Millennium Development Goals
China's Progress

An Assessment by the UN Country Team in China
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Preface

It has been the pursuit of humanity for generations to attain ample food and clothing and live and work in peace and plenty. Thanks to the tremendous efforts people have made towards this goal, marked progress has been achieved in this regard. However, to date, millions of people are still plagued by the scourges of backwardness, poverty and diseases. It remains the biggest challenge in today's world to wipe out poverty, close the gap between countries in development levels and achieve common progress. At the Millennium Summit in 2000, heads of state and government from 189 countries adopted the Millennium Declaration. The Millennium Development Goals (MDGs) contained therein embody solemn commitment of all countries to promoting development and are now an important yardstick of the international community to measure its progress.

It is the paramount task of the Chinese Government to achieve economic growth and social progress and improve the quality of people's life. To that end, China has set the goal of building a well-off society (xiaokang) in an all-round way. This calls for coordinated development between the urban and rural areas, between different regions and between the economic and social sectors as well as balanced development between man and nature and between China's internal growth and external opening-up. All this entirely conforms to or tallies with the MDGs. China has scored remarkable achievements in carrying out its national development strategies by integrating these goals.

China's Progress Towards the Millennium Development Goals, compiled by the UN Country Team in China, looks back at China's achievements and experiences since 2000 in its progress towards the MDGs, identifies the problems and shortfalls and puts forward suggestions for the way forward. The statistical methods and means of assessment used may not be quite the same and the analytical perspectives adopted may also vary, but the report undoubtedly gives all sides useful insights into the current situation of China's development, the challenges it faces and its future path.

What is worth mentioning is that the UN Country Team conducted consultations with relevant Chinese government departments in preparing the report. The cooperation centering on the MDGs has further strengthened the partnership between China and the United Nations and enriched our cooperation. My special appreciation goes to the compliers of the report for their hard work.

I hope that the report will offer food for thought and encourage broader participation to carry forward the progress towards the MDGs.

Shen Guofang
Assistant Minister of Foreign Affairs
the People's Republic of China
FOREWORD

In September 2000 at the United Nations, the world's leaders reached a historic agreement on the Millennium Declaration, giving voice to shared values and an unequivocal commitment to halving world poverty by 2015. Later consultations led to agreement on eight Millennium Development Goals, 18 targets and 48 indicators to track progress. His Excellency the former President of China Jiang Zemin signed the landmark document, thereby reaffirming China's commitment to these goals. The MDGs emphasize shared accountability and reciprocal obligations among developed and developing countries for key development outcomes.

In addition to the goal on halving extreme poverty, the MDGs include halting the spread of HIV/AIDS, providing universal primary education, promoting gender equality and protecting against environmental degradation. These are the development outcomes that China and other developing countries are striving to achieve. The attainment of the MDGs is very much in line with China's own national development plans, embodied in building a well-off xiaokang society during the first two decades of the 21st century.

Xiaokang and the MDGs represent a "people's agenda", as they focus on the kind of development that makes a visible, measurable difference in the lives of people. The global MDG effort rests on the premise that participation of every member of society is essential to the attainment of these goals. Campaigns are therefore required to mobilize society and bring together different actors of society - governments, private sector, civil society, the general public and the media.

This document is the first report on China's progress in attaining the MDGs in China. It reflects on China's remarkable progress in reducing poverty and other areas, it identifies some of the key factors involved and it recognizes the distance to be traveled to reaching goals such as HIV/AIDS, the environment and gender equality.

This report asks critical questions such as: Why are some regions in the country faring better than others? Are we doing enough, and what more needs to be done for the goals to be met? With this report we hope to generate discussions and debates on such issues as pro-poor reforms and development effectiveness.
This report was prepared by the United Nations Country Team in China in close consultation with the Government. We appreciate the active participation and interest of the many Government agencies. We would in particular like to acknowledge our partnership with the task force of relevant agencies under the able coordination of the Ministry of Foreign Affairs. This report represents a first important step towards a more nationally led effort for future MDG reporting on China’s performance.

Increasingly, China has a growing 'footprint' on world economic performance and global relations. China’s role in the world’s progress on the attainment of the MDGs is equally critical. No doubt there will be challenges ahead in the full attainment of China’s aspirations and in its march toward the MDGs, yet the UN System stands ready and committed to working with the country on its own solutions to address these challenges.

Khalid Malik
UN Resident Coordinator
and UNDP Resident Representative

Acknowledgements

This report was developed and produced through the joint efforts of the UN Country Team in consultation with the Chinese Government. Mr. Bi Jiyao, Deputy-Director of the Institute for International Economic Research, prepared the initial draft.

The finalization of the report has benefited from the advice received from members of the various UN Theme Groups and other development partners. The UN Country Team wishes to express appreciation for the support provided by all those who have, in one way or the other, contributed valuable feedback to the report.
## List of Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>ASEAN</td>
<td>Association of South East Asian Nations</td>
</tr>
<tr>
<td>CBD</td>
<td>Convention on Biodiversity</td>
</tr>
<tr>
<td>CCICED</td>
<td>China Council for International Cooperation on Environment and Development</td>
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<tr>
<td>CIDA</td>
<td>Canadian International Development Agency</td>
</tr>
<tr>
<td>CPR</td>
<td>Contraceptive prevalence rate</td>
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<tr>
<td>DFID</td>
<td>Department for International Development of UK Government</td>
</tr>
<tr>
<td>EOC</td>
<td>Emergency obstetric care</td>
</tr>
<tr>
<td>FDI</td>
<td>Foreign Direct Investment</td>
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<tr>
<td>g/b ratio</td>
<td>Girl/Boy ratio</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GFATM</td>
<td>Global fund for AIDS, TB and Malaria</td>
</tr>
<tr>
<td>GMO</td>
<td>Genetically modified objects</td>
</tr>
<tr>
<td>HDR</td>
<td>Human Development Report</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome</td>
</tr>
<tr>
<td>IDU</td>
<td>Injecting drug users</td>
</tr>
<tr>
<td>IUD</td>
<td>Intra-uterine device</td>
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<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MMR</td>
<td>Maternal mortality ratio</td>
</tr>
<tr>
<td>MOFTEC</td>
<td>Ministry of Foreign Trade and Economic Cooperation, predecessor of MOFCOM</td>
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<td>MOFCOM</td>
<td>Ministry of Commerce</td>
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<td>MOH</td>
<td>Ministry of Health</td>
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<tr>
<td>NER</td>
<td>Net enrolment ratio</td>
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<tr>
<td>NGOs</td>
<td>Non-governmental organizations</td>
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<tr>
<td>NPA</td>
<td>National Programme of Action</td>
</tr>
<tr>
<td>NPHCCO</td>
<td>National Patriotic Health Campaign Committee Office</td>
</tr>
<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
</tr>
<tr>
<td>RMB</td>
<td>Renminbi (Chinese currency)</td>
</tr>
<tr>
<td>STD</td>
<td>Sexually transmitted diseases</td>
</tr>
<tr>
<td>STI</td>
<td>Sexually transmitted infections</td>
</tr>
<tr>
<td>TB DOTS</td>
<td>Tuberculosis directly observed treatment with short course</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNAIDS</td>
<td>United Nations AIDS programme</td>
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<tr>
<td>UNCCD</td>
<td>United Nations Convention to Combat Desertification</td>
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<tr>
<td>UNCED</td>
<td>United Nations Conference on Environment and Development</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organization</td>
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<tr>
<td>WSSD</td>
<td>World Summit on Sustainable Development</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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</table>
INTRODUCTION TO THE UN MILLENNIUM DEVELOPMENT GOALS (MDGs)

At the September 2000 United Nations Summit, 149 heads of State and Government from 189 member countries adopted the Millennium Declaration, a document outlining a universal set of development goals. Through UN Country teams led by the UN Resident Coordinator, the Secretary General has entrusted the UNDP Administrator to monitor each country’s progress toward these Millennium Development Goals (MDGs) through a series of progress reports designed to raise awareness, stimulate debate, and promote further action for development. China’s progress toward meeting the MDG goals and targets is summarized in this preliminary report.

With a population of 1.3 billion, a vast and varied territory, and a rapidly changing development landscape, China is a challenging nation on which to report. In some cases data are limited, making the task especially challenging. Each country working toward the MDG has its own statistical policies and practices, and these do not always conform precisely to MDG reporting guidelines. It should be noted that since 1980, China has adhered to its own set of development goals and indicators referred to as xiaokang. In this sense, China was ahead of the Millennium Declaration.

