concluded between the Government and UNICEF on 22 June 1981.
- c) **With the Office of the United Nations High Commissioner for Refugees (UNHCR)** a Framework Agreement concluded between the Government and UNHCR on 1 December 1995.
- d) **With the World Food Programme** a Basic Agreement concerning assistance from the World Food Programme, which Agreement was signed by the Government and WFP on 4 October 1980.
- e) **With the United Nations Population Fund (UNFPA)**, the Programme Agreement between UNFPA and the Government of China, signed on 9 September 1980.
- f) **With the United Nations Industrial Development Organization (UNIDO)**, the Standard Basic Assistance Agreement between the United Nations Development Programme and the Government, signed on 29 June 1979 and entered into force on 24 June 1985, applies mutatis mutandis to UNIDO projects and programmes in China.
- g) **With the Food and Agriculture Organization of the United Nations (FAO)** the Host Country Agreement for the opening of the FAO Representation in China was signed by the Government and FAO on 25 May 1982.
- h) **With the International Organization for Migration (IOM)** the Agreement between the International Organization for Migration and the Government of the People’s Republic of China on the establishment of an office of the International Organization for Migration in China, signed by the Government and IOM on 22 August 2017.
- i) **With the World Health Organization (WHO)** the Basic Agreement concluded between the Government and WHO on 4 October 1982.
- j) **With the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)**, the Agreement Regarding the Headquarters of the Asian and Pacific Centre for Agricultural Engineering and Machinery (later renamed Centre for Sustainable Agricultural Mechanization – CSAM) signed on 19 November 2003.
- k) **With the International Fund for Agricultural Development of the United Nations (IFAD)**, the Agreement Between the Government of the People’s Republic of China and IFAD on the Establishment

of the IFAD's Country Office signed on 28 August 2017 and the Agreement Establishing the International Fund for Agricultural Development that the Government signed and acceded on 15 January 1980.

l) **With the United Nations Environment Programme (UNEP)**, the agreement between the Government and the UNEP on the establishment of the UNEP Office in the People's Republic of China, signed on 29 May 2003 in Nairobi.

m) **With the United Nations Educational, Scientific and Cultural Organisation (UNESCO)**, the Memorandum of Understanding on Cooperation Between the Government of the People's Republic of China and UNESCO (2017-2020) signed on 13 May 2017.

n) **With the International Civil Aviation Organization (ICAO)**, the Agreement between ICAO and the Government Regarding the Asia and Pacific Regional Sub-Office, signed on 27 June 2013.

o) **With the United Nations Human Settlements Programme (UN Habitat)**, the 2017-2021 Framework of Cooperation between UN Habitat and the Ministry of Housing and Urban Development of the People's Republic of China, signed on 15 May 2017.

p) **With the United Nations Joint Programme on HIV and AIDS (UNAIDS)**, the 2017-2021 "Strategic Partnership Memorandum of Understanding Between the Joint United Nations Programme on HIV/AIDS and the National Health and Family Planning Commission of the People Republic of China – Signed in September 2017.

q) **With the International Labour Organization (ILO)**, the "Agreement Concerning the Establishment of an Area Office of the International Labour Organisation at Beijing", signed on 27 November 1984.

Additional agreements to be signed during the new Cooperation Framework cycle will be included when available.

For all agencies: Assistance to the Government shall be made available and shall be furnished and received in accordance with the relevant and applicable resolutions and decisions of the competent UN system agency's governing structures.

The Cooperation Framework will, in respect of each of the United Nations system agencies signing, be read, interpreted, and implemented in accordance with and in a manner, that is consistent with the basic agreement between such United Nations system agency and the Host Government.

The Government will honour its commitments in accordance with the provisions of the cooperation and assistance agreements outlined in paragraph one the Basis of the Relationship.

