

China's Implementation of the SDGs: Challenges and Strategies

■ ZHANG Haibing

The UN 2030 Sustainable Development Agenda has set out goals of sustainable development for countries around the world and for international development cooperation in the next 15 years. This set of common goals include 17 sustainable development goals and 169 specific targets, covering the areas of economic development, social progress, and environmental protection, with the five major topics of people, planet, prosperity, peace, and partnership. It manifests both the vision of the common development of humankind and the common challenges. Now the focus of the international community has shifted to implementation of the SDGs. Based on insights into China's domestic development experiences and international development cooperation practices, in this paper I present the following ideas and proposals on ways China could work to implement the SDGs:

I. Challenges faced by China in the implementation of the SDGs

1. China faces dual domestic and international challenges in the implementation of the SDGs. However, in making the implementation plan for the UN 2030 Sustainable Development Agenda, China's primary mission and challenge remains to be the eradication of domestic poverty.

Domestically, China has made a tremendous contribution to the implementation of the Millennium Development Goals (MDGs). China has fulfilled most of the goals, with a dramatic reduction of population living in poverty by 439 million people as well as significant progress in the areas of education, public health, and the empowerment of women. China's development has not only greatly improved the lives of over 1.3 billion Chinese people, but has also provided robust support for global development. In terms of the implementation of the SDGs, China now faces a double challenge: continuing the process of domestic poverty-reduction and development

towards the target of building an affluent society; and transforming China's economic growth model so as to smoothly avoid the "middle-income trap".

At the international level, China has to balance the relationship and resource allocation between domestic development and international development cooperation. In his speech on the world economic situation delivered at the 10th G20 Summit in Antalya in November 2015, President Xi Jinping stated that: "in the next five years China will make great efforts in eliminating poverty affecting now over 70 million rural people; China will set up a 'South-South Cooperation and Aid Fund', continue investing in the least-developed countries, and support developing countries in implementation of the 2030 sustainable development agenda; China has included the implementation of the 2030 sustainable agenda into its own Thirteenth Five-Year Plan; Here I propose that all the G20 members should enact their own country-specific plans for implementing this agenda and accumulate them into an integrated action plan for the G20, so as to contribute to the strong, sustainable, and balanced growth of the world economy." Therefore, China needs to strike a delicate balance among the various challenges including domestic development and poverty-reduction and its contribution to international development cooperation.

2. Promote China's new development outlook of innovation, coordination, green growth, openness and sharing to the international community; push for the upgrading of ideas of international development cooperation; strengthen the influence of Chinese concepts and discourses on the implementation of the SDGs.

For enhancing China's influence on implementation of UN 2030 development agenda, China's contribution should not be limited to material support and experience sharing, but should also generate more

influence on the shape of the discourse in relation to the SDGs. The Chinese Foreign Ministry has published two editions of “China’s Position Paper on Post-2015 Development Agenda”, in 2013 and 2015 respectively. In its forthcoming next position paper, on China’s implementation of the 2030 development agenda, China needs to provide a specific elaboration of “the new development outlook of innovation, coordination, green growth, openness and sharing”.

In practice, China should stress the central role of the United Nations in global development cooperation partnership, advocate that global development cooperation should be based upon domestic development strategies and the principle of “common but differentiated responsibilities” so that all countries can make their respective capacity-based contributions to realizing the global development goals.

3. China has established various bilateral and multilateral South-South Cooperation Mechanisms with many developing countries. It is now a great task for policy-makers to make good use of these mechanisms with a view to implementing the SDGs.

China has established many bilateral and multilateral cooperation mechanisms with developing countries, such as the Forum on China-Africa Cooperation (FOCAC), the China-Arab States Cooperation Forum (CASCF), the China-CELAC Forum, the Asian Infrastructure Investment Bank (AIIB), the New Development Bank (NDB), and the the Silk Road Fund, etc. However, the question now follows of how to make better use of all these mechanisms and efficiently distribute China’s development cooperation funds and resources so as to avoid too high expectations being put on China and possible competition among various mechanisms. Some serious and targeted policy calculations are needed.

The developing countries have great differences among themselves, with countries from different regions having different development demands and development cultures. Therefore, adaptive and fine-tuned policy changes are required on an ongoing basis for China to design more targeted development cooperation measures, embedded with Chinese features, during the process of implementation of the

SDGs in relevant developing countries and regions. China should fully consult with the recipient countries so as to generate such targeted aid and cooperation strategies.

II. Harness the opportunity brought by China’s G20 Summit Presidency for policy recommendations in relation to the implementation of the SDGs.