In this report, progress toward meeting each MDG target is summarized in terms of the following:

- **Status and Trends**: A statement on progress toward the target
- **Supportive Environment**: Description of the supporting policy environment to achieve the target
- **Potential MDG Gaps**: Issues/Efforts required to meet the target

Based on current information, China will probably achieve most MDGs by 2015. At the same time, the progress made toward accomplishing this objective has uncovered the need to adjust some MDG targets and indicators. Those adjustments are highlighted in this report. It is hoped that they can serve as a guide, not only for China but also for the UN and other countries as we work toward a more flexible and effective MDG measurement system. While China is on course nationally for achieving most of the MDGs, inequality has increased and there is a need to work towards balanced regional economic growth. National figures mask large and growing development gaps between the relatively rich coastal zones and poorer central and Western regions.
Similarly, gender gaps are developing, with women falling behind men in some respects. China’s government has a large and ambitious plan in place to address the development challenge of the Western region and reduce the current development gap. Moreover, the All-China Women’s Federation is working to address gender disparities. The aging of Chinese society also poses an increasing challenge because the elderly are disproportionately poor, especially widowed or childless women.

Other issues include the government’s policy of limiting rural-urban migration. Thus far, the policy has effectively prevented slums from emerging in Chinese cities. But given the recent easing of China’s internal migration policies, a close watch must be kept on possible slum formation as more migrants flock to cities. HIV/AIDS is only now beginning to spread rapidly, and the government has taken action to contain the disease. Only if efforts intensify, however, will China stand a chance of reversing the spread of HIV/AIDS by 2015.

China’s economic reforms have yielded impressive development results. Yet the forces unleashed by those reforms—economic liberalization, decentralization, and freer migration—have brought with them certain unintended negative impacts on the environment, on equity, and on gender equality. The task now is to adjust policy to correct these negative impacts and to promote a stronger partnership between government, the private sector, and civil society. Such a partnership will help policymakers define key problems and formulate solutions that produce the level of commitment needed to ensure successful implementation, equity and sustainability.

**CHINA: DEVELOPMENT CONTEXT**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Year</th>
<th>High prov./region</th>
<th>Low prov./region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population size (1000,000)</td>
<td>1.276</td>
<td>2001</td>
<td>95.55</td>
<td>2.63</td>
</tr>
<tr>
<td>Population growth rate (%)</td>
<td>6.95</td>
<td>2001</td>
<td>-0.95</td>
<td>12.62</td>
</tr>
<tr>
<td>Life expectancy at birth</td>
<td>71.4</td>
<td>2000</td>
<td>78.9</td>
<td>65.7</td>
</tr>
<tr>
<td>Real GDP per capita (US$)</td>
<td>912.5</td>
<td>2001</td>
<td>4522</td>
<td>350</td>
</tr>
<tr>
<td>Poverty head count ratio (%) of rural China of US$1 per day</td>
<td>11.5</td>
<td>1998</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% of population below international poverty line</td>
<td>8</td>
<td>2000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimates HIV prevalence range from 800,000 to 1.5 million</td>
<td>0.06 to 0.11</td>
<td>2002</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population with access to safe water supply (%)</td>
<td>75</td>
<td>1999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of under weight children (under 5) (%)</td>
<td>10</td>
<td>1998</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net primary enrolment ratio (%)</td>
<td>98.6</td>
<td>2002</td>
<td>100</td>
<td>94.6</td>
</tr>
<tr>
<td>Ratio of girls to boys in primary education (%)</td>
<td>90</td>
<td>2002</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under-five mortality rate (per 1,000 live births)</td>
<td>36</td>
<td>2001</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maternal mortality ratio (per 100,000 live births)</td>
<td>53</td>
<td>2000</td>
<td>10</td>
<td>466</td>
</tr>
</tbody>
</table>
According to the latest information, as of 2002 China no longer had a single province or autonomous region in the 'low development' category (0.5 being the UN’s global cut-off for low development). In other words, all of China is now either in the 'high' or 'medium' development category. At the same time, there is a wide range of human development in China ranging from a high of 0.89793 for Shanghai to a low of 0.59211 for Tibet or a difference of 30% between the highest and lowest areas. The human development map below illustrates the three levels of development, applying 0.8 as the cut-off point for high development and 0.73 as the cut-off point for low development.

Source: China Human Development Index for 2002
China’s impressive development is borne out by its steady improvement in the UN Human Development Index from 0.522 in 1975 to 0.726 in 2000. In the 2002 report, China ranked 96 out of 173 countries. At the same time, annual increases in the government’s health and education budget since 1995 have averaged 14.2%, whereas total government revenue has grown at an annual average of 17.5%.

This indicates that social investment has not kept pace with the overall increase in government revenue.

While China has made impressive gains in overall human development, it has also experienced growing gaps between rich and poor as measured by the Gini coefficient. The chart below shows that the Gini coefficient, or the gap between rich and poor, grew from 0.16 to 0.32 between 1978 and 2000 for urban China. For rural China, it climbed from 0.212 to 0.33 during the same period. International experience suggests that when the Gini coefficient exceeds 0.400, countries often begin to have social tensions. Closing the gap between rich and poor is therefore an urgent and important task for China.
ECONOMY AND POVERTY

With the launch of economic reform and opening up policies in the late 1970s, China entered a period of unprecedented socio-economic development and poverty reduction. The country enjoyed exceptionally swift economic growth in the 1990s (more than 9 percent on average), and between 1978 and 2000 the number of poor fell from 250 million to 30 million. The World Bank raised China’s classification to a lower middle-income country in 1999, when income per capita surpassed the US $755 cut-off point for low-income countries.

China’s priorities in the next stage of reform should include:

a) creating a stable and effective macroeconomic environment for sound, rapid, and sustainable economic growth following WTO entry (this in turn requires significant progress in reforming state-owned enterprises, banks, and the fiscal system);
b) strengthening social development with more effective policy and spending on human development, poverty reduction, and environmental protection;
c) moving to a more consultative/participatory form of governance where the non-State sector and civil society become partners with the government in helping formulate and implement policy; and
d) ensuring broad-based growth with a more equal distribution of benefits—between rural and urban areas, between coastal and interior regions, and between men and women.

GOVERNMENT EFFORTS TOWARD POVERTY REDUCTION

China has two official poverty lines. The first, annual per capita income of less than RMB 625 demarcates absolute poverty. The second, annual per capita income below RMB 865 demarcates relative poverty. China’s current national poverty reduction efforts target both the absolute and relative poor. Since 1990, poverty in rural areas (especially absolute poverty) has been greatly reduced. In fact, China has achieved the target of more than halving its poor on the basis of the 85 million 1990 figure.
International organizations such as the World Bank draw the poverty line at the equivalent of US$1 per day. Under this definition, a World Bank-UNDP study pointed to a rural poor population of 106 million or 11.5 percent of the rural population as of year-end 1998. While the latter estimate indicates a larger poor Chinese population than the official estimate, it nevertheless confirms the general trend toward poverty reduction.

Remarkable progress has been made with respect to other socio-economic development indicators as well. These include increased life expectancy, a decrease in child mortality, and a drop in illiteracy. China’s poverty reduction reflects the government’s efforts toward overall growth and development combined with significant policy and budgetary support for poverty reduction.

New challenges include:

a) reducing the number of poor people living in areas with adverse natural conditions;

b) increasing access to healthcare, education, and a healthy environment;

c) minimizing urban poverty caused by unemployment tied to state-owned enterprise reform;

d) protecting an aging population while expediting design and application of a social security system;

e) managing large-scale migration from rural to urban areas;

f) narrowing regional development disparities;

g) reducing disproportionate poverty among ethnic minorities, old people, and women; and

h) better supporting and deploying the unique capabilities of NGOs in poverty reduction and other targeted interventions.

China’s current rural poverty reduction policy covers the period from May 2001 to 2010. A key target is to alleviate poverty among 30 million rural poor with annual per capita incomes below RMB 625 (the absolute poverty line based on 2000 figures). Beneficiaries will now be identified at the village rather than county level, with selection criteria based on a combination of per-capita income, socio-economic development, and geographic and natural conditions. The focus will be on remote mountainous areas, ethnic minority areas, and extremely poor regions.

This policy emphasizes participatory planning at the village level and poverty relief for poor farmers and poor villages, with a particular focus on helping the poor develop economically so that the results are sustainable. This translates into cultivating higher value crops, applying science and technology to agriculture, and making small loans available to farmers while improving basic production and living conditions. It also involves introducing rural enterprises where appropriate. In addition, the strategy aims to mobilize society, including businesses, NGOs, and donor organizations to participate in the poverty reduction effort.

China’s Western Region development strategy (the “Go West” campaign) constitutes a key poverty reduction initiative as well. Initial work was launched during the Tenth Five-Year Plan period (2001-2005) and focuses on addressing inadequate infrastructure, halting ecological deterioration, and addressing the shortage of trained and experienced personnel to carry out the initiative. In urban areas, an improved social security system will ensure minimum living
standards for laid-off workers, while re-employment projects will create jobs for them. Finally, small towns will be developed to absorb surplus rural workers into the urban labour force.

