

Report of Annual Review Meeting on “Support All-around *Xiaokang* Society” Programme

Duration of the meeting: 26 September 2006

Venue: Beijing

I. OBJECTIVE OF THE MEETING

The objective of the meeting is to review the results achieved and project progress made since its startup in March of 2005, and reach agreements on priorities and key follow-up actions for the next 12 months (October 2006 — October 2007).

II. RESULTS SINCE PROJECT STARTUP IN 2005

1. PROJECT MANAGEMENT MECHANISM

(1) Setup of Project Steering Committee

A *Xiaokang Programme Steering Committee* was established, chaired by the vice ministers (Mr. Zhu Zhixin and Mr. Du Ying) of the National Development and Reform Commission. It is made up of the NDRC, the NBS (National Bureau of Statistics), the Central Fiscal and Economy Leading Group, the Organization Department of the Central Committee of the Communist Party of China, Government Ministries, representatives of five provinces, main donors, the CICETE, and the UNDP.

(2) Project Management Office Established

The PMO coordinates all the relevant project units including 6 departments in NDRC, 5 pilot provinces and the Central Fiscal and Economy Leading Group.

(3) Project Management System Established

NEX project management guideline and procedures are adopted in all aspects of project implementation at each level.

2. PROJECT OUTPUTS

(1) Policy Impacts

■ Definition of *Xiaokang* and Integration of MDGs and *Xiaokang*

The *Xiaokang* concept and its connotation were thoroughly discussed and studied in the project through specific study, international conference and study tours. Analysis to integrate MDGs with *Xiaokang* targets has been conducted. Key issues identified by the studies, such as balanced urban-rural and regional development, speeding up urbanization and market-oriented reform, socialist new countryside construction, are included in the 11th Five-Year Plan.

The *Xiaokang* Indicators System (draft) was prepared. 22 indicators proposed in the

indicators system were included in the 11th five year plan.

■ Study on New Socialist Countryside

Study on rural development in the 11th Five-Year period is the top priority of the government. Under this context, 7 specific studies relevant to rural development were conducted. The Central Fiscal and Economy Leading Group organized several field studies and investigations and visited other countries such as ROK, Japan to gain international experiences. Their study reports were submitted to the drafting committee of 11th Five-Year plan for reference.

■ Analysis of *Xiaokang* Attainment from the perspective of Social Development

The project rolled out *Construction of Xiaokang Society and Social Development in the 11th Five-Year Plan Period* and *Social Development Indicators System*. The policy suggestions in the report were adopted in the national plan and served as guidance to social development at sub-national level. Principles and ideas in the *Study on Standardization of Public Service Provision* are considered as a very important guideline to the local authorities.

■ Study on *Xiaokang* Construction in Poverty-stricken Areas

Regional Department of NDRC had field investigations in many under-developed counties in Guizhou, Henan, Shanxi provinces and conducted research on how to achieve *Xiaokang* targets in these regions. Rural environment sustainability and national resource utilization were studied through specific case studies in Gansu and Hainan.

■ Legislation in key fields of the construction of *Xiaokang* society

The Department of Laws and Regulations of NRDC has been taking initiatives to promote legislation in key fields to balance social and economic development. In the project, relevant policy recommendations for legislation on social security were provided.

■ Project Progress at Provincial Level

Baseline survey and current situation analyses were conducted in the pilot provinces. Results from the analyses and studies such as special challenges facing each province; the provincial *Xiaokang* paths under local circumstances are preliminarily identified.

(2) Capacity Building

Capacity building for relevant central and provincial officials was taken through study tours and workshops regarding how to localize MDGs in terms of institutional arrangement, policy development and budgeting.

(3) MDGs Advocacy

The PMO supported the organization of some MDGs advocacy activities including journalist training workshop, study tour of government officials to UNDP headquarters and other countries to get experiences globally and lessons from other countries.

(4) Panel Review of Output of 2005

A high-level expert panel review meeting was held in July 2006 to review the project output of 2005. The review panel indicated that the overall outputs have generated useful findings

and recommendations on *Xiaokang* society development. Written comments for each report were also provided for further improvement of the reports in the next stage of project implementation.

(5) Active Knowledge Exchanging through Interactions with UN System

Active interactions were taken with UN system, NDRC, NBS, provincial teams and national consultants during output review, and partnership has been strengthened.

The UN Expert Team consisting of UNDP, UNICEF, WHO, UNIFEM, and UNEP provided very concrete comments on the *Xiaokang* Indicators System study.

Several exchanges with UNDP staff/experts from headquarters and regional centers were undertaken. Issues such as linkage of China's 11th Five-Year Plan with MDGs and international trend of achieving MDGs were thoroughly discussed.

Potential areas for collaboration with UNDP headquarters and regional centers to support provincial level work and poverty reductions were identified. It was agreed that more exchanges between China and other developing countries are needed.