Without prejudice to these agreements, the Government shall apply the respective provisions of the Convention on the Privileges and Immunities of the United Nations (the "General Convention") or the Convention on the Privileges and Immunities of the Specialized Agencies (the "Specialized Agencies Convention") to the Agencies' property, funds, and assets and to their officials and experts on mission. The Government shall also accord to the Agencies and their officials and to other persons performing services on behalf of the Agencies, the privileges, immunities and facilities as set out in the cooperation and assistance agreements between the Agencies and the Government. In addition, it is understood that all United Nations Volunteers shall be assimilated to officials of the Agencies, entitled to the privileges and immunities accorded to such officials under the General Convention or the Specialized Agencies Convention. The Government will be responsible for dealing with any claims, which may be brought by third parties against any of the Agencies and their officials, experts on mission or other persons performing services on their behalf and shall hold them harmless in respect of any claims and liabilities resulting from operations under the cooperation and assistance agreements, except where it is any

claims and liabilities resulting from operations under the cooperation and assistance agreements, except where it is mutually agreed by Government and a particular Agency that such claims and liabilities arise from gross negligence or misconduct of that Agency, or its officials, advisors or persons performing services.

Without prejudice to the generality of the foregoing, the Government shall insure or indemnify the Agencies from civil liability under the law of the country in respect of vehicles provided by the Agencies but under the control of or use by the Government.

(a) “Nothing in this Agreement shall imply a waiver by the UN or any of its Agencies or Organizations of any privileges or immunities enjoyed by them or their acceptance of the jurisdiction of the courts of any country over disputes arising of this Agreement”.

(b) Nothing in or relating to this document will be deemed a waiver, expressed or implied, of the privileges and immunities of the United Nations and its subsidiary organs, including WFP, whether under the Convention on the Privileges and Immunities of the United Nations of 13th February 1946, the Convention on the Privileges and Immunities of the Specialized Agencies of 21st November 1947, as applicable, and no provisions of this document or any Institutional Contract or any Undertaking will be interpreted or applied in a manner, or to an extent, inconsistent with such privileges and immunities.

Annex 4: Resource Mobilization, Implementation and Harmonized Approach to Cash Transfers (HACT):

Resource Mobilization:

In full consultation with the government, the UN system agencies will provide support to the development and implementation of activities within the Cooperation Framework, which may include technical support, cash assistance, supplies, commodities and equipment, procurement services, transport, funds for advocacy, research and studies, consultancies, programme development, monitoring and evaluation, training activities and staff support. In mutual agreement with the Government, Part of the UN system entities' support may be provided to non-governmental organizations as agreed within the framework of the individual workplans and project documents.

Additional support may include access to UN organization-managed global information systems, the network of the UN system agencies' country offices and specialized information systems, including rosters of consultants and providers of development services, and access to the support provided by the network of UN specialized agencies, funds and programmes. The UN system agencies shall appoint staff and consultants for programme development, programme support, technical assistance, as well as monitoring and evaluation activities.

Subject to annual reviews and progress in the implementation of the programme, the UN system agencies' funds are distributed by calendar year and in accordance with the Cooperation Framework. These budgets will be reviewed and further detailed in the workplans and project documents. By mutual consent between the Government and the UN development system entities, funds not earmarked by donors to UN development system agencies for specific activities may be re-allocated to other programmatically equally worthwhile activities.

The Government is willing to provide necessary support for mobilization of the resources for the implementation of the UNSDCF programmes in China.

Implementation:

Implementing Partners agree to cooperate with the UN system agencies for monitoring all activities supported by cash transfers and will facilitate access to relevant financial records and personnel responsible for the administration of cash provided by the UN system agencies. To that effect, Implementing Partners agree to the following:

- 1. Periodic on-site reviews and spot checks of their financial records by the UN system agencies or their representatives, as appropriate, and as described in specific clauses of their engagement documents/ contracts with the UN system agencies*
- 2. Programmatic monitoring of activities following the UN system agencies' standards and guidance for site visits and field monitoring,*
- 3. Special or scheduled audits. Each UN organization, in collaboration with other UN system agencies (where so desired and in consultation with the respective coordinating Ministry) will establish an annual audit plan, giving priority to audits of Implementing Partners with large amounts of cash assistance provided by the UN system agencies, and those whose financial management capacity needs strengthening.*

HACT:

All cash transfers to an Implementing Partner are based on the Work Plans (WPs) agreed between the Implementing Partner and the UN system agencies.