ASSESSMENT OF CHINA’S MDG PROGRESS

China has made enormous progress toward achieving its MDGs. Indeed, some MDG targets such as primary education have already been achieved, 13 years ahead of schedule. At the same time, available information indicates that China may not be on track for halting and reversing HIV/AIDS, promoting gender equality, and providing safe drinking water to its rural population. Many of China’s reforms have created new challenges—in reforms linked with decentralization, for example, where an uneven burden in financing exists between the central and lower levels of government, particularly in poor counties and townships in the west.

With its large and still-growing population, China also faces a significant challenge in working toward sustainable development. In 1970, the overall fertility rate was estimated at 5.5 per woman. Had that original growth rate continued, the present population might be 2.5 billion instead of 1.3 billion. Current population growth is roughly 10 million per year, and demographic trends suggest the population will peak at 1.6 billion in 2050 before starting to decline. The government therefore believes fertility reduction and a national family planning programme are essential if the MDGs and other development goals are to be met. Under a new law, China’s existing family planning programme is undergoing a major reorientation toward a client-centred, quality-of-care approach using international standards and experiences.

The report next describes in more detail the status of each of the eight MDGs.
GOAL 1

ERADICATE EXTREME POVERTY AND HUNGER

<table>
<thead>
<tr>
<th>GOALS</th>
<th>STATE OF GOAL ACHIEVEMENT</th>
<th>STATE OF SUPPORTIVE ENVIRONMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eradicate Extreme Poverty &amp; Hunger By 2015</td>
<td>On track</td>
<td>On track</td>
</tr>
<tr>
<td>Halve the proportion of people living in extreme poverty</td>
<td>On track</td>
<td></td>
</tr>
<tr>
<td>Halve the proportion of population below minimum level of dietary energy consumption</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Halve the proportion of underweight children under five years old by 2015</td>
<td></td>
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<thead>
<tr>
<th>Goal</th>
<th>Existing Capacity For:</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Data gathering</td>
</tr>
<tr>
<td>Extreme Poverty</td>
<td>Strong</td>
</tr>
<tr>
<td>Hunger &amp; malnutrition</td>
<td>Fair</td>
</tr>
</tbody>
</table>

Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.

1. Status and Trends

China has now achieved its MDG poverty reduction goals by halving its poor on the basis of the 85 million 1990 figure. Estimates of the extent of poverty vary depending on which indicators are used. Nevertheless, using the government poverty line, China’s rural poor decreased dramatically from 250 million in 1978 (30.7% of the rural
population) to 85 million in 1990 (9.4% of the rural population) and then to 30 million in 2000 (3.2% of the rural population). Using a standard international poverty line of $1 per day yields a substantially greater number of absolute poor, but the trend in poverty reduction remains impressive. At the same time, the 1990s saw increasing urban-rural income gaps with the current income ratio estimated at 3 to 1.

Most of the country’s rural poor live in remote upland areas of western China, where agricultural productivity gains have proven problematic. But pockets of poverty also remain in mountainous areas of the coastal provinces. Moreover, new forms of poverty have emerged. These are embodied by those living outside targeted poor counties, migrants who are not yet employed, and laid-off workers from state-owned enterprises who are not re-employed, as well as women, children, the elderly, and the disabled—many of whom fall outside existing social safety nets. In particular, people in the remote west and people with disabilities are over-represented among the rural poor: The proportion of the poor in the central and western regions has increased from 77% in 1992 to 85% in 1999.

While the issues are complex, one of the best policy instruments for eliminating poverty in remote areas is to foster a considered migration and re-settlement of rural Chinese, most of whom will never be able to earn a living on the small marginal plots of land they now farm.

2. Supportive Environment

The government’s new poverty reduction programme has been described earlier in the Government Efforts Toward Poverty Reduction. More broadly, poverty will be addressed by overall economic development, and by agriculture, health, education, social security and family planning policies and programmes.

To address growing urban poverty, the government employs a comprehensive policy approach involving employment creation, establishing job centres that provide skills training, and institutionalizing pensions as well as medical, industrial, and unemployment insurance. Commercial insurance will also be introduced as part of a multi-layered social safety net.

3. Potential MDG Gaps

a) The World Bank-UNDP study cited earlier points to the need to better target the rural poor. The new approach of targeting villages is superior to the old approach of targeting China’s 592 nationally designated poor counties. County-level targeting missed the poor who lived outside the designated counties, and many programmes inadvertently aided a substantial number of non-poor residents within the designated counties. The same concern applies at village level. To get at the remaining poor, policy must go beyond targeting villages and reach down to the level of poor families and elderly poor without family support, wherever they reside. A national micro-finance programme is a critical poverty reduction instrument for reaching down to the family level.

b) Rural-urban migration is perhaps the most powerful force for further reducing poverty in
China. To capitalize on this natural phenomenon, current policy needs to be reconsidered with the intention of further freeing up migration, treating migrants as urban citizens so they are not discriminated against, and improving the land leasehold system so migrants can either ‘sell’ their land or use it as collateral to help finance their move to the city.

c) To date, China’s poverty reduction strategy has targeted poor people with specific programmes. Now, there is need for a sector-by-sector policy analysis to examine the impact on poverty of fiscal policy, foreign investment policy, land rights policy, health financing policy, and other policies. Without such analysis, macro-policy can unintentionally create poverty or miss opportunities for alleviating it.

d) Poverty alleviation to date indicates that implementation is still weak. The challenge is to put in place a better institutional and organizational framework to deliver more transparent and effective assistance to poor counties and villages.

e) Many poor farmers have managed to survive only with off-farm work. This work is often dangerous (e.g. mining) and places great stress on families by separating them. How will poverty programmes assist these people?

f) Natural disasters, on the increase because of environmental deterioration, are a source of concern. Each disaster creates a new poor population as people’s assets—and often their livelihoods—are wiped out. In this sense, there is an important link between disaster prevention and poverty reduction.

g) There is concern that the rate of expansion of HIV/AIDS could jeopardize poverty reduction gains.

h) Urban unemployment, starting from a low base, is rising quickly. State-owned enterprises continue to shed employees, accounting for about two-thirds of all laid-off workers, and China’s labour force is expected to grow by 8 million annually in the coming years. Moreover, 8 million Chinese are expected to migrate to cities each year seeking work.

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

1. Status and Trends

China is ahead of target in lowering the proportion of people living below minimum dietary consumption levels. The figures fell from 17% in 1990 to 11% in 2000. It is also ahead of target in reducing the percentage of underweight children from 21% in 1990 to 10% in 1998. China’s early economic reforms in the countryside yielded dramatic increases in grain output: The country has achieved food security and nutrition levels have increased steadily. Where agriculture has not been viable, a grain subsidy has been provided to those in need of food through food-for-work programmes. To strengthen environmental protection, marginal arable land has been returned to grassland or forest, while a grain subsidy has been provided to affected farmers.

Nutrition varies widely from province to province. Poor nutrition in western China usually stems from low awareness rather than shortage, but the consequences are nonetheless devastating. These include diminished academic performance in students and lower productivity in workers. Many provinces suffer persistent deficiencies in dietary iodine, calcium, iron and zinc. At the other
extreme is the growing problem of obesity afflicting 10% of children in eastern China.

2. Supportive Environment

China will maintain its arable land area of 128 million hectares under the Tenth Five-Year Plan. Various measures remain in place to stabilize grain production, and the government will intensify support to the main grain production areas including incentives for producing grain. Long-term purchase and sale contracts are encouraged between grain production and consumption areas to ensure supply-demand equilibrium.

China’s agricultural and rural economic restructuring is market-oriented and stresses science and technology. The emphasis is on quality, with a view to improving overall productivity and profit. Forage crop areas will be expanded and animal husbandry accelerated, while grasslands are expanded and animal and fowl varieties improved. Protection of fisheries and fish farming will be strengthened and aquaculture and deep-sea fishing developed.

Food-for-work programmes are utilized for construction of economic infrastructure such as farm-to-market road construction, drinking water and small irrigation facilities. Individuals living in poor areas without the prospect of work will be supported in moving to economically viable communities. Finally, support will be provided for any unfortunate areas and people falling back into poverty.
3. Potential MDG Gaps

a) Grain aid to poor rural areas needs to be strengthened while avoiding any adverse impact on market prices for farmers. Pressure to convert arable land to other uses is acute, so stronger local enforcement is necessary. Unsustainable expansion of irrigation and over-use of pesticide and fertilizer require better management. Increased financial support is required for vulnerable urban groups.

b) There is concern that WTO will make some small farm plots uneconomic, resulting in the substitution of imported foodstuffs for domestic products. This possibility needs to be carefully studied with respect to its net impact on food supply, distribution, and affordability.

c) The plan is to expand animal husbandry so that by 2005 it will account for one-third of agriculture output. The shift toward more meat in the diet places additional strain on arable land to provide fodder for animals. There is a need to analyze this situation more carefully in order to avoid potential pitfalls.
MDGs: China’s Progress

UNIVERSAL PRIMARY EDUCATION BY 2015

1. Status and Trends

China is ahead of target in ensuring that all children will be enrolled in primary school by 2015, having raised the net primary school enrolment rate (NER) from 96.3% in 1990 to 98.6% in 2002. The gross enrolment rate for junior secondary school was raised from 66.7% in 1990 to 90% in 2002. Although there are still large regional disparities in access to education, areas with lower access are the least populated, easing financial and physical strains on primary education in those areas.

