How has China mainstreamed poverty eradication across government planning, budgeting, monitoring and evaluation?

To understand China’s practice of mainstreaming poverty eradication across government, we need to look at both the evolvement of China’s institutional arrangement for poverty reduction and China’s current strong commitment to poverty eradication in the context of SDG implementation.

From the institutional perspective, China started poverty reduction in an organized and planned way 30 years ago. In 1986, the State Council established a coordinating committee dedicated to poverty reduction in rural areas and began poverty reduction interventions according to plans. (Due to the fact that China’s rural population was dominant and most of the poor live in rural areas, China’s official poverty data mainly refers to the rural poor.) Since its establishment as the Leading Group for Economic Development of Poverty-Stricken Regions, it has the Vice Prime Minister level officials as the head and vice ministers of related government departments as members and it has played the role of convening and coordinating different government departments. The standing executive body was established at the same time. This coordinating body has gone through several institutional changes, mainly adjusting and expanding the departments involved. Currently, it is the State Council Leading Group of Poverty Alleviation and Development, involving 44 government and CPC departments. Its implementation agency is called CPAD.
From the policy perspective, China has kept refining its policy objectives to better reflect the actual needs in poverty reduction. Since 1994, Chinese government has issued four guiding documents on poverty reduction and development in rural areas with different targets and policy priorities in different periods. The evolving policies and guidance are meant to best reflect the changing living standards and features of rural poverty at different times. \textbf{In every stage, rural poverty reduction and development planning is incorporated into the overall planning of national economic and social development.}

In general, the government has been introducing higher requirements on rural poverty reduction, as evidenced by increasingly clearly-defined targeted groups. At the same time, the intensity and effectiveness of the integrated approach has been increasing.

In the period of implementing the 2\textsuperscript{nd} plan during 2001-2010, a grand approach to poverty reduction was introduced, in which a variety of governmental agencies work together in this endeavor. In particular, the establishment of the new-type rural cooperative medical insurance scheme, the rural subsistence allowance scheme and the rural old-age social insurance system played an important role in rural poverty reduction.

The integrated approach was brought to a new level in the SDG implementation stage. The goal of “targeted poverty eradication” was made clear in the outline of 13\textsuperscript{th} Five-Year Plan early 2016. All of the over 50 million targeted people living under the current national poverty line, which is 2300 RMB per year at constant price and roughly equivalent to 1.67 USD per day, will be recorded and tracked on file, and should be lifted out of poverty by 2020. That means no hunger, daily subsistence satisfied, having full and free access to compulsory education, having basic medical services and safe housing.

In the government system, horizontally, all relevant government bodies get involved. Vertically, more financial resources which were spent by central government ministries and provincial government are now pooled at the county level to improve fiscal efficiency. Meanwhile, a strict accountability and performance evaluation system on all levels of government has been established. Third-party assessment and public assessment are introduced on top of internal performance assessment. Besides, the partnership with private sector
and social organizations are encouraged, through ways like government procurement of services. In addition, direct help from government bodies and more advanced provinces to the poverty-stricken regions through “pairing” and official exchange programs have been further strengthened.

It could be said that the targeted poverty eradication strategy brought policy synergy onto the highest possible level. A policy network which is more coherent, interactive and unified in thinking has taken shape. Eight inter-connected areas of work have been carried out simultaneously, including industrial development, education, health care, employment promotion, living environment improvement, eco-environment protection, social funding and finally, strengthened social protection schemes as the last option but the one to ensure no one is left behind. There is a substantial increase in the number of coordination meetings among participating government departments compared with the past.

How does the multidimensional nature of poverty eradication play in all these processes, especially important interactions among Sustainable Development Goals 1, 2, 3, 5 and 9 (no poverty, zero hunger, good health and well-being, gender equality, industry, innovation and infrastructure)

The ultimate objective of poverty eradication is not just to lift the income of poverty-stricken population above the poverty line, but also to take an integrated approach to promote comprehensive sustainable development of poor and the communities in rural areas. At this new stage, the Chinese government has proposed the new standard of out of poverty as no hunger, subsistence satisfied and full access to compulsory education, basic medical services and housing. This standard aligns with several goals of the SDGs.

