

UNDP-CAITEC Informal Discussion Series on Development Cooperation

How Global Development Cooperation Could Work Better

The perspectives from China

SUMMARY NOTE

March 2021

**UNDP-CAITEC Informal Discussion Series Summary Note
How Global Development Cooperation Could Work Better
The perspectives from China**

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INTRODUCTION

With less than ten years left to achieve the 2030 Agenda, the COVID-19 pandemic has generated enormous global challenges right at the beginning of the Decade of Action for SDGs. But the pandemic also offers an opportunity to revisit past development cooperation, as well as reflect on countries' ongoing efforts to adapt to an emerging new set of global and national contexts, where the SDGs and common principles such as leaving no one behind continue to be the compass.

To enable collective efforts to build a better developmental path toward the shared global 2030 Agenda, UNDP China and the China Academy of International Trade and Economic Cooperation (CAITEC) are co-hosting a series of informal discussions about the future of global development cooperation, under Chatham house rules. The series of discussions is supported by the Embassy of Switzerland in China.

Complementing and building on past progress, including the [2014 workshop for 11 SSC providers](#), the [2016 dialogue on South South Cooperation \(SSC\) in Beijing](#), and [the 2019 informal policy roundtable in Seoul](#), this series of discussions will facilitate the exchange of countries' best practices and further identification of common denominators for future collaborative development efforts.

In this first discussion of the series, 14 experts from Chinese academics, institutions and think tanks shared their valuable insights and knowledge on November 20, 2020. The full participant list can be found in the annex. Subsequent discussions will bring in key representatives from other countries, gradually building up consensus views on how to foster development cooperation effectiveness.

I. Changes and opportunities in development cooperation

1. What do you think are the top challenges in China's development cooperation to advance Sustainable Development Goals (SDGs)?

There is a need to focus more on clarifying the soft elements and theories that are embedded in the Chinese development models. This clarification will be challenging.

- **How to better communicate China's development experience with other countries?**

For China's development to make a better contribution to the world, in addition to infrastructure, materials, equipment provision and technical cooperation, there is a need to focus more on clarifying the soft elements and theories that are embedded in the Chinese development models. This clarification will be challenging. China and the developed world have substantially different understanding on issues such as political systems and culture. Take, for instance, China's achievements in poverty reduction. In dialogues with other countries, a determined and strong government is often perceived as the decisive factor for the accomplishment. Some voices from the developed world argued that a strong government would restrain individual freedom in the process of alleviating poverty, which contradicts the purpose of promoting people's independent livelihoods. In the view of several participants, this is a misleading perception. It exaggerates the role of the government and overlooks the role of social organisations. The key to China's successful poverty alleviation achievement was synchronized, synergistic efforts made by both.

The main reason behind this misperception is that, unlike social organisations in developed countries, which are often grassroots and nongovernmental entities, those in China have various links with the ruling party. For example, many dedicated people working on poverty alleviation at the local level are not necessarily public servants, but they are party members. Most of them are volunteers, meaning that they have separate jobs and

While the influence of politics in the development field is always notable, the intrusion of high politics to day-to-day development work is new and it is becoming a significant problem faced by all countries.

do not receive any allowance or benefits from local governments for their work on combating poverty. Seeing, as Western observers and even many Chinese ones tend to, the party as the government, it would be difficult to convey the character and function of Chinese social organisation in poverty alleviation. In the future, with China's will to further communicate and share its development experience with the international community, one challenge would be how to explain concepts such as Chinese social organization objectively and with greater clarity. It will need more reflection, as well as reviews and analysis of China's development experience.

- **Relations with international development entities in China**

When external development actors enter host countries, a sense of tension often arises. It is mainly driven by host countries' prioritizing development needs and security concerns differently, reflecting the gap between development levels. This tension, therefore, is not a problem faced by some countries only, but by all.

Currently, China's relations with local foreign development agencies also exhibit such tension. One problem is that China's development needs seem to be changing. In the past, China's cooperation with foreign agencies used to focus on areas such as poverty reduction and disaster relief, but as the number of poor has fallen sharply, so has the demand for and benefits of those cooperation programmes. The second problem is that more local foreign entities are expressing concerns about constraints faced when working in China. Some participants pointed out an asymmetry: just as China is becoming more open, the international narrative has shifted in the direction of short-term, zero-sum competition, away from emphasizing overlapping common long-term interests.