2. Supportive Environment

To meet its goals, the government is consolidating its policy of nine-year compulsory education by focusing on poor and ethnic minority areas. The following reforms are underway:

a) increase middle-
school enrolment; promote quality and relevance of education; encourage innovation and job skills;
b) reform curricula and textbooks to replace the traditional teacher-centred and rote learning methodology in Chinese schools with qualitative, student-centred methods;
c) require full-time teachers in primary and junior middle schools to attain Associate Bachelor’s and Undergraduate’s degrees respectively;
d) improve teacher training curriculum that emphasizes ‘essential qualities-oriented education’ (suzhi jiaoyu).

3. Potential MDG Gaps

a) Education statistics do not show whether children complete their primary education, but it is clear that completion ratios fall significantly below enrolment ratios, particularly in poor rural areas. A system that tracks completion of primary and secondary education and publishes it in the national statistics will help in identifying and addressing school completion challenges.
b) Higher drop-out rates are noted in rural and poor areas. One of the most effective measures for ensuring that children complete their education is to adopt different schooling methods from the mainstream educational system. For example, school size can be small in sparsely populated areas and curricula flexible to meet local needs such as teaching children life skills.
c) Funding for primary education in poor areas is a particular problem. Current policy requires that education be largely funded from local budgets, but in poor areas there is insufficient revenue. This situation harms the very counties most in need because they do not have sufficient local revenue to operate a fully functioning primary school system and parents lack the money to make the necessary donations. This is an urgent issue for government to address. The solution may be to provide subsidies to poor rural families, particularly if there is need to put children in boarding school. Alternatively, the answer may be a new fiscal system that funds rural education adequately.
d) Education quality varies widely, both within cities and between urban and rural China. Since education is the foundation for eliminating poverty, upgrading the quality of rural and migrant education is an urgent task.

e) Educational statistics fail to show the rapidly growing numbers of migrant children, some of whom receive no education and most of whom receive inferior education. This situation will create a future urban underclass if not addressed soon.

f) Emphasis on primary education is inadequate, so the educational needs of children from 0-6 and their parents cannot be met. Especially in rural and poor areas, there are insufficient materials tailored to early childhood care and development.

g) This report recommends that the government carefully study the impact on education of the recent government policy favouring closure of schools in remote areas where a full primary school education is not possible and bringing students to a central school.
GOAL 3
PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

<table>
<thead>
<tr>
<th>GOALS</th>
<th>STATE OF GOAL ACHIEVEMENT</th>
<th>STATE OF SUPPORTIVE ENVIRONMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender equality</td>
<td>Maybe not on track</td>
<td>In place</td>
</tr>
<tr>
<td>Achieve equal access for boys and girls to primary and lower secondary schooling by 2005</td>
<td>Maybe not on track</td>
<td>In place</td>
</tr>
<tr>
<td>Achieve equal access for boys and girls to upper secondary education by 2005</td>
<td>Maybe not on track</td>
<td>In place</td>
</tr>
</tbody>
</table>

Goal | Existing Capacity For: |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Data gathering</td>
</tr>
<tr>
<td>Gender Equality</td>
<td>Fair</td>
</tr>
</tbody>
</table>

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

1. Status and Trends

China is slightly off track for the girl/boy (g/b) ratio both for primary and secondary school. The primary education g/b ratio is now 90% on a national basis while the g/b ratio in secondary education is 85%.

Severe disparities persist in the g/b ratio between different regions and provinces. According to the National Population and Family Planning Commission (formerly the State Family Planning Commission), while average national primary school enrolment reached 99.1% in 2000, it was lower for girls in the poor western areas at 95%. While 16 provinces have already reached the primary education enrolment rate of 100%, several provinces with large
minority populations in the northwest and southwest have fallen behind. Tibet is an example, with a primary school enrolment rate of only 85.8% in 2000. That same year, 6.42 million females above 6 years old had never been to school—2.5 times the number of males (2.54 million). Illiteracy among men was about 5%; for women, it was as high as 13%.

Educational ratios do not directly speak to the more general issue of gender equality, which is more accurately reflected by how women are represented in business and government. According to China’s 2000 national census, women made up 45% of the workforce, a significantly higher percentage than the world average of 35%; yet women’s average income for that year was only 80% of men’s. About 36% of all Chinese government officials are women, and women held 22% of the seats in the National People’s Congress in 2002. Even so, there is only one woman Politburo member and one woman state councilor, reflecting a scarcity of women at the senior levels of leadership.

The situation of rural women and their work yields a mixed picture. As men migrate to cities seeking employment, farming is increasingly becoming woman’s work. At the same time, many young rural women are migrating to the cities looking for jobs. These trends place additional stress on rural and migrant women often without any support or counsel.

Recent statistics also indicate that Chinese women now have one of the world’s highest suicide rates. About 25 percent more women commit suicide in China than do men; in Western societies, by comparison, 3.6 times more men kill themselves than women. According to the Beijing Suicide Research and Prevention Centre, an estimated 156,841 women commit suicide each year in China, constituting roughly half of all female suicides in the world. Family violence, one of the contributors to suicide, occurs in 30% of Chinese families.

Statistics also indicate an increasing margin of newborn boys over girls, a trend with serious implications for the future. It is understood that this trend, which is shared by some other Asian countries, is caused by a strong son preference, coupled with a rapid fertility decline and the means to predetermine the sex of an unborn child. In China, sexual predetermination is illegal, but the increasingly widespread availability of technologies makes it difficult to control illegal private consultations. The Chinese government is undertaking pilot projects to find feasible solutions, but more research is required.

In China, women still form a minority of the HIV/AIDS-infected population, but their numbers are increasing. Mothers infected with HIV/AIDS are of particular concern because the disease affects their ability to take care of children and can lead to the birth of HIV-infected children.

2. Supportive Environment

The government has adopted a number of strategies to support women, including the following:

- Launching the “Education for All” target of universal 9-year compulsory education with 99% enrolment rate of primary school-aged children and gross 85% of enrolment rate for lower secondary school;
- Launching projects to promote education of disadvantaged groups along with an inspection system to ensure effective implementation of the laws, regulations and policies. The central government targets 4% of GDP for education. Local county governments will also increase funding for education, aiming at a 1% annual increase;
- Guaranteeing equal opportunity between men and women in the labour law;
- Guaranteeing women’s political, social and cultural rights;
- Protecting women’s reproductive health. This includes increasing women’s understanding of topics related to women’s health, and encouraging husbands to play a role in their wives’ health;
- Helping poor women through training and poverty alleviation projects;
- Implementing the Programme for the Development of Chinese Women 2001-2010 and projects initiated by NGOs such as Project Hope and Project Spring Bud.

3. Potential MDG Gaps

a) The primary challenge is to reach out to remote and minority areas where the educational system remains inadequate, where traditional parental attitudes prevail, where girls typically lag behind boys in enrolment, and where dropout rates are still high (especially if they are higher for girls than for boys).

b) A system is needed to track ‘cohort’ data. A cohort system tracks the degree to which boys and girls move on to the next grade, repeat a year, or drop out of school entirely. This gives education officials a clear picture of the differences between boys and girls so that trends can be observed and problems addressed.

c) Gender needs to be much more firmly integrated into teacher training, textbooks, and the classroom in general to break down existing forms of discrimination.

d) Policy needs to lean toward supporting enrolment for girls (or for boys in areas where there is a gender gap favouring girls).

e) In terms of women’s employment, the challenge is to better implement the many laws and policies on the books dealing with equality and special treatment for women in the workplace.

f) Equal access to basic social services for elderly men and women needs improvement. Elderly women in particular require better protection against discrimination in property rights and inheritance.

g) The challenge with HIV/AIDS, based on other countries’ experience, is to prevent vulnerable young females, especially migrants with little education, from becoming infected.

h) The high female suicide rate is a serious gender issue. It may relate to difficulties women face from insufficient land tenure rights, or to family violence, or to the failure to produce a male child, or to work-related problems. An absence of formal counselling may well be another contributing factor. This issue is in need of urgent analysis and response.

i) There should be development and documentation of approaches to reduce incentives for parents to perform pre-natal sex selection of children.
GOAL 4

REDUCE CHILD MORTALITY

<table>
<thead>
<tr>
<th>GOALS</th>
<th>STATE OF GOAL ACHIEVEMENT</th>
<th>STATE OF SUPPORTIVE ENVIRONMENT</th>
</tr>
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<tbody>
<tr>
<td>Under-five mortality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduce under-five mortality by two-thirds by 2015</td>
<td>On track</td>
<td>In place</td>
</tr>
</tbody>
</table>

**Goal**

**Existing Capacity For:**

<table>
<thead>
<tr>
<th>Data gathering</th>
<th>Statistical tracking</th>
<th>Statistical into policy</th>
<th>Monitoring &amp; evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair</td>
<td>Fair</td>
<td>Fair</td>
<td>Needs attention</td>
</tr>
</tbody>
</table>

**Target 5: Reduce by two-thirds, between 1990 & 2015, the under-five mortality rate.**

1. **Status and Trends**

China is on track for reducing infant mortality and under-five mortality. During the 1990s, reported infant mortality dropped from 50 to 30, while under-five mortality dropped from 61 in 1991 to 36 in 2001. Meeting the MDG in 2015 means lowering the under-five rate to 20, which would bring China into the ranks of middle-income countries such as Malaysia.