1. Strengthen the work of G20 Development Working Group and advocate for a “New Development Outlook”.

The current work of the G20 Development Working Group has been mainly focused on five areas - infrastructure, mobilization of domestic resources, financial inclusion and remittance, food security and nutrition, and human resources development. Discussion on the 2030 development agenda started in tandem with the holding of the UN Development Summit in September 2015. However, a dilemma long encountered is that the G20 development agenda covers too wide range of issues and it is put under the sherpa’s track, while the core G20 decisions are made mainly under the finance track. So the effectiveness of G20 development policy-making hinges greatly on the coordination of policies of different ministries with a view to “mainstreaming the development issue”. The Development Working Group needs to consider how to match up with the work of other groups, such as the Working Groups on Macroeconomic Coordination Framework, Energy Sustainability, Investment and Infrastructure, Employment, and Anti-Corruption as well as the Climate Financing Study Group. Apart from the meetings of Finance Ministers and Central Bank Governors and the Commerce Ministers, the theme of development can also be promoted in the meetings of Ministers of Energy, Labor, Agriculture, and Tourism. All this work should be centered around the promotion of China’s New Development Outlook for the G20.

2. Advocate for making G20 “Country-specific Development Strategies” as a complement to the G20 “Country-specific Growth Strategies” adopted at the 2014 Brisbane G20 Summit, so as to further the implementation of the SDGs.

As the G20 is a loose platform, implementation mainly relies on national action, so country-specific development strategies are necessary. There is

a close connection between investment issues and the implementation of the SDGs, including bottlenecks to investment and the improvement of the investment climate, with special attention to the filling the infrastructure investment gap and promoting investment from the private sector, including SMEs. China can call for the setting up of a “World Forum for SMEs” and request the World Bank and other financial institutions to present reports on infrastructure investment projects, public-private partnerships, and asset-backed mortgages. The promotion of investment will increase employment, which means that it contributes to the implementation of the SDGs while making progress in relation to the growth targets.

3. Communicate effectively with G20 members and other important actors so as to accumulate maximum consensus for the framework of the development agenda of the 2016 G20 Hangzhou Summit.

The 2016 G20 Development Agenda should be presented to all relevant actors as early and as fully specified as possible, which will allow more time for feedback and showing full respect for their involvement. In the meantime, China needs to have effective communication with the other two members of the “Troika”, that is Turkey and Germany, as well as the United States, European countries, BRICS countries, countries involved in the “Belt and Road Initiative”, and African and Latin American developing countries. This will showcase China’s commitment to the UN Global Development Partnership and respect for the critical concerns of other countries.

4. Advocate for specific outcomes coming from the infrastructure agenda with a view to promoting regional connectivity and common development, which could also become an important component of China’s “Early Harvest Plan” in implementing the SDGs.

Development was included into the G20 agenda at the 2010 Seoul Summit, with infrastructure development being one critical pillar. In the following years, the infrastructure investment agenda has been promoted constantly in the G20, with support from Indonesia and some other countries, making it a central topic for enhancing effective demand globally and promoting

long-term development. In 2014, the G20 set up the “Working Group on Investment and Infrastructure” and the “Global Infrastructure Hub” in Sydney to alleviate the problem of asymmetric information. The World Bank and the OECD also published technical guidelines on the topics of project selection and preparation, standardization of the public-private partnership model, financing instrument innovation, etc. Considering that infrastructure-building covers many departments, such as the Ministry of Commerce, Ministry of Finance, Ministry of Energy, and Ministry of Environmental Protection, the G20 Working Group on Investment and Infrastructure has also interfaced with the Development Working Group and the Investment Working Group, with the need for reporting to the Sherpa Track and the Finance Track respectively, making for a fragmented management and coordination process. Therefore, the 2016 G20 Summit should adopt some important measurable outcomes based on the above-mentioned progress. These could include a stress on the importance of projects to enhance connectivity, with such practical measures as publishing a list of infrastructure projects having investment-efficiency and significant development contribution, and requiring member countries and MDBs to provide budget plans in relation to infrastructure projects.

5. Advocate for the mainstreaming of the implementation of the SDGs by member countries and development agencies, and push for achievement of development goals in critical areas.

The 2015 Antalya Summit began a G20 discussion on the implementation of the SDGs. The task for the 2016 G20 Hangzhou Summit should be the mainstreaming of the SDGs in member countries’ domestic economic policy making processes, and implementation of relevant rules in critical policy areas such as industry, fiscal, monetary, and trade so as to avoid the repetition of the story of the MDGs being treated separately instead of integrated into the mainstream G20 agenda. The G20 can present a “Framework for the Implementation of the SDGs”, and propose that all member countries present a plan and priority list in implementing the SDGs, so as to promote experience sharing.

Author

ZHANG Haibing, Researcher of Shanghai Institutes for International Studies (SIIS), hbzhang@siis.org.cn.