III. PRIORITIES IN THE NEXT STAGE

- Consolidation and integration of project outputs at national and sub-national levels will be a focus;
- Coordination among different departments and provinces will be strengthened; National PMO will take a more coordinated role to set up project priorities according to the overall programme goals;
- Coverage of pilot provinces needs to be more inclusive to represent different social and economic development situation in China;
- Improve *Xiaokang* Indicators System study with more intensive consultation and closer coordination with line ministries and other stakeholders, and integration of MDGs with national development plan;
- Localize MDGs at sub-national level;
- Overall legislation framework to ensure *Xiaokang* construction;
- Comparative analysis on rural development;
- MDGs/*Xiaokang* Advocacy Campaign.

IV. MAIN DISCUSSIONS

- i. Strengthening policy impact of the project at national and sub-national level. To localize MDGs, national and sub-national development strategies with concrete policy measures need to be generated, and be implemented, monitored and assessed with adapted methodologies and tools. Value added of the project to policy formulation and implementation is crucial. More attention should be given to policy implementation at national and sub-national level.
- ii. Diversity of Indicators. Developing of indicators systems for assessing and monitoring *Xiaokang* progress at national level and sub-national level is a real

challenge. In the context of huge diversity and disparity of China, a unified indicators system is difficult to reflect regional disparities. A national *Xiaokang* indicators system can be developed serving as a unified principle and conceptual framework for setting up sub-national *Xiaokang* indicators systems. Diversity of indicators at sub-national is obvious and necessary, but it is not contradictory to the overall principle and methodology of the national *Xiaokang* Indicators System.

A large-scale stakeholder review workshop is needed to have wider consultation on the indicators system study by exchanging views, sharing international best practices, and soliciting comments.

- iii. Enlarge project pilot area. Bordering Laos, Myanmar and Viet Nam, Yunnan has big impact on neighboring countries in the Meikong sub-region, and also Yunnan is the home to 25 minority groups and a relatively backward province in terms of social and economic development. Considering the complex social and economic landscape and strong capacity of project implementation, the NDRC recommended including Yunnan province as a new pilot province. The participants agreed with this recommendation.
- iv. *Xiaokang*/MDGs Advocacy Campaign. As a major component of the project, *Xiaokang*/MDGs campaigns were also discussed in the meeting. The participants agreed that public awareness raising and advocacy should be strengthened in future project activities.
- v. Institutional Arrangements. In order to intensify the policy impact of the project, it's recommended that Mr. Wang Chunzheng will be invited as senior advisor. The Steering Committee should meet periodically to have policy discussions. Involvements of international consultants are important and should be better planned. The Chief Technical Advisor should be available to provide overall advice on project implementation. A core consultant group including national and international consultants should be set up to provide support to project implementation.
- vi. Provincial MDGs/*Xiaokang* Capacity Building. To address the capacity building needs of the provinces, a training workshop will be organized for pilot provinces. To prepare for the forthcoming training, a meeting was continued in the afternoon with the participation of NDRC, UNDP, CICETE and provincial representatives. The main themes and arrangements of the training workshop were agreed. The main topics of the training include:
 - a) MDGs and relevant indicators and their connection with *Xiaokang* content and indicators;
 - b) International experiences in localizing MDGs;
 - c) Methodologies and tools in localizing MDGs;
 - d) As an optional topic, zoning in local economic development and its implication in regional development policy;
 - e) Use project findings to develop provincial strategy.

Participants of the workshop could be all relevant departments of the project at national and local levels. Free discussions about issues and challenges in pilot provinces will be undertaken in the workshop. The workshop is also a good opportunity to conduct capacity building assessment at sub-national level as the first step for further capacity building activities.

V. CONCLUSIONS

- i. It is reaffirmed that the project is of great significance in the process of Xiaokang/MDGs drive in China. The project is implemented well according to the project plan. Several project findings have been integrated into the 11th Five-Year plan.
- ii. In order to strengthen the project's policy impact at central level, the meeting reached a consensus to invite Mr. Wang Chunzheng, vice minister of the Central Fiscal and Economy Leading Group to be chief advisor of the programme.
- iii. The direction, outcomes and outputs of the project remain relevant and should be continued.
- iv. Yunnan province is formally adopted as a new pilot province.
- v. A large conference will be arranged in the first half of 2007 to reach consensus on content and appropriate use of the Xiaokang Indicators System. Interlink between Xiaokang and MDGs should be strengthened. The Xiaokang Indicators System should also reflect areas of development gaps.
- vi. Integration and consolidation of project outputs and communication among the pilot provinces should be strengthened.
- vii. Involvement and use of international consultants should be prepared well in advance.
- viii. Programme management at provincial level will be strengthened with adequate staffing.
- ix. The project outputs should be further integrated to be more systematic, coordinated and comprehensive. The way of project implementation should be moderately adjusted as appropriate, allowing the Project Management Office to outsource some tasks in accordance with the target of the programme, making outcomes and targets of the of the programme be achieved more effectively.

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Annex 1 List of Participants

Annex 2 Annual Progress Report