Nevertheless, progress has been uneven, with wide disparities in childhood mortality tied closely to levels of economic development. While infant and childhood mortality rates in developed...
coastal areas approach those of industrialized countries, rates in most western provinces are 3-5 times higher. In well-developed areas with low mortality rates, other child health problems such as accidents, and non-communicable diseases such as diabetes, are becoming serious issues.

In poor rural areas, major causes of childhood deaths are asphyxiation and infection associated with poor obstetrical and neonatal care; neonatal tetanus, pneumonia, and diarrhoea constitute particularly serious threats. While not a direct cause of death, malnutrition is an underlying factor. Childhood immunization services vary widely in coverage. Children living in poor western areas and in floating populations have a much higher incidence of vaccine-preventable diseases.

The map below shows the percentage of under-five mortality rates in different provinces and regions, highlighting eight that remain at the low development stage with an infant mortality rate above 40.
2. Supportive Environment

Improving children’s health and reducing childhood mortality is a top priority for the government. A 10-year plan to promote development in Western China may reduce the number of families unable to afford health care. Disease control programmes targeting children (such as those to improve immunization coverage, nutrition, obstetrical services, and neonatal care) receive strong government support and should help lower childhood mortality. Some preventive health services for children, such as immunizations and maternal-child health care, are subsidized by the central and local governments. A new government plan encourages provincial authorities to make at least RMB 10 Yuan per person available for health, and for the central government to provide an additional RMB 10 Yuan per person for rural health care. Implementation of this plan must take into account the limited capacity of local governments in poor areas to raise matching funds.

3. Potential MDG Gaps

a) Local health departments are expected to generate a significant proportion of their own operating revenues. Poor areas have insufficient funding to deliver essential health services. User fees for public health services have resulted in incomplete and inequitable coverage and encourage marketing of services that have no effect on, and may even have a detrimental effect on, health.

b) The fee structure for services is often beyond poor people’s means, so many do not seek medical care or are forced to borrow large sums of money or use their savings to get treatment. Health problems have been identified as a major factor keeping households in poverty.

c) Migrant children and children born out-of-plan are less likely to be registered for preventive health services because of the heavy fees charged. It is estimated that about 10% of China’s total population are floating and this percentage is likely to increase.
**GOAL 5**

**IMPROVE MATERNAL HEALTH**

<table>
<thead>
<tr>
<th>GOALS</th>
<th>STATE OF GOAL ACHIEVEMENT</th>
<th>STATE OF SUPPORTIVE ENVIRONMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reproductive health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduce maternal mortality ratio by three-quarters by 2015</td>
<td>On track</td>
<td>In place</td>
</tr>
<tr>
<td>Universal access to safe/reliable reproductive health services (contraceptive methods) by 2015</td>
<td>On track</td>
<td>Well developed</td>
</tr>
</tbody>
</table>

**Goal**

<table>
<thead>
<tr>
<th>Existing Capacity For:</th>
<th>Data gathering</th>
<th>Statistical tracking</th>
<th>Statistical into policy</th>
<th>Monitoring &amp; evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reproductive health</td>
<td>Strong</td>
<td>Fair</td>
<td>Fair</td>
<td>Fair</td>
</tr>
</tbody>
</table>

**Target 6 : Reduce maternal mortality ratio by three-quarters, between 1990 & 2015.**

**1. Status and Trends**

The maternal mortality ratio is on track, having dropped from 89 per 100,000 live births in 1990 to 50 in 2001. The proportion of births attended by skilled health workers in hospital increased from 51% in 1990 to 76% in 2001. But these national figures mask the great contrast between eastern and western provinces. In the eastern provinces and major cities, economic growth has led to improved medical services for women and good access to Emergency Obstetric Care (EOC). This,
in turn, has resulted in developed-country levels of Contraceptive Prevalence Rates (CPR) and Maternal Mortality Ratios (MMR). Women in remote parts of the western provinces have limited access to EOC and usually deliver at home with no skilled health worker present.

The CPR in 2001 was 87 percent for married women of childbearing age. The two most common methods of contraception in 2001 were the IUD at 45 percent, and female sterilisation at 38 percent. Condom use is still low at 5 percent, but is becoming more widely known. The low rate of condom use exposes high-risk populations to sexually transmitted infections (STI) including HIV/AIDS. Abortion rates showed a steady decline by 30-to-40 percent in the period from 1991 to 2000, and are now at a level lower than in most Asian countries. This decline reflects the government’s increasing commitment to the principles adopted at the International Conference on Population and Development (ICPD) in 1994 and to family planning with access to reliable quality of care and counselling.

The map below shows the percentage of maternal mortality ratios in different provinces and regions highlighting nine that remain at the low development stage with a maternal mortality ratio greater than 80.

Source: UN System based on the MCH Sentinel Surveillance System
2. Supportive Environment

During 2000-2001, China initiated a Safe Motherhood programme to decrease maternal mortality in the Western region with a 200 million RMB investment by the central and local governments. Maternal mortality rates in Western regions have fallen dramatically, decreasing by an average rate of 29% in 378 programme counties. The programme has been extended through 2004. The current policies of support for improving safe delivery rates in western China, increased contraceptive use, and declining birth rates in poor areas will have a positive impact on maternal mortality.

3. Potential MDG Gaps

a) There is concern that further reducing the MMR might not be achieved due to chronic under-funding of public health services and deteriorating health systems in rural areas. The 1998 National Health Survey revealed that 63% of cases referred to hospital did not attend due to financial reasons. National health accounts data show that government expenditure has dropped from 25% of total health expenditure in 1990 to 15% in 1999. Affordable, quality health services that can provide emergency obstetric care; improvement in the proportion of births attended by trained health workers; the maintenance of high CPR—all have been undermined by the collapse of the former rural cooperative healthcare system in the 1980s and the transition to a fee-based system. Major and urgent effort is required to improve access to hospital services in rural areas, especially for the poor.

b) A major challenge is to reduce the great differences between the eastern and western provinces. This will require specific health support to the poorer provinces. Finally, more effort on behalf of women must be made to prevent and control HIV/AIDS and other sexually transmitted infections.
Goal 6
COMBAT
HIV/AIDS, MALARIA
AND OTHER DISEASES

**GOALS** | **STATE OF GOAL ACHIEVEMENT** | **STATE OF SUPPORTIVE ENVIRONMENT**
--- | --- | ---
Combat disease (HIV/AIDS, TB & Malaria) | Maybe not on track | Maybe not on track
Halt and reverse the spread of HIV/AIDS by 2015 | Maybe not on track | In place
Halt the prevalence of TB by 2015 | On track | In place
Reduce the incidence of malaria | Needs attention | Needs attention

**Goal** | **Existing Capacity For:**
--- | ---
Data gathering | Statistical tracking | Statistical into policy | Monitoring & evaluation
HIV/AIDS TB & Malaria | Needs attention | Needs attention | Fair | Needs attention

**Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS.**

1. **Status and Trends**

China has recently stepped up its efforts to raise HIV/AIDS awareness, and to improve medical care and treatment. These efforts should make an impact on the overall HIV/AIDS situation. Greater efforts will be required for China to be on track for halting and reversing HIV/AIDS by 2015.