While the influence of politics in the development field is always notable, the intrusion of high politics to day-to-day development work is new and it is becoming a significant problem faced by all countries. High politics is increasingly affecting

China also needs to take the initiative in defining what multilateralism means for the country. The COVID-19 pandemic has already placed this question in focus for all countries.

countries' relations at other levels, such as competition and collaboration among international market players. This is also happening in the development cooperation field, where the US, for example, has recently taken unfriendly measures to Chinese civil institutions and to those of other countries.

- **How to define multilateralism and its relations with China?**

There is much uncertainty about how the new US administration would define multilateralism. If the 'new multilateralism' means a multilateral order with more zero-sum competitiveness and self-interest, then achieving the Sustainable Development Goals (SDGs) will be even more challenging. China also needs to take the initiative in defining what multilateralism means for the country. The COVID-19 pandemic has already placed this question in focus for all countries.

- **To promote the understanding of development partner countries**

There may be a considerable discrepancy between the donor country's perception of the recipient country and the recipient country's perception of the donor. Likewise, China's ideas and intentions may be very different from partner country's needs and expectations. These initial differences in perception can lead to more suspicion and mistrust in subsequent project implementation. China is not the only country experiencing this phenomenon; every country does so.

To give a positive example, Australia and Indonesia have developed a deep understanding and trust during their development cooperation. For example, some Indonesian academics and senior officials would take visiting fellowships and professorships in Australian universities and research institutes, as well as participate in policy discussions, keeping a close contact with Australian scholars; for a long time, the Australian foreign assistance institute would sponsor 300 Indonesian students to study in Australia each year; meanwhile, Australian research on Indonesia is both in-depth and diversified. For

It is important for countries to appreciate the culture of other countries (Mei Ren Zhi Mei 美人之美), and to cultivate the mutual understanding of diversity (Mei Mei Yu Gong 美美与共).

instance, the Australian National University hosts an annual academic conference on Indonesia researches. These interactions are not purely driven by utilitarian thinking but are based on an interest in learning each other's culture, politics, society, etc., which help gradually build up mutual understanding and trust. Despite complex relations between two countries, these established effective communication channels are useful for subsequent Indo-Australian development cooperation projects.

In view of China's development path, international development cooperation is a channel for China to proactively learn more about other countries. To allow for increased knowledge of the rest of the world, the country case studies that are currently being conducted by academics would be instrumental.

To conclude, in conducting development cooperation, China first need to get to know other countries, their people, culture and history in depth, and with an egalitarian vision. Using China's renowned sociologist Fei Xiaotong's word, it is important for countries to appreciate the culture of other countries (*Mei Ren Zhi Mei* 美人之美), and to cultivate the mutual understanding of diversity (*Mei Mei Yu Gong* 美美与共). Development partners also need to convincingly explain their motives for development cooperation. This sets the stage for growing mutual respect and appreciation, as well as helping realise that different performance greatly depends on the country context. This active engagement will not only help China understand the economic and social landscape in the outside world but also enrich the understanding of Chinese development model.

- **The four traps**

Responsibility trap: Before the COVID-19 pandemic, China's involvement in the provision of global public goods and foreign assistance was often perceived as being driven by a geopolitical agenda. However, in the COVID-19 pandemic, much assistance provided by China was instead taken for granted. In other words, China aid during COVID was seen as an atonement or obligation. It suggests that the negative

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perception of Chinese development cooperation may be difficult to reverse in the short term. Future Chinese development projects will also be confronted with similar questions, asking whether these are responsibility or contribution.

Expectation trap: A large part of China's foreign aid is resource- and material-based, and it does not interfere with the partner countries' internal affairs or attempt to set up new international rules. Then, many countries somehow have a misguided perception that China is not doing enough, even though it is already providing a lot. One of the challenges that China is likely to face in the post-COVID era is whether it will be able to meet the high expectations that other countries have of China, given its limited or even shrinking resources. China needs to consider how it can better communicate with partner countries to align expectations in future development cooperation.

Experience trap: China's public goods offerings mainly belong to two categories: those for day-to-day use, and crisis response. When sharing China's crisis response project experience, many often alluded to the pros of institutional structure. However, it should be noted that what works for China may not necessarily work for other countries. In the future, it will be a test of China's ability to adapt its projects effectively to the specific development context of the partner country.