The SDGs can be mutually reinforcing and realized hand in hand, which is similar to poverty reduction and development efforts in China. First, no poverty, undoubtedly, is the common objective of all policies. Second, no hunger is the primary task of poverty eradication. Investment in agriculture and rural infrastructure can help achieve this goal. Third, health actually is the most important in poverty reduction as more than 40% of the poverty-stricken population in China are in their current difficulty after suffering diseases. If we can improve
poverty-stricken population’s health and access to medical service, their risks of trapping in recurring poverty will be substantially mitigated. Fifth, industrial development, infrastructure and, in particular, innovation have caught more and more attention. CPAD and National Energy Administration of China are promoting e-commerce and solar energy to cut poverty. With improved telecommunication and logistics infrastructure, urban residents can easily order products from villages directly, which are fresh and cheaper. This is a good example of how the combination of science, technology, modern industrial innovation and infrastructure construction could help.

The following is a few key aspects of how the interactions take place among the different SDGs with synergetic efforts across various ministries.

**Industrial development:** Inclusive and sustained growth is the fundamental solution to regional poverty and development. The Ministry of Agriculture, in partnership with the National Development and Reform Commission (NDRC), the Ministry of Finance and the Ministry of Commerce, has guided poverty-stricken households to grow cash crops and develop traditional handicraft industries in light of local conditions. National Tourism Administration has launched village tourism industry projects, which not only increase the income of the villages, but also protect the environment and revitalize the cultural heritages.

**Employment:** The Ministry of Human Resources and Social Security and the Ministry of Education lead the vocational skills enhancement project, guide businesses to integrate poverty alleviation with vocational education, and encourage vocational and technical schools to enroll more students from poor families.

**Education:** The Ministry of Education is leading the efforts to gear more education funds for poverty-stricken areas and basic education.

**Health care:** The National Health and Family Planning Commission takes the lead to coordinate government subsidies on poor people’s personal contribution to the new-type rural cooperative medical insurance scheme and carries out large public health projects, such as the ones to improve nutrition for all children and free screening for diseases in all newborns in poverty-stricken areas.
Rural social security: The Ministry of Civil Affairs takes the lead in harmonizing rural social security standards with the poverty line. The rural subsistence allowance system has been improved and further centralized at the provincial level. Areas with low subsistence allowance standards should reach the national poverty line and some provinces have the two lines merged into one.

Infrastructure: NDRC and the Ministry of Transport have promoted railway and highway projects to have those poverty-stricken areas better connected with cities; the Ministry of Water Resources have intensified efforts in major water conservancy projects and comprehensive water resources administration in poverty-stricken areas; the National Energy Administration has been moving faster in upgrading power grids in poverty-stricken areas to enhance power transmission capacity and quality; the Ministry of Industry and Information Technology has quickly extended the broad-band coverage to poverty-stricken villages; and the Ministry of Housing and Urban-Rural Construction, has given priority to targeted poverty-stricken households in renovating rundown houses, increasing the level of subsidies, ensuring basic housing safety and improving household waste and sewage treatment.

Two critical points and two recommendations for the HLPF to include in its declaration

Critical points

1. Taking Poverty Eradication as a top priority. China takes ending poverty as the priority to implement the 2030 agenda and puts it top on the government agenda. With strong commitment, institutional arrangement is optimizing, financial and human resources have been increasing, and policy targets have been continuously refined.

2. Adopt holistic and integrated approach. This approach takes holistic thinking in policy making and also enhances institutional capacity building to adapt to the new level of policy coordination demands. It includes an integrated approach across government departments, better coordination among central and local
governments, and better partnership with the private sector, social organizations and the public.

Recommendations

1. **Increase knowledge sharing to help each country explore its own path for poverty reduction.** The most important experience of China in poverty reduction over the last 30 years is to learn from other countries and UN organizations and adapt the knowledge to suit its own context and development stages. China’s poverty reduction has been greatly driven by rapid and longstanding economic growth and an ever-improving social security system. The main linkage between the growth and poverty reduction are agriculture development, especially before mid-1980s, and subsequent rural enterprises development in the 1990s, and later on the development of social security system in the first ten years of 21\textsuperscript{st} century. Now, it comes to the stage of more inclusive development, with more resources being allocated to help the poorest people left. There are a lot of experience gained and lessons learnt as well along this path. China is willing to share the experience as well as the lessons to help other countries develop theories and practices adaptable to their own contexts.

2. **Enhance international partnership for the inclusive and sustained growth of developing countries.** Inclusive and sustained growth is the basis for sustainable poverty reduction in developing countries. It is important to incorporate development concerns in global economic governance. At the G20 Hangzhou Summit, the issue of development is placed at a prominent position on this major global economic policy coordination platform. The G20 action plan to implement the 2030 Agenda for Sustainable Development was formulated, complementing the leading role of the United Nations in implementing the Agenda. To keep the momentum of enhancing economic policy coordination through all international platforms and partnerships for the implementation of the 2030 Agenda is critical for developing countries to end poverty in a sustainable way.