Nearly 64 percent of the total reported HIV/AIDS cases to date were caused by the sharing of infected needles during injected drug use. Infection through plasma collection, blood transfusion, and injecting blood products is the second greatest cause of infection, accounting for 11 percent of the reported total. More recently, there has been a large increase in the number of people infected through unprotected commercial sex, both heterosexual and homosexual, especially in coastal areas in East and South China and in big cities. This form of transmission increases the risk of HIV/AIDS spreading to the general population. HIV infections transmitted from mothers to infants have also been reported in some areas of high general infection.
The 20-29 age group constitutes 51 percent of the total reported HIV/AIDS cases in China; males make up more than 79 percent of the total. The three regions with the highest reported numbers of HIV/AIDS cases are Yunnan Province with 15,528, the Xinjiang Uygur Autonomous Region with 7,094, and the Guangxi Zhuang Autonomous Region, with 5,465 cases. A report published by UNAIDS, UNICEF, and USAID indicates 1,000 Chinese children were orphaned by AIDS in 1995, while 76,000 were orphaned in 2001.

AIDS awareness is now rapidly increasing among decision makers and the general public, raising hopes that the further spread of AIDS can be contained and that fear can be transformed into understanding, thus reducing the stigma and discrimination associated with HIV and AIDS.

2. Supportive Environment


3. Potential MDG Gaps

a) Experience in other countries indicates that effective HIV/AIDS strategies focus on changing behaviour to prevent infection. Because AIDS is most appropriately viewed as a complex societal behaviour issue rather than as a pure public health concern, such strategies typically employ a cross-sectoral policy mix encompassing the school system, the workplace, and family planning clinics. Education is the key to defeating the silence, shame, stigma and superstition that characterize the epidemic in its early stages. It is worth noting that in other countries, it has usually been the civil society that has launched a dialogue to educate the public and start the process of changing behaviour. Policymakers can benefit by extracting lessons learned elsewhere in the world and adapting them to China’s own unique circumstances.

b) While political commitment towards AIDS has improved in recent years at the national level in China, it remains uncertain in many provinces, counties and cities. Local politicians may fear that by acknowledging AIDS, their county or city will be stigmatized and will lose business, investment, and tourism. Central government leaders should inform local officials that their first responsibility is to communicate openly about AIDS, and that failure to do so will harm their performance assessment and career.

c) International experience shows the cost-effectiveness of investing in HIV prevention in the nearly provinces. TB is two times higher in villages than in cities. TB is clearly linked to
early stages of the epidemic. There would seem to be an argument for more funding in China at all levels. In 2000, China allocated one-seventh the funds that Thailand invested in HIV/AIDS prevention and control.

d) The central government and MOH have made some progress in the areas of policy, legislation and regulations in several AIDS-related fields. Nevertheless, a number of important areas need further improvements, especially those concerning sensitive issues (e.g. sex education, various types of harm reduction) and difficult-to-reach populations (e.g. migrants, drug users, gay men, and sex workers).

e) Condom use is still low in China and must be increased, particularly among vulnerable groups. Also, quality control of condoms, particularly those produced in the private sector, needs to be addressed.

f) Non-discriminatory care and treatment of people with HIV/AIDS is needed as a preventive strategy to ensure those infected do not unknowingly infect others.

g) Caring for the increasing numbers of AIDS patients in the years to come will be difficult because of the investment and infrastructure involved. It will be particularly important to ensure that the anti-retroviral medication for AIDS treatment is properly completed; otherwise, new strains of AIDS could develop, as happened in the TB DOTS programme in China.

h) In HIV/AIDS prevention and care, more concerted efforts should be made toward bridging the gap between the experiences and lessons learned from small-scale innovative projects and their translation into national policies. There is, therefore, the need for scaling up effective care and support strategies.

**Target 8: Reduce by half, between 1990 & 2015, the burden of TB & malaria.**

1. Status and Trends

Target 8 has been altered from the original MDG target to make it more relevant to China because China has joined other Western Pacific Region countries to reduce the prevalence of TB by half. In 2000, China had approximately 4.5 million active TB cases, including 1.5 million of the highly infectious smear-positive form. The national prevalence rate of smear-positive TB in 2000 was 122 cases per 100,000 persons, a mere 9% decline from the 1990 rate. TB is about 50% higher in the poorer central-western provinces compared to the wealthier eastern

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**Prevalence of Smear-positive TB**

(Number per 100,000)

Source: Ministry of Health
TB is two times higher in villages than in cities. TB is clearly linked to poverty and to poorer access to health care.

The slow national progress of TB control can be attributed to the limited implementation of the highly effective DOTS strategy (the WHO-recommended TB control where DOTS stands for ‘directly observed treatment with short course’). Beginning in 1992, DOTS has been implemented for half of China’s population through a World Bank-assisted project that provided free diagnosis and treatment for TB patients. In the assisted provinces, the prevalence of smear-positive TB dropped 36% between 1990 and 2000 compared with only 3% in provinces without the project. Nevertheless, only 32% of the smear-positive TB cases in China are currently being detected and treated by a DOTS programme.

2. Supportive Environment

In 2001, the State Council set a target of bringing the DOTS programme to at least 95% of the country by 2010 and finding and treating 4 million infectious cases of TB between 2001 and 2010. If these targets can be met, China can readily achieve the MDG target. The Ministry of Finance is helping to reach these targets by providing US $4.8 million per year for TB control. Local governments at and below the provincial level are also contributing more to their TB control efforts. Major partners supporting this effort include the World Bank/DFID through a governmental loan; grants from the government of Japan; the GFATM, CIDA, Damien Foundation of Belgium; and technical coordination and support from WHO.

3. Potential MDG Gaps

a) The primary and most urgent challenge is to expand the DOTS programme to all of China, for two reasons. First, multi-drug-resistant TB is high in many parts of China, a problem created by poor TB control, and DOTS is needed to solve this problem. Second, TB causes one out of three AIDS deaths, so DOTS is essential to reducing the number of AIDS deaths from TB.

b) Expanding DOTS means poorer areas and populations will need extra assistance. Access to TB services should be guaranteed by providing free diagnosis and treatment for TB patients, especially those with smear-positive TB. Unfortunately, chronic under-funding of public health services and deteriorating primary health care infrastructure continue to make it difficult to ensure universal access to effective TB DOTS treatment. There is a serious shortage of TB control staff to carry out the programmes, especially at central and provincial levels.
ENVIRONMENTAL SUSTAINABILITY

GOAL 7

ENSURE ENVIRONMENTAL SUSTAINABILITY

<table>
<thead>
<tr>
<th>GOALS</th>
<th>STATE OF GOAL ACHIEVEMENT</th>
<th>STATE OF SUPPORTIVE ENVIRONMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>Maybe not on track</td>
<td>Well development</td>
</tr>
<tr>
<td>Implement national strategies for sustainable development by 2005 so as to reverse the loss of environmental resources by 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic amenities</td>
<td>On track</td>
<td>Well developed</td>
</tr>
<tr>
<td>Halve the proportion of people unable to reach or afford safe drinking water by 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improve the proportion of rural people with access to improved sanitation</td>
<td>On track</td>
<td>In place</td>
</tr>
</tbody>
</table>

Target 9: Integrate the principles of sustainable development into the policies and programmes and reverse the loss of environmental resources.

1. Status and Trends

Despite strong commitment, China is not yet on track in reversing the loss of its environmental resources. China’s large (and still growing) population, combined with inappropriate land use practices, have harmed the quality of scarce productive land and other natural resources. This has led to various forms of land degradation including grassland destruction, soil erosion, and soil and water pollution, all of which threaten China’s rich—and globally significant—biodiversity.

Water scarcity and deteriorating water quality, particularly in north China, increase the competition among urban, industrial, and agricultural consumers, and between upstream and downstream users. Rivers, lakes and groundwater are heavily polluted because most of the industrial, municipal, and agricultural sewage and drainage water are discharged untreated.

China’s already stressed environment is suffering additional stress caused by rapid industrialization,
urbanization, and a significant increase in individual consumption. Global trends show that as an economy develops and living standards improve, the environment is better cared for. This has started happening in China, particularly in the more developed regions; nevertheless, the situation remains serious.

China’s biodiversity is among the world’s richest but is being seriously threatened. This has implications for China’s economy, since the annual value of China’s current biodiversity is estimated at US $257 billion. The implication is equally serious for the environment itself, with deteriorating forest and vegetation coverage partially responsible for the increase in floods, silting up of reservoirs, and reduction in fish stocks.

Air pollution has a serious impact on human health, evident in respiratory and heart disease statistics; the use of pesticides and chemical fertilizers is harmful as well. Urban solid waste, including hazardous waste, is putting increasing pressure on China’s limited capacity for proper treatment and disposal, and is thus further polluting the urban environment.

China’s energy consumption ranks second in the world, and China has become the second largest emitter of greenhouse gases after the United States. Admittedly, China has had some remarkable success in promoting energy efficiency—it “decoupled” the growth of GDP from the growth of energy consumption—largely because it started from a low level of energy efficiency at the outset. Currently China is at one-quarter the energy efficiency of industrialized countries. The use of enhanced technologies may therefore lead to a further rapid increase in energy efficiency.