Kindleberger Trap: This asks if China will take the initiative in assuming the responsibility for the supply of global public goods as China continues to rise. China is already providing international public goods to the best of its ability. Still, some of these may not be urgently needed by the international community, and some needed public goods may not be easily contributed by China, implying a mismatch between the needs of countries and China's expectations and capabilities. To maximize the contribution China makes to the provision of regional and global public goods, more effective communication and cooperation with other development actors is needed.

One challenge for China is how to balance the needs of fulfilling the domestic development agenda while advancing international development cooperation.

- **A gap in domestic development knowledge, institutions and talent exchange mechanism**

China's role in development cooperation is shifting from being a pure recipient to being a partner. In the process, there seems to be a gap in development knowledge. For example, China has been providing foreign aid for 70 years, but a well developed theory of China's foreign aid is still taking shape. Some universities and research institutes are exploring the possibility of formulating the theory based on practical or experimental on-the-ground project experience.

At the practical level, past knowledge and experience that China has accumulated in receiving aid have not been adequately integrated into its work of providing foreign development cooperation. Since the two systems of receiving and providing foreign aid are currently relatively independent, it is recommended to establish an institutional mechanism that allows for two-way talent exchange in the future. China also needs to create institutions that support independent, trusted and transparent large-scale provision of development assistance. Its current assistance system needs more integration to avoid, for instance, weak communication flows even among actors under the same Ministry.

Further, there's a need to figure out what China's comparative advantages are. It can be done through, for example, detecting which field of expertise holds an abundance of talent. For instance, in medical care China's research and products to combat malaria are outstanding. It is important to take the initiative to exchange knowledge on these topics with other countries to promote mutual understanding and learning.

- **Competition between domestic and international development agendas**

In the case of China, participants noted two main ways to achieve the Sustainable Development Goals (SDGs), one through domestic development and the other through international development cooperation. One challenge for China is how to balance

Foreign aid legislation can enhance the independence, openness and transparency of China's future international development practices.

the needs of fulfilling the domestic development agenda while advancing international development cooperation. There is a willingness from China's side to explore this further.

- **The “middle-level institutions trap”**

China is exploring a number of innovative approaches in development cooperation. In this regard, the message from the top is often crystal clear; meanwhile, front line workers also share the consensus of promoting mutual development and international exchange. At the middle level, however, there may be some ‘organisational barriers’, meaning organisations sandwiched between the top and front-line need time to find new working strategies. With China's population size and the fast-growing scale of international development cooperation work, there is a need for a rapid shift in the mindset of people working in the development field, as well as for supporting institutions with strong governance systems across a wide range of sectors.

The development community in China is still in the making. One future challenge would be how to support adaptive mid-level institutions that foster effective and efficient development cooperation with other countries.

- **Lack of a separate foreign aid legislation**

Foreign aid legislation can enhance the independence, openness and transparency of China's future international development practices. At present, some Chinese experts and institutions are working on, for instance, the translation and collation of foreign aid laws of other major development cooperation countries and related theoretical teaching materials. This is one area where knowledge exchange with other countries would be useful for China, and thus welcome.

2. What important changes have taken place in China's development cooperation model over the past ten years?

China is trying a different way by proactively providing 'demand-driven' development opportunities, allowing partner countries to benefit from China's development process.

- **Sharing development opportunities**

Reviewing the development assistance history, public goods and foreign assistance provided by large countries were often 'supply-driven'. China is trying a different way by proactively providing 'demand-driven' development opportunities, allowing partner countries to benefit from China's development process. The China Import and Export Fair, for example, is illustrating China's willingness to take the initiative to open its markets before it reaches high-income status. This approach comes with costs. China is willing to shoulder the costs as it hopes other countries can rise with China. Another example of opportunity sharing would be "dual circulation". As China's domestic development has significantly benefited from international economic circulation in the past, at the times of sagging global economic performance, China is seeking to accelerate global growth by promoting circulation between China and the rest of the world.

- **Collective bargaining + bilateral implementation: China's new regional diplomacy format**

In development cooperation, small economies often perceive a power imbalance in negotiation, meaning they hold less capacity than the big economies to represent their interests effectively. In this regard, China is innovatively exploring different negotiation models in the context of regional diplomacy. For example, the Forum on China-Africa Cooperation (FOCAC) has adopted the model of collective bargaining plus bilateral implementation. It implies China's initiative to help developing countries "group together", cede China's leverage and improve the balance of power in negotiations. These ideas and attempts indicate new opportunities. In the future, China could also consider how to play a more significant role in strengthening partner regions' self-cohesion.