Cash transfers for activities detailed in work plans (WPs) can be made by the UN system agencies using the following modalities:

1. Cash transferred directly to the Implementing Partner:

- a. Prior to the start of activities (direct cash transfer), or*
- b. After activities have been completed (reimbursement);*

2. Direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner;

3. Direct payments to vendors or third parties for obligations incurred by UN system agencies in support of activities agreed with Implementing Partners.

Where cash transfers are made to the [national institution], the [national institution] shall transfer such cash promptly to the Implementing Partner.

Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. The UN system agencies shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the authorized amounts. Following the completion of any activity, any balance of funds shall be refunded or programmed by mutual agreement between the Implementing Partner and the UN system agencies. Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may depend on the findings of a review of the public financial management capacity in the case of a Government Implementing Partner, and of an assessment of the financial management capacity of the non-UN Implementing Partner. A qualified consultant, such as a public accounting firm, selected by the UN system agencies may conduct such an assessment, in which the Implementing Partner shall participate. The Implementing Partner may participate in the selection of the consultant.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may be revised in the course of programme implementation based on the findings of programme monitoring, expenditure monitoring and reporting, and audits.

A standard Fund Authorization and Certificate of Expenditures (FACE) report, reflecting the activity lines of the work plan (WP), will be used by Implementing Partners to request the release of funds, or to secure the agreement that [UN organization] will reimburse or directly pay for planned expenditure. The Implementing Partners will use the FACE to report on the utilization of cash received. The Implementing Partner shall identify the designated official(s) authorized to provide the account details, request and certify the use of cash. The FACE will be certified by the designated official(s) of the Implementing Partner. Cash transferred to Implementing Partners should be spent for the purpose of activities and within the timeframe as agreed in the work plans (WPs) only.

Cash received by the Government and national NGO Implementing Partners shall be used in accordance with established national regulations, policies and procedures consistent with international standards, in particular ensuring that cash is expended for activities as agreed in the

work plans (WPs), and ensuring that reports on the utilization of all received cash are submitted to [UN organization] within six months after receipt of the funds. Where any of the national regulations, policies and procedures are not consistent with international standards, the UN system agency financial and other related rules and system agency regulations, policies and procedures will apply.

In the case of international NGO/CSO and IGO Implementing Partners cash received shall be used in accordance with international standards in particular ensuring that cash is expended for activities as agreed in the work plans (WPs), and ensuring that reports on the full utilization of all received cash are submitted to [UN organization] within six months after receipt of the funds.

To facilitate scheduled and special audits, each Implementing Partner receiving cash from [UN organization] will provide UN system agency or its representative with timely access to:

- *all financial records which establish the transactional record of the cash transfers provided by [UN system agency], together with relevant documentation;*
- *all relevant documentation and personnel associated with the functioning of the Implementing Partner's internal control structure through which the cash transfers have passed. The findings of each audit will be reported to the Implementing Partner and [UN organization]. Each Implementing Partner will furthermore:*
 - *Receive and review the audit report issued by the auditors.*
 - *Provide a timely statement of the acceptance or rejection of any audit recommendation to the [UN organization] that provided cash (and where the SAI has been identified to conduct the audits, add: and to the SAI) so that the auditors include these statements in their final audit report before submitting it to [UN organization].*
 - *Undertake timely actions to address the accepted audit recommendations. Report on the actions taken to implement accepted recommendations to the UN system agencies (and where the SAI has been identified to conduct the audits, add: and to the SAI), on a quarterly basis (or as locally agreed).*

In case of direct cash transfer or reimbursement, the UN system agencies shall notify the Implementing Partner of the amount approved by the UN system agencies and shall disburse funds to the Implementing Partner in [here insert the number of days as per UN system agency schedule].

In case of direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner; or to vendors or third parties for obligations incurred by the UN system agencies in support of activities agreed with Implementing Partners, the UN system agencies shall proceed with the payment within [here insert the number of days as agreed by the UN system agencies].

The UN system agencies shall not have any direct liability under the contractual arrangements concluded between the Implementing Partner and a third party vendor.

Where the UN system agencies and other UN system agency provide cash to the same Implementing Partner, programme monitoring, financial monitoring and auditing will be undertaken jointly or coordinated with those UN system agencies.

Audits, if any, will be commissioned by the UN system agencies and undertaken by private audit services.

List of Abbreviations

[to be developed]