2. Supportive Environment

China continues to demonstrate firm resolve in halting deterioration of the environment. Environmental spending has increased from 0.7% of GDP in 1996 to a planned 1.7% in 2010, and the country has enacted a considerable body of environmental laws and regulations. Following the 1992 Rio UNCED, China formulated a national environmental Agenda 21, and many cities devised their own environmental protection strategies. The new Western Region development strategy emphasizes environmental protection. China is a party to several international conventions including those on the Protection of the Ozone Layer, Climate Change, Biological Diversity, Combating Desertification, the Ramsar Convention, and the World Heritage Convention. China announced its ratification of the Kyoto Convention at the Johannesburg WSSD Summit. In the long run, these efforts should pay off by reversing the loss of environmental resources, assuming government plans are supported with timely and concrete action.

A sustainable development strategy has been highlighted in China’s Tenth Five-Year Plan, which emphasizes coordination between socio-economic development, population management, and environmental protection. The plan sets forth a series of environmental improvement targets for lake, river and coastal water quality, city environment, the agricultural setting, and forest and grassland coverage. Strengthened environmental management is planned in all sectors of the economy and all parts of the country. Research and development will focus on utilization of resources, recycling of waste materials, and commercialization of waste treatment. At the plenary
of the recent WSSD, China stated, ‘From 1998 through 2002, a total of RMB 580 billion [US $70 billion] was invested in environmental protection and preservation of the ecosystem, accounting for 1.29% of the country’s GDP in that period and 1.8 times the combined investment in this area from 1950 to 1997...By 2005, the tendency of ecological degradation will be on the whole arrested, and the total discharge of major pollutants will drop by 10% compared with 2000.’

Future environmental protection efforts will focus on maintaining existing arable land while controlling the pace of additional land use for construction; lowering total emission of major pollutants; and reducing environmental deterioration in seriously affected areas while improving the environment, especially in medium-sized and large cities. Access to safe drinking water will be promoted by combating groundwater pollution and addressing other unsustainable practices. Pollution from fertilizer, pesticides, and animal husbandry will be addressed and natural fishing resources and aquatic ecological systems restored. China will continue to develop its disaster mitigation and disaster management capacity and will stress prohibition of logging in mountainous areas; re-establishment of forests, grassland, and wetlands in areas currently used for farming; and relocation of human settlements from flood-prone areas.

3. Potential MDG Gaps

a) Environmental governance is an enormous challenge for a country as large and diverse as China. The environment’s complexity and the inter-relatedness of agriculture, industry, urban development, and poverty alleviation require cross-sectoral coordination and effective top-down and bottom-up communication within the government—as well as strong partnership with the private sector and civil society. Existing roles and relationships among agencies must therefore be further clarified and rationalized. Finally, there is a need for comprehensive organizational development to deal more effectively with environmental problems.
b) The move to market prices that is already underway—for natural resources and their associated services (water, soil, air, biodiversity, energy, etc.)—must protect the poor and vulnerable so they can meet their living requirements.

c) There is a need for improved enforcement of environmental conventions (CBD, UNCCD in particular), laws, and regulations, especially at the local level. This will help ensure that the public, local government, and industry all understand the purpose of the legislation and support its implementation.

d) NGOs with an environmental agenda require more legal and political space to play their proper role, especially in empowering local communities to ensure their own environmental protection and sustainable development.

e) Safeguarding the environment and raising awareness of the need for sustainable development requires the partnership of stakeholders at all levels, including government and corporate decision-makers, consumers, women, schools and universities, and others.

f) Environmental health remains a major concern. The challenge will be to monitor emerging health impacts, take preventive action, and provide sound information to citizens.

g) There are strong indications that global warming and environmental degradation are causing more natural disasters globally, including disasters in China. The socio-economic damage of those disasters is already high and is increasing. More investment in disaster prevention and management will be money well spent.

h) Lack of clarity on property rights where natural resources are concerned prevents landholders from maintaining and improving land.

**Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.**

**1. Status and Trends**

With 75% of its population ensured access to safe drinking water, China is slightly behind target with this MDG, and in view of the many agencies involved, coordination of rural water management needs to be improved. Access to safe drinking water has improved more in cities than in rural areas, and in coastal more than remote and minority areas. About 94% of the urban population and 66% of the rural population have access to ‘improved water sources,’ meaning they have reasonable access to an adequate amount of water from a water source such as a household connection, public standpipe, borehole, protected well, or spring or rainwater collection. Reasonable access is defined as the availability of at least 20 litres per person per day from a source within one kilometre of one’s dwelling.
Rural Safe Drinking Water

The map below shows the percentage of rural people with access to safe drinking water in different provinces and regions, highlighting 10 that remain at the low development stage. The percentage of people with access to safe drinking water ranges from 60% to 90%.

Source: UNICEF/UNDP based on provincial statistics bureau reports, 2000

2. Supportive Environment

By the end of 2002, the Ministry of Water Resources has supplied water to 24 million people under the 8-7 Poverty Reduction Plan and has targeted water supply to 26 million people in water-scarce areas in the next few years. Successful implementation of this plan will keep China on track for the 2015 target.

China intends to add 40 billion cubic metres of water supply during the Tenth Five-Year Plan, which calls for an integrated approach of water conservation, efficiency improvements, and a huge water diversion project that will increase water flow from south to north. Technology, market pricing, and raising water-saving awareness will be exploited to achieve a sustainable water supply for urban and rural Chinese.
3. Potential MDG Gaps

a) Water waste, both in irrigation and urban systems, is still widespread, and many water sources remain polluted. Furthermore, most poor and remote areas are water-scarce. These and other water management issues could be addressed by clarifying the roles and relationships among government agencies, making use of appropriate technologies, and implementing more effective monitoring systems.

b) Underlying the need to improve water management is the necessity for more participatory approaches and community ownership to ensure overall success and sustainability. This in turn implies a new mindset for water management officials, who must begin to see themselves as collaborators with the private sector and civil society in the management of water resources.

c) Concerns have been raised that the Western Development strategy could put added strain on water supply in the arid Western regions. Other concerns relate to the sustainability of the large planned water diversions from the Yangtze to the north and their potential harmful environmental impact.

d) Better statistics by geographic area and by sector would help track progress and identify remaining areas for targeting.

Target 11: Improve the proportion of rural people with access to improved rural sanitation.

1. Status and Trends

China’s urban sanitation coverage has been adequate to meet the needs of its cities, so this target has been altered to focus on rural sanitation, where hygiene is low and is causing health problems. There has admittedly been improvement in rural sanitation starting from a low base: Coverage was only 8% at the end of 1993, but increased to 16%, 30%, 35% and 40% in 1995, 1997, 1998 and 1999 respectively. But China’s population still suffers from diseases associated with poor drinking water and sanitation. For the past two decades, diarrhoeal diseases and viral hepatitis—both associated with faecal pollution—have been the two leading infectious diseases in China. The percentage of people with access to adequate sanitation is less than half of that with access to safe water, and the gap is expected to widen if not addressed. In urban China, the capacity of 19 provinces to dispose of sewage lags behind the daily volume of wastewater. In rural China, the situation is far more serious, with many areas disposing of waste in surrounding fields.
The map below shows the percentage of rural people with access to proper sanitation in different provinces and regions, highlighting nine that remain at the low development stage. These include areas where the percentage of people with proper sanitation is as low as 10%, as in rural Guizhou.

Source: UNICEF/UNDP based on provincial statistics bureau reports, 2000

2. Supportive Environment

During the 1999 National Conference on Women and Children in Hangzhou, the State Council identified rural sanitation as one of the three priority goals in the National Programme of Action (NPA) for children, and called for intensified support from local governments for improved sanitation. There is also a commitment to strengthen efforts to improve the quality of the children’s environment in the next NPA, and ecological and environmental issues are one of the themes of the Western Region development strategy.

3. Potential MDG Gaps

a) Changing traditional practices and attitudes toward handling animal and human waste in
rural areas require careful study and understanding of local conditions. Effective communication strategies and awareness campaigns together with cost effective technologies are vital for successful rural sanitation interventions. Families are generally unaware of the effects of poor hygiene on health, especially children’s health, so there is little or no demand for improved sanitation.

b) Decentralisation, together with the low importance of rural sanitation in the average local government’s development agenda, results in insufficient budget for providing hygiene and sanitation services. Separate institutions for water supply, sanitation, and health care create coordination problems among various agencies, lowering the agencies’ overall efficiency.

c) Although a safe and healthy environment has been extensively discussed, there is still no effective overall package of planning and programming at the community level.

d) Civil society must be mobilized to raise awareness of the causes of poor health, including environmental diseases and natural hazards. Options for improving hygiene, sanitation, and access to safe drinking water must also be improved.
DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system.