3. What are the main impacts of the changing global situation on China's development cooperation?

- **Competition and division among development partner countries**

When discussing international development cooperation with other countries, some participants mention that they often get a sense of competition among development cooperation entities. For example, the North and the South focus on debating development effectiveness; and the countries of the South are promoting their models – the China model, the India model, the Brazil model, etc. On the one hand, people seem to have forgotten the value and main purpose of conducting international development cooperation. It is to allow for more people-to-people exchange to establish links between different cultures. International cooperation facilitates intrinsic human interactions, which should lead to more solidarity and friendship. What people see, however, is more division. It will be a challenge to recapture the initial common agenda and focus more on joint interests. China will be a partner in discussing these aspects.

On the other hand, compared with other fields, the overall level of competition in development cooperation still appears to be relatively low. And a considerable part of the competition may be positive and conducive, which may bring about more innovation in future development cooperation.

- **China can contribute more to world peace**

Peace is a necessary precondition for achieving the SDGs. China can make a meaningful contribution to world peace. This is in the interest of both China and countries seeking to develop. At present, participants mentioned two main issues that may threaten peace: the impact of domestic problems on relations between countries; and the potential clash of different world views and development models in the long term if the zero-sum thinking gains dominance.

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4. Following up on the above, what opportunities have opened up or have become clearer to optimize development cooperation for the achievement of SDGs?

Strategic planning and solutions to those seemingly less imminent matters are urgently needed at both the national and global level.

- **Avoid short-sighted national-centric agendas overriding the long-term development goals**

Domestic concerns are often regarded as important, urgent and short-term, while issues such as climate and environmental protection are seen as less important, not urgent and long-term. Consequently, most resources were used to address domestic development issues, leaving concerns such as climate change unaddressed. Yet climate change, the energy transition, and a fragmented global digital space are global challenges potentially with massive negative impact, and no country is immune in the long term. Strategic planning and solutions to those seemingly less imminent matters are urgently needed at both the national and global level. Under limited national resources, the allocation of resources for long-term and short-term goals will always be a concern. What needs to be pushed forward globally in the future is to avoid countries' short-term 'winners and losers' vision and to agree on working together toward joint long-term goals.

- **Innovative experience sharing**

There are differences between China's development experience sharing and that of developed countries. One is the difference in the level of development; the other is the difference in the time span. Given the gap between donor and recipient countries' development stage, and the lessons extracted from practices since decades ago, developed countries' experience sharing is often too abstract, with highly concentrated theoretical and intellectualised content.

China has three complementary advantages in sharing development experience: first, the development gap between China and most other

Forming a well functioning, inclusive digital community may help find leapfrogging solutions to many of the current problems.

developing countries is smaller than between those countries and the West; second, China's development experience is still relatively alive and fresh; third, as China is experimenting and exploring ways to address domestic development gaps, these domestic lessons may be useful for other countries facing similar problems. These formulate China's experience sharing model, with both 'closing-gap' and 'climbing-ladder' characteristics. Balancing the two characteristics can help avoid the 'experience trap'. Chinese development experience sharing can thus be relevant and useful for many developing countries.

- **Promote humanity in development work**

Several participants mentioned that the SDGs seem to focus excessively on economics and technology aspects and considered that the human dimension is marginalised, even though it should be the core of international development. For example, the Human Development Index (HDI) should focus on illustrating the psychological dimension of people in the development process – i.e., what would be the perception of the poor? In this respect, countries may promote the human dimension in development work through collaborating with multilateral development agencies, exploring and utilizing their advantages in development knowledge, international networks and technology.

- **New international development order and room for cooperation**

There seems to be a shift of focus from strengthening political power toward more inclusive distribution of economic power in parts of the US political establishment. The reason may be that domestic development issues such as rising inequality have drawn more attention. This trend of shifting focus may help reveal potential common ground for future cooperation between the major economies. Another potential cooperation opportunity is in the digital world, driven by science and technological innovations. Forming a well functioning, inclusive digital community may help find leapfrogging solutions to many of the current problems. To conclude, today's

In the future, China's lessons would be worth considering. They can help promote the understanding of different underlying development logics, and help find ways for engaging in meaningful, human-centered development discussions.

world is not a backward world, but an era of hope amid storms. When people look back in the future, they may see that the world today has been shaping a new international development order.

- **Collaboration on addressing common challenges**

Ageing population is a common challenge faced by all countries. Consequently, China, the US and many European countries have done a lot of research in this field. It would be productive if the countries could collaborate on this topic through, for instance, the exchange on relevant technology, policy and finance. Likewise, in areas such as the digital economy, China's lessons may provide inspiration to other countries. In the future, China's lessons would be worth considering. They can help promote the understanding of different underlying development logics, and help find ways for engaging in meaningful, human-centered development discussions.

II. What would it take to work together in the future?

(also taking into account the impact of COVID-19)

1. What works well in South-South Cooperation and what could be improved to raise its effectiveness in getting onto a better developmental path to the shared global 2030 Agenda, from your standpoint?

Future evaluations need to focus more on local people who get the aid, understanding their subjective perception of the project, essentially a 'recipient-centric' process.

- **Improve the existing evaluation framework**

Traditional approaches to assessing aid effectiveness have focused on reading macroeconomic data such as economic growth and Purchasing Managers Index (PMI) in the recipient country; political ones such as democratisation and governance legitimacy; and more recently, social aspects such as social norms, gender equality, corruption rate, as well as environmental ones like climate change. Relying on these traditional evaluation approaches alone is problematic. Firstly, evaluation frameworks are too complicated and often characterised by bureaucratic and expert dominance. They may also be prone to 'donor-centric', meaning evaluations take donor countries' perspective, which can lead to 'wishful thinking'. For example, in a project seeking to improve gender equality, the evaluation only takes into account women's increased awareness of gender equality, ignoring local men's perception while in fact, there is no increased awareness of gender equality among men. The evaluated project effectiveness then becomes questionable, since local men are the ones who hold dominant power. Therefore, future evaluations need to focus more on local people who get the aid, understanding their subjective perception of the project, essentially a 'recipient-centric' process.

In order to become 'recipient-centric', the evaluation process needs to be simpler so that the general public can participate in it and understand it, rather than feel left out from a complex, expert-led mechanism. The potential use of new data technologies in future evaluation is worth noting.

China's foreign aid assessment has shown a gradual shift from a focus on process and compliance to a focus on effects.

Geocoded data, for example, are a tool for capturing microdata, which can help understand the effectiveness of development projects better. By marking the geographic location of Chinese and World Bank's aid projects, and looking into the social data retrieved from nearby fields, one research can explore and compare the two kind of projects' results on local economic empowerment. Overall, the current evaluation framework for international development should adapt to future global challenges and allow for identifying the role and contribution of emerging partner countries, such as China.

At the same time, there was also an appreciation of the complexity of the real world, which calls for more sophisticated - and as a result, more complex - evaluation methodologies. The key is to find the right balance between the simple and the complex.

In recent years, there are new and emerging economic paradigms and research to help understand development progress, such as the random controlled trials approach in poverty alleviation projects. It takes time for those cutting-edge findings to be incorporated into development practices. In response, one participant highlighted the Chinese government's experimental approach to national development, mentioning the example of evaluating the Shenzhen experiment 10 years ago.

Evaluation systems need to adopt both quantitative and qualitative approaches. The core of evaluation is to understand projects' long-term sustainability, which requires tracking projects to see the results after 20 or 30 years. Relatedly, China's foreign aid assessment has shown a gradual shift from a focus on process and compliance to a focus on effects. It is worth considering how China can further establish contact with the international community on learning from each other's evaluation methods.

Participants mentioned the need to establish an integrated management system and coordination mechanism between the two sides on the ground.

- **South-South cooperation needs more innovation**

The Chinese government is thinking innovatively in many of its long-term policies as it transitions from development assistance recipient to provider status. For example, China took the initiative to establish a multilateral development bank - the Asian Infrastructure Investment Bank (AIIB), which set up and operates in full accordance with international standards. In comparison, the standards established by the OECD Development Assistance Committee (DAC) have changed very little since World War II. On the one hand, it has ensured a standardized framework on development cooperation for member countries. On the other hand, however, it may have stifled innovation opportunities. In this respect, bringing China's innovative thinking into development cooperation may be useful, but it requires more consideration as to how to do it, and how to ensure it is communicated clearly and brings benefits to all recipients.

- **Enhance coordination with other development actors on the ground**

In Africa, for example, one participant noted that developed countries' aid agencies would set up a regional office to coordinate their work in several countries. These agencies from different countries often have monthly or quarterly meetings when designing and implementing projects. The Chinese side, on the other hand, has a focal point in basically every country, but they rarely participate in exchanges between developed country agencies, within or across countries. Participants mentioned the need to establish an integrated management system and coordination mechanism between the two sides on the ground.

2. Are there gains from engaging other development assistance providers in the same country; and if so, at what level?

Once governments can reach policy consensus, this will also bring about healthy competition among private sector participants in development cooperation.

- **Improve the inter-governmental level policy consensus among provider countries**

Cooperation with other provider countries was already taking place before the pandemic. Examples include the establishment of the African Centre for Disease Control (ACDC), to which the US, China and other donors provided joint financial support.

In terms of common ground, healthcare can be a starting point for cooperation among development providers, since reaching a common understanding on public health standards is relatively easy. Harmful competition and conflicts should be avoided in cooperation.

Take China and the OECD countries as an example. Given different economic structures, the OECD and China show different capacities and priorities in their development projects. For example, China focuses more on infrastructure, while the OECD countries conduct more training; whereas, in training projects, China is more concerned with enterprises, while the OECD countries focus more on education. The two can be complementary with each other. The key to cooperation is whether two sides can understand each other's policies. Once governments can reach policy consensus, this will also bring about healthy competition among private sector participants in development cooperation. In conclusion, exchanges between the governments of China and developed countries is essential in cooperation.

3. Following up on the above, what are the obvious synergies, and what are the red lines that should not be crossed?

Several areas of synergy and points of connections were highlighted elsewhere in this note; no red lines were raised.

4. What are the global development cooperation principles that will work from your perspective?

One principle highlighted was to better prioritize areas of intervention, in particular to carefully place possible projects in the important-unimportant and urgent-not urgent space. Development cooperation was seen as often focusing on urgent yet not very important issues; and often failing to address very important yet apparently not urgent ones. Setting this right would greatly improve the effectiveness, and quite likely, the efficiency of global development cooperation. Approaches to do so could include better institutions, improved cooperation and coordination between humanitarian and development actors, and wider use of public-private partnerships.

5. What are the foreseeable challenges in the short- and long-term?

- **How to bring development cooperation players together?**

The development cooperation system is highly fragmented. In particular, there are many actors in the multilateral development system, such as NGOs, the private sector, multilateral banks, philanthropic foundations, etc. Communication among the various actors, however, is insufficient. The pandemic has placed significant financial pressure on countries. In the short term, development cooperation projects may face shrinking resources and funding, given the pressures stemming from shifts in domestic priorities. In this context, cooperation with the private sector, multilateral development banks and international non-profit institutions has become particularly important. In Nepal, for example, many local international NGOs have a deep understanding of the local context, yet do not have sufficient funding to make their contribution.

In the short term, development cooperation projects may face shrinking resources and funding, given the pressures stemming from shifts in domestic priorities.

Collecting sufficient baseline data before planning future poverty reduction projects and focusing on clarifying the poverty reasons may help them to recover quickly.

There's a possibility that fragmentation is likely to intensify in the future. But if we can seize the opportunities to collaborate, we are likely to see lower development cooperation costs, and greater effectiveness. We need to think about how to bring the various resources of development players together.

- **Increased difficulty in achieving the SDGs in the post-COVID era**

Take poverty reduction as an example: the World Bank estimates that 115 million people could slip into extreme poverty in 2020 due to the pandemic, leading to a 2 percentage point increase in the global absolute poverty headcount. How to address this new global poverty issue? Firstly, there may be a need to re-examine the existing poverty reduction goals, assessing the goals' practicality in different phases. The second need is to mobilize funding and resources from a variety of channels. Thirdly, sequencing of broad development policies as well as the policy on poverty reduction requires more attention. Policy sequencing means considering different priorities of development goals at different stages, ensuring that necessary steppingstones for subsequent policy measures are in place, and balancing the interests of all parties while minimising the potential negative impact of policy changes. There is a logical chain behind the model of policy sequencing, beginning from case studies, lessons learned, to the theorization of knowledge and methodologies. It should be noted, however, that many existing theories based on case studies are questionable.

In addition, in achieving poverty reduction goals, the 'new poor's' capacity to bounce back is worth examining. Collecting sufficient baseline data before planning future poverty reduction projects and focusing on clarifying the poverty reasons may help them to recover quickly. China has useful experience and is willing to participate in knowledge exchanges in these areas.

6. What else can be done to reach policy coherence on global development cooperation?

There is a need to ensure that the mental model about what constitutes development progress is similar in the minds of providers and recipients of development assistance; and of representatives of multilateral agencies and development banks.

- **Define international development and develop common knowledge**

There is a need to ensure that the mental model about what constitutes development progress is similar in the minds of providers and recipients of development assistance; and of representatives of multilateral agencies and development banks. Many general terms used in international development are, in fact, ambiguous. From the Chinese perspective, participants in the discussion raised the idea to provide explanations of the terms proactively, which will help develop a common global understanding at an intellectual level. Relatedly, knowledge actors need to recognize the differences between the Chinese and Western logics of understanding the world. This concerns the fundamental cognitive frameworks. To conclude, dialogue, comparing notes, and reaching common understanding on these aspects can pave the way toward more effective development cooperation.

The development of knowledge, tools and measures takes time - doing this process right, with results, is more important than speed.

III. Future cooperation among development partners: specific steps

1. What specific form of globally coordinated health and policy responses to the global synchronized crisis would be acceptable, from your standpoint?

Making sure that countries with the least capacity can defend themselves would be the key to success.

- **Understand short- and long-term international cooperation focus**

In the short term, healthcare and pandemic responses would be a clear priority for international development cooperation. Making sure that countries with the least capacity can defend themselves would be the key to success. In the long term, however, development policies should focus on structural reforms in countries, as development is ultimately linked to growth. For example, in some Asian and African countries, their primary focus seems not to be the health impact of the pandemic, but more on its impact on the economy, industry and other areas of economic production.

- **Utilise and improve multilateral development agencies**

Existing multilateral mechanisms need more support and attention, recognizing their role as development partners, not just implementers.

The multilateral development system is experiencing several trends, including the increase in the number and specialisation of actors; countries' preference to conduct development practices bilaterally; increased vulnerability of funding sources (e.g., IOM; UNHCR; WFP; WHO); and the increase in non-concessional lending by multilateral development banks. These trends will have a profound effect on the approach and effectiveness of multilateral institutions in the current context of the pandemic.

Improved interactions among multilateral institutions and better coordination of their activities with those under South-South Cooperation will also benefit the entire development cooperation system.

The professionalisation of multilateral development organisations should be promoted in the future. Statistical methods and tools should be improved to effectively assess the roles, priorities and contributions of different organisations in addressing specific challenges. Improved interactions among multilateral institutions and better coordination of their activities with those under South-South Cooperation will also benefit the entire development cooperation system. In this respect, participants mentioned that very few Chinese experts study and understand multilateral organisations. Future efforts could be put in nurturing a group of Chinese professionals in this field.

- **Bring in cutting-edge technology in the development field**

China's experience in using cutting-edge technology is worth sharing. Development policies can take advantage of advanced technology to help the most marginalised groups. For example, China's Beidou satellite system can help understand the economic activity landscape by providing a real-time monitoring of railways. Similar technologies and the data cloud could be useful for monitoring the development process and providing early crisis warning in remote areas.

- **Strengthen international coordination in the development and distribution of vaccines**

The COVID-19 vaccine is the utmost priority at this stage. The pandemic cannot be solved without effective development, production and distribution of vaccines. Concerning the distribution and use of vaccines, an adequate supply of vaccines that reaches all countries and regions is a must. This requires cooperation not only in production but also in the international authentication process, in which data can be shared to facilitate the international recognition of vaccines. Another issue at stake is to build a reliable cold chain for the supply of vaccines in the developing and least developed countries. Meanwhile, there's a need to prepare supportive healthcare mechanisms and front-line workers, as well as consider whether

financial support would be required to make vaccines affordable for the general population. Besides, the anti-vaccine culture prevalent in some regions is a concern and should be addressed. Currently, there is an urgent need to improve international coordination, for example, in sharing information, notably in vaccine procurement.

Long-term policies need to focus on the impact of COVID on health systems and the SDGs. For example, in the pandemic, the coverage of vaccines for other diseases has fallen to 70 per cent. COVID has also exposed inequities in many countries' public health system. Addressing these will require greater investment and coordination.

2. Given the above, what would it take to formulate a minimum set of steps to enhance coordination/cooperation for SDG attainment?

Figuring out how to address the looming debt crisis and facilitate effective coordination and cooperation among all creditors is a common task for all countries, including China.

- **International and domestic stability**

Peaceful relations between countries and internal stability are an absolute prerequisite for all short- and long-term development cooperation. Yet this stability is increasingly becoming a scarce public good.

- **Address 'dysfunctional' global financial market and developing countries' debt crisis**

Global financial markets have now entered an era of low interest rates. While this should give rise to sufficient market liquidity, the field of development assistance still faces a huge funding gap and a lack of financing. This may not be a problem of development cooperation, but a problem of the 'dysfunctional' world financial system. Due to the COVID-19, developing countries in general, and African countries in particular, are experiencing economic difficulties and face increasing difficulties in repaying their debt falling due. Figuring out how to address the looming debt crisis and facilitate effective coordination and cooperation among all creditors is a common task for all countries, including China.

- **Encourage the involvement of and find a shared agenda among diverse development actors**

The growing number and variety of development cooperation actors have been mentioned above. In this context, it is important to think about how to find common ground in their different agendas. In the long run, market-oriented companies should play a leading role in facilitating cooperation among various actors. Compared to the public sector, those market players are skilled in discovering new market opportunities, and can proactively assess and take manageable risks. At the same time, multinational companies are bringing more social, environmental and ethical concerns into business decisions. This group, however, is also in need of an overall vision and a care-for-society approach. In this respect, different development actors can complement each other based on their different capacities. Cooperation will require everyone to put aside prejudices, and place cooperation above their current zero-sum approach.

3. What would be those initial set of steps?

There used to be a communication mechanism on development between China and the OECD, but it has been suspended.

- **Resume dialogue with OECD countries**

From the Chinese perspective, development cooperation practice faces the challenge of finding mutually acceptable ways for connecting and cooperating with the international community. At the core of China's international development strategy is its developing country position. Given this position, at least in the short-term, China will not become a member of the OECD. Yet facing an increase in its international responsibility, China needs to figure out its positioning in development cooperation. There used to be a communication mechanism on development between China and the OECD, but it has been suspended. Participants expressed the need to resume the dialogue, which would also help China to better articulate its position.

There is a need to synchronize the resource envelope and expertise, encouraging exchanges between development practitioners and experts in both development assistant provider and recipient countries.

- **Plan China's long-term development strategies**

During the pandemic, China set up different joint offices for pandemic prevention and control. The temporary mechanism, while responding to the needs under severe time pressure, might not be the most efficient. We should consider how this problem-solving mechanism can be improved and made permanent, fostering better coordination and cooperation at national and international level. Besides, beyond setting goals on an annual basis, China needs to plan a long-term strategy and resource allocation, which specifies the sequence of specific issues, the linkages among them, and long-term goals.

- **National capacity building**

There is a growing number of Chinese private companies and private enterprises involved in development assistance and overseas investment. Compared to Chinese state-owned enterprises that own abundant resources, private companies need more support and training. Operating on the ground, they need to have a better understanding of the local conditions and the ability to deal with potential conflicts. In terms of capacity building, there is a need to synchronize the resource envelope and expertise, encouraging exchanges between development practitioners and experts in both development assistant provider and recipient countries. This will allow policy makers to keep absorbing new development knowledge, and experts specializing in different topics to be involved in the resource allocation process. It will also build up China's development capacity from within and enable better cooperation at the international level.

IV. Other points

- **Diminishing comparative advantage of multilateral institutions**

China needs to explore future cooperation with multilateral institutions, including international financial institutions and the UN. In the past, multilateral institutions showed their advantages in expert pools, toolboxes, knowledge banks and international networks. Some functions and roles of traditional multilateral institutions remain irreplaceable (the World Bank data bank was mentioned as an example). Recently, however, some domestic partners have pointed out that these comparative advantages are diminishing.

What will the “new partnership” look like at a time when multilateral institutions in China are facing the transition to new roles more aligned with their changed comparative advantages? This is a topic worth looking into.

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