

# FAST FACTS

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China

## China's South-South and Global Cooperation

### Overview

China is an increasingly important player in global, political and economic governance. The country is the second largest economy in the world, and a member of the BRICS and G20. With more than 52 percent of Chinese foreign aid from 2010-2012 going to least developed countries (LDCs) for the construction of schools, hospitals and infrastructure, China is a crucial global development partner. Moreover, Chinese companies are rapidly expanding their overseas operations in other developing countries. On the African continent alone, there are over 2,000 Chinese firms operating.

China also regularly engages in dialogues with developed and developing countries and regional organizations such as the Association of Southeast Asian Nations (ASEAN), the African Union (AU), and the Community of Latin American and Caribbean States (CELAC). It also participates in regional forums such as the Forum for China Africa Cooperation (FOCAC) and the Pacific Forum.

In 2014 China hosted the Asia-Pacific Economic Cooperation (APEC) Summit, made progress on the New Development Bank with other BRICS members, and announced the creation of a Silk Road Fund and the Asian Infrastructure Investment Bank, which are all of global importance.

Through the signing of a Memorandum of Understanding (MoU) in 2010, China and UNDP strengthened partnership on these shared development priorities and international cooperation. Since then, through dialogue facilitation and demand-driven policy research and projects, the UNDP Country Office in China has supported China's efforts for a positive engagement on global development issues.

### South-South Dialogue and Foreign Aid

UNDP China participates in several consultations, providing insights and recommendations to improve and scale up development cooperation and foreign aid from China.

### MATTERS OF FACT

- **1.08 trillion USD:** Value of China's net overseas direct investment in 2013 in Asia (70%), Latin America (13%), Europe (6%), North America (5%), Africa (3%) and Oceania (3%) (National Bureau of Statistics China)
- **150 billion USD:** Approximate capital base of new financial banks – Asian Infrastructure Investment Bank and BRICS New Development Bank
- **14.41 billion USD:** Estimated value of China's foreign grants, interest-free and concessional loans, including to Africa (51.8%) and Asia (30.5%) (2<sup>nd</sup> White Paper on China's Foreign Aid)
- **57:** Number of founding member countries joining China's new Asian Infrastructure Investment Bank (AIIB). This includes over a quarter of the world's nations and 16 of the world's 20 largest economies (South China Morning Post)
- **7:** Number of UNDP trilateral cooperation projects with China and developing countries to date, including Bangladesh, Burundi, Cambodia, Ghana, Malawi, Nepal and Zambia.

Supporting China's south-south engagement by bringing together a range of South-South cooperation providers to exchange views and contribute to the preparation of the Global Partnership for Effective Development Cooperation (GPEDC). As a result of this and with UNDP support, a new Network of Southern Think-Tanks (NeST) was born. The new Network, amongst other things, will aim to craft a clear definition of South-South cooperation in 2015.

Sharing China's poverty reduction work by working with the International Poverty Reduction Center in China (IPRCC) to test a new model for training government officials. The model jointly facilitates a government-to-government exchange between China and Bangladesh to study China's "one-stop" urban service centres which deliver social safety nets to the poor.

Informing Chinese foreign aid policy by providing inputs to the 2<sup>nd</sup> White Paper on China's Foreign Aid, which summarizes China's foreign assistance for three years in total and states China's policies on foreign aid going forward.

## Trilateral Cooperation Models for Development

Trilateral cooperation is a specific approach under which UNDP's development expertise is combined with Chinese knowhow to respond to sustainable development challenges facing developing countries.

During 2014, UNDP and China made significant progress in ongoing trilateral projects with Cambodia as well as with Bangladesh and Nepal, but also on formulating new projects in four countries - Ghana, Zambia, Burundi and Malawi. In 2014, China's Ministry of Commerce (MOFCOM) contributed 1 million USD for trilateral cooperation with UNDP, and the Government of Denmark contributed 5.2 million USD for the trilateral projects in Ghana and Zambia.



Cambodian farmers studying cassava, part of the China-Cambodia-UNDP first successful trilateral cooperation project (Photo: UNDP China)

## Sustainable Chinese Businesses Abroad

UNDP has started working with the Government of China and Chinese companies to promote adherence to sustainable development principles in their operations in other developing countries, particularly with respect to environmental issues and labour standards.

## Regional and Global Engagement

UNDP assists China by specifically providing advice and options where China's engagement in forums can support global poverty reduction and development.

Informing China's role in global governance: UNDP China commissioned and published three scoping papers to provide a structural academic framework for the 2014 Global Governance Forum, on the topics of 'Global Economic Governance and the Role of International Institutions,' 'Sustainable Financing for Development in the Post-2015 Context' and 'The Role of Developing Countries in Global Economic Governance with a Special Analysis on China's Role'

Influencing APEC discussions: UNDP China prepared a paper entitled 'Economics of Inclusive Growth' which was used as an input to the consultative process of APEC 2014 and the APEC Summit declaration.

## Policy Research and Advocacy

In 2014 alone, UNDP China delivered 16 policy research papers on various regional and global development issues. These papers discussed China in the context of a wide array of topics such as the Millennium Development Goals and the Post-2015 development agenda, the development needs of Pacific Island Countries, civil societies and foreign aid, and low carbon development.

In addition to researching and informing policy, UNDP China as a knowledge hub also produces and widely distributes issue briefs on a range of important regional and global topics:

- China's Humanitarian Aid
- Air Pollution in China
- Chinese Aid in the Pacific and Opportunities for Cooperation
- Ebola Virus and China's Response
- China's Second White Paper on Foreign Aid
- China's Evolving Africa Policy
- Workshop for South-South Cooperation Providers
- China-Africa Trade and Investment Cooperation
- China's Aid Flows and Mechanisms

Beyond publications, on behalf of the United Nations (UN) development system in China and under the UN China in the World Theme Group, UNDP China also hosts and facilitates regular dialogue events for the international community in Beijing every two months on different subjects. In the past these events have featured renowned domestic and international experts including Mr. Wang Yong, Vice President of China-Africa Development Fund, and Howard French, author of *China's Second Continent: How a Million Migrants Are Building a New Empire in Africa*.

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**For more information, visit [www.cn.undp.org](http://www.cn.undp.org) and read [UNDP—China Partnership on South-South and Global Cooperation: 2014 Highlights](#)**