China is determined to reach complete integration with the global economic system. It has met various legal, trading, and financial system requirements as a condition of entering the World Trade Organization, and has maintained effective monetary and fiscal policies to sustain rapid growth in recent years while keeping inflation under control.

China’s GDP is number-one in the developing world and sixth overall, and has experienced impressive trade growth focused on North America, Japan and Europe. Its 2002 import and export volume reached US $620 billion, a 22% increase over 2001 and five times the level in 1990. In 2002, China exported more than US $15 billion of food and agricultural products and US $50 billion of textile materials and products. There is untapped potential both in ASEAN and in the neighbouring Central Asian countries, which are starting to receive China’s attention.

According to the OECD, Official Development Assistance (ODA) to China for 1997 was US $2 billion; for 1998, US $2.3 billion; and for 1999, US $2.3 billion. On a per capita basis, ODA is less than US $2—far smaller than FDI, which is about US $38 per capita (US $50 billion in the aggregate). According to MOFCOM, from 1979 to 2000, China received more than US $6 billion in ODA grants, including more than US $4 billion through bilateral channels. These figures demonstrate China’s overall success in making trade and investment the cornerstone of its development, while carefully deploying the relatively small amount of ODA for technical assistance and experimentation with new approaches to development. As well as being a recipient, China is also a donor to other developing nations, particularly those in Africa. China will probably become an increasingly important donor, particularly in emergency food assistance. This picture of China as a donor country needs to be better recorded and disseminated so China’s contribution is better recognized.

Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.

China has been particularly effective in spreading new technologies into society. Fixed phones per 100 persons went from 8 in 1997 to 26 in 2001; mobile phones went from 1 to 11 over the same period. The number of Internet-ready computers has grown from 290,000 in 1997 to 16 million in
2002. Internet users have gone from 620,000 in 1997 to almost 46 million in 2002. While impressive in terms of growth, the current Internet user population represents only 3.6% of China’s 1.3 billion population, which illustrates the still-low penetration rate and considerable potential for growth. But penetration will rise rapidly if recent statistics are any indication. Data show that from July 1998 to July 2000, the number of Chinese Internet users increased by more than 50% every six months.
CONCLUSION

The chart below summarizes the initial collective judgment of the UN system in China with respect to China’s progress toward meeting the MDGs. It is meant as a point of departure for discussions with China, and is not intended as a definitive statement.

Generally, the picture that emerges is very positive. It illustrates that China is likely to achieve most of the MDGs. Targets that may require some attention are as follows:

- Achieve equal access to primary and secondary education for boys and girls by 2005;
- Halt and reverse the spread of HIV/AIDS by 2015;
- Halve the incidence of TB by 2015;
- Implement national strategies for sustainable development by 2005 to reverse the loss of environmental resources by 2015.

China’s commitment to achieving the MDGs is strong. MDG targets that may not be on track can be put on track with more attention to balanced development.

Whether the issue is health, education or the environment, the international community can be of assistance by sharing with China the experience of other countries and experts. Particularly useful would be experience on how data are gathered, how policy is formulated, how options are explored, and how the private sector and civil society are engaged in the policy process. This last point is of particular importance because it can give them a blueprint for contributing to the implementation of national objectives so that government is not left to cope with them alone.

As China moves to the next stage of its development, governance will become ever more important. Effective policies, implemented in partnership with the non-State sector, can save billions of Renminbi. Flawed or poorly implemented policies, on the other hand, can gravely damage the environment and the economy, leaving a tragic legacy for the next generation. The right approach can galvanize citizens’ commitment and effort toward a common purpose. A flawed approach can pit one group of citizens against another in a downward spiral of destruction.
Below is a summary of the UN System in China’s collective assessment of China’s situation vis a vis the MDGs.

<table>
<thead>
<tr>
<th>OVERVIEW OF CHINA MDG STATUS</th>
<th>GOALS and Targets</th>
<th>STATE OF GOAL ACHIEVEMENT</th>
<th>STATE OF SUPPORTIVE ENVIRONMENT</th>
</tr>
</thead>
</table>
| **Eradicate Extreme Poverty & Hunger by 2015** | Halve the proportion of people living in extreme poverty  
Halve the proportion of population below minimum level of dietary energy consumption  
Halve the proportion of underweight children under five years old by 2015 | On track  
On track | Well developed  
In place |
| **Universal primary education by 2015** | Achieve universal primary education by 2015 | On track | In place |
| **Gender equality** | Achieve equal access for boys and girls to primary and lower secondary schooling by 2005  
Achieve equal access for boys and girls to upper secondary education by 2005 | Maybe not on track  
Maybe not on track | In place  
In place |
| **Under-five mortality** | Reduce under-five mortality by two-thirds by 2015 | On track | In place |
| **Reproductive health** | Reduce maternal mortality ratio by three-quarters by 2015  
Universal access to safe/reliable reproductive health services (contraceptive methods) by 2015 | On track  
On track | In place  
Well developed |
| **Combat disease (HIV/AIDS, TB & Malaria)** | Halt and reverse the spread of HIV/AIDS by 2015  
Halve the prevalence of TB by 2015  
Reduce the incidence of malaria | Maybe not on track  
Maybe not on track  
On track | Maybe not on track  
In place  
In place |
| **Environment** | Implement national strategies for sustainable development by 2005 so as to reverse the loss of environmental resources by 2015 | Maybe not on track | Well developed |
| **Basic amenities** | Halve the proportion of people unable to reach or afford safe drinking water by 2015  
Improve the proportion of rural people with access to improved sanitation | On track  
On track | Well developed  
In place |
## Monitoring and Evaluation Capacity

<table>
<thead>
<tr>
<th>Goal</th>
<th>Existing Capacity For:</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Data gathering</td>
</tr>
<tr>
<td>Extreme poverty</td>
<td>Strong</td>
</tr>
<tr>
<td>Hunger and malnutrition</td>
<td>Fair</td>
</tr>
<tr>
<td>Universal primary educ.</td>
<td>Strong</td>
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<tr>
<td>Gender Equality</td>
<td>Fair</td>
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<tr>
<td>Under-five Mortality</td>
<td>Fair</td>
</tr>
<tr>
<td>Reproductive Health</td>
<td>Strong</td>
</tr>
<tr>
<td>HIV/AIDS, TB &amp; Malaria</td>
<td>Needs attention</td>
</tr>
<tr>
<td>Environment</td>
<td>Strong</td>
</tr>
<tr>
<td>Basic Amenities</td>
<td>Strong</td>
</tr>
</tbody>
</table>
STATISTICAL AND REFERENCE NOTES

Almost all figures cited in this document are drawn from Chinese government sources. In some cases, figures are used from international sources such as the World Bank’s *World Development Indicator* report. In a few cases, a specific study or analysis has been quoted, usually to highlight statistics in a particular area of China or with respect to a specific issue. Below, under each of the sections of the report, the statistical sources are listed for the reader. For those interested in knowing more about the Millennium Development Goals and the technicalities of reporting on them, please refer to *Reporting on the Millennium Development Goals at the Country Level, Guidance Note, October 2001, United Nations Development Group*.

KEY DEVELOPMENT INDICATORS

China Statistical Yearbook; China Health Statistical Yearbook; China Education Yearbook, China Education Press, China Educational development summary; World Bank World Development Indicator report; National Population Policies 2001, United Nations

China’s Human Development

China Human Development Index for 2002, prepared by Li Shi, Institute of Economics, Chinese Academy of Social Sciences

Economy and Poverty


**Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day**


**Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger**
Graphs showing Proportion of population below minimum level of dietary energy consumption and Prevalence of underweight children, China Tenth Five-Year Plan 2001-2005; World Bank World Development Indicator report; Ministry of Health

**Target 3: Ensure that, by 2015, children everywhere, will be able to complete a full course of primary schooling**

Graphs showing net and gross enrolment rate for primary and secondary schools, Ministry of Education, China Statistical Yearbook

**Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015**


**Target 5: Reduce by two-thirds, between 1990 & 2015, the under-five mortality rate**


**Target 6: Reduce maternal mortality ration by three-quarters, between 1990 & 2015**


**Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS**

Target 8: Reduce by half between 1990 & 2015, the burden of TB and malaria


Target 9: Integrate the principles of sustainable development into the policies and programmes and reverse the loss of environmental resources


Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water

Graph showing Proportion of population with sustainable access to an improved water source, Ministry of Health; A World Bank World Development Indicator report 2002; China Human Development Report 2002; China’s Environmental Pollution and Health Problems, unpublished paper presented at the 2nd CCICED Conference by Cai Shiwen; China Tenth Five-Year Plan 2001-2005

Target 11: Improve the proportion of rural people with access to improved sanitation

National Patriotic Health Campaign Committee Office Report 2000, National Programme of Action for children; the Overall Plan of Western Region Development and Related Policy Measures

Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system


Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications