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COUNTRY PROGRAMMES

Agenda item 8

For approval



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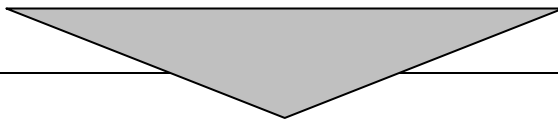
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COUNTRY PROGRAMME—CHINA (2001–2005)

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Note to the Executive Board



This document is submitted for approval by the Executive Board.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document, to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Supervisor, Meeting Servicing and Distribution Unit (tel.: 066513-2328).



Executive Summary

In view of China's remarkable economic progress and the achievement of the central goal of its agricultural policy of food self-sufficiency (95 percent target reached in 1999), the question of continuing WFP's food assistance to China has been raised. A phasing-out framework was discussed at the Board's First Regular Session of 2000 and a Country Strategy Outline (CSO), endorsed at the Third Regular Session of 2000, was introduced, whereby WFP assistance would be decreased over a five-year period, moving towards phasing out of WFP food assistance by 2005. This Country Programme (CP) has been developed accordingly.

The CP has been designed in conjunction with China's United Nations Development Assistance Framework (UNDAF), the main goal of which is the promotion of sustainable development to reduce regional and gender disparities.

The goal of the China CP is to bring about sustainable improvements in food security for more than 1.7 million poor households over the period 2001–2005. In accordance with decision 1999/EB.A/2 of the Executive Board, WFP focuses its development activities on five priority areas. The China CP concentrates its development activities on priorities 2, 3 and 5:

- Enable poor households to invest in human capital through education and training;
- Make it possible for poor families to gain and preserve assets; and
- Enable households that depend on degraded natural resources for their food security to make a shift to more sustainable livelihoods.

Particular attention will be paid to female members of poor households in terms of investment in human capacity through training and education and in gaining and preserving assets created under all programme activity components.

Approximately 66 percent of all programme participants will be women.

The basic intervention model that will be employed under the CP is the Integrated Rural Development (IRD) model. IRD is a multi-sectoral approach that addresses interrelated constraints through four mutually reinforcing basic activity components: (1) Investment in Human Capacity; (2) Land Development and Irrigation; (3) Social Infrastructure; and (4) Water and Soil Conservation. In order to address the constraint of access to primary education, particularly for girls, a supplementary activity of School Feeding will be developed pending availability of additional resources.

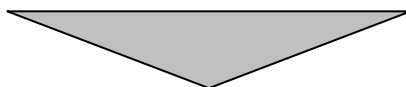
WFP's partnerships with the Government of China and International Fund for Agricultural Development (IFAD) form the main pillars on which the CP is built.



The Government has committed itself to unprecedented contribution levels, reaching an average Government/WFP cost-sharing ratio of 2:1 for the basic activities and over 3:1 for the supplementary activity. Joint programming with WFP makes it possible for IFAD to reach those poor who normally cannot afford to invest in productive assets and diversified livelihoods because of their food insecurity. The synergy from the joint WFP/IFAD operations ensures a sustainable development approach to the poorest households and reduces the operational costs for both agencies.

The Executive Director of WFP recommends that the Executive Board approve the five-year Country Programme for China (2001–2005) for a total cost of US\$55,899,102, subject to the availability of resources. The Board is also requested to approve an additional amount of US\$30,019,713 for supplementary activities.

Draft Decision



The Board approves the Country Programme for China (2001–2005)
(WFP/EB.1/2001/8/1).



STRATEGIC FOCUS

Summary of the Executive Board's Discussion of the CSO

1. In the course of deliberations at its Third Regular Session of 2000, the Board found the strategy presented in the CSO to be comprehensive and to set an appropriate framework for an orderly and gradual phasing out of WFP activities in China. Representatives indicated that both the phasing out approach and WFP's partnership with IFAD should be documented for possible replication in other countries.
2. The Board noted China's impressive achievement in poverty alleviation and progress in economic development, but acknowledged that the country continued to have large numbers of poor and food-insecure people, particularly in the remote western regions. The Board found the targeting as indicated in the CSO to be appropriate. The Board commended the Government of China for showing its continued commitment to eradicating hunger and poverty by significantly increasing its proportion of cost sharing to WFP-assisted activities in the future Country Programme for China.

Food Insecurity and the Hungry Poor

3. In 1999, China fed 1.26 billion people (20 percent of the world's population) on 7 percent of the world's arable land. At the national level, agricultural production has consistently outpaced population growth since the early 1960s. By the mid-1990s, China had achieved its major target of ensuring sufficient food production at the national level. Per capita daily food availability and consumption rose from 1,700 kcal in 1960 to 2,570 kcal in 1995. National food self-sufficiency, however, hides huge regional disparities in food insecurity in marginal and remote areas.
4. The majority of China's rural poor are concentrated in resource-deficient areas; they comprise entire communities located mostly in upland sections of the interior provinces of northern, northwestern and southwestern China. Although these poor have land-use rights, in most cases the land is of such low quality that it is not possible to achieve subsistence crop production. Consequently, in most years, the poorest households consume grain and other subsistence foods beyond their own production levels. The poorest households are typically those further disadvantaged by high dependency ratios, ill health and other difficulties. Minority peoples represent a highly disproportionate share of the rural poor.
5. The food insecurity of poor rural households is manifest in two ways. First, there are households that face chronic or seasonal food gaps, whose shortfalls have traditionally been addressed through:
 - ad hoc gratuitous food provided by the Government and other relief that did not promote self-reliance; or
 - sale of productive assets, migration and indebtedness.
6. In this context, WFP food aid will not only address the immediate consumption needs of the hungry poor, but will also arrest detrimental coping strategies and replace gratuitous relief with activities that create productive assets and reduce vulnerability.
7. A second category of households copes with food insecurity by allocating resources for food consumption to a degree that impedes their development. For these households, food aid will enable the development of human capacity and foster improved living conditions



by freeing household income and other resources for investment in health, education and improved livelihood strategies.

8. The educational, health and nutritional status of the remaining absolute poor is deplorable. As many as half the boys in many of China's poorest villages and, particularly in the minority areas, nearly all of the girls, do not attend school and will not achieve literacy. Infant and maternal mortality rates in very poor counties are between 50 and 100 percent greater than the national average.¹ The incidence of several infectious diseases and iodine deficiency disorders (IDD) is concentrated in poor and remote areas. Roughly half the children in households at or below the absolute poverty line are at least mildly malnourished, and micronutrient deficiencies remain a severe problem in certain geographical areas.

Strategic Focus of the Country Programme

9. The goal of the China CP is to bring about sustainable improvements in food security for about 1.7 million poor households over the period 2001–2005. In accordance with decision 1999/EB.A/2 of the Executive Board, WFP focuses its development activities on five priority areas. The China CP concentrates its development activities on priorities 2, 3 and 5:
 - Enable poor households to invest in human capital through education and training;
 - Make it possible for poor families to gain and preserve assets; and
 - Enable households that depend on degraded natural resources for their food security to make a shift to more sustainable livelihoods.
10. The selected priority areas also represent the strategic objectives for China's CP. A logical framework outlining the CP goal and objectives is provided in Annex VII. Annex VIII shows performance outcome and output indicators corresponding to each level of objectives.
11. Particular attention will be paid to female members of poor households in terms of investment in human capacity through training and education and in gaining and preserving assets created under the activity components. Women will represent approximately 66 percent of all programme participants (see Table 1).
12. The China CP focuses on reducing regional disparities in food security and poverty. In conformity with the Government of China's Western Drive Initiative set out in its Tenth Five-Year Plan, future interventions will target mostly minority populations in remote, mountainous areas of the western regions of China. The targeting will be guided by vulnerability analysis and mapping (VAM) techniques, updated data sets and through the development of profiles of food-insecure households, which will be based on primary data collection.

¹ Leading Group for Poverty Reduction, UNDP and The World Bank, *China—Overcoming Rural Poverty*, 2000.



13. The basic intervention model that will be employed under the CP is the Integrated Rural Development (IRD) model. This multi-sectoral approach addresses interrelated constraints through four mutually reinforcing basic activity components: (1) Investment in Human Capacity; (2) Land Development and Irrigation; (3) Social Infrastructure; and (4) Water and Soil Conservation. Experience gained by the World Bank, WFP and other organizations in China shows that one of the most effective means of assisting the absolute poor is through an integrated set of interventions. Evaluations of the World Bank-supported projects, South West Poverty Reduction and Qinba Mountains Poverty Reduction, show that an integrated multi-sectoral rural development approach is the most effective since opportunities for single-sector approaches have been virtually exhausted.² Achieving food security requires that assistance be increasingly devoted to improving the health and educational status of the absolute poor. The successful integration of education, training and health and sanitation components into multi-sectoral activities has the additional benefit of better mobilizing community support.
14. In order to address the constraint of access to primary education, particularly for girls, a supplementary activity of school feeding will be developed, subject to the availability of additional resources.
15. The numbers of participants and food aid beneficiaries by major activity component throughout the CP cycle are as follows:

TABLE 1: PARTICIPANTS AND FOOD AID BENEFICIARIES BY ACTIVITY COMPONENT

	Programme participants	Food aid beneficiaries	Female programme participants No.	%
Basic IRD activity components				
Investment in human capacity (food for training) ¹	1 181 100	4 724 400	944 880	80
Land development and irrigation (food for assets)	620 000	2 480 000	310 000	50
Social infrastructure (food for assets)	316 900	1 267 600	158 450	50
Water and soil conservation (food for assets)	244 200	976 800	122 100	50
Total IRD	2 362 200	4 724 400	1 535 430	65
Supplementary activity—School Feeding	500 000	500 000	350 000	70
Total IRD and School Feeding	2 862 200	5 224 400	1 885 430	66

¹ WFP will target the same 1,181,100 households for both food for training and food for assets, but in different years; either husband or wife, or both, will participate.

² World Bank, Poverty Alleviation in China: A Compendium of Programs Supported by International Donors, 1997.



16. Experience in China has shown that programming has been more efficient when jointly undertaken with IFAD. WFP has benefited from IFAD's approach to the financial analysis of project proposals. Joint programming with WFP makes it possible for IFAD to reach the poor, who normally cannot afford to invest in productive assets and diversified livelihoods because of their food insecurity. WFP food aid helps these households to overcome the seasonal food gap and enables them to participate in development projects, including IFAD's credit for cash-generating activities that lead to food security. The synergy from the joint WFP/IFAD operation ensures a sustainable development approach to the poorest households and reduces the operational costs for both agencies. The synchronization of WFP and IFAD interventions will be improved for the new activities. WFP may initiate its Food-for-assets (FFA) activities before IFAD loan distribution mechanisms are in place. Food-for-training (FFT) activities will be implemented only when micro-credit is available so as to optimize the combined effects of both interventions.
17. In line with the strategy set out in the CSO, WFP will reduce its resource allocation from previous emphasis on land development and irrigation towards increased investment in human capacity and social infrastructure components. This shift acknowledges the need for income diversification and enables a greater participation of women in the activities. An overview of the percentage allocation of food by component is provided in Annex V.
18. Contingency planning mechanisms have not been included under this CP. Based on WFP experience in China for more than 20 years, during which time emergency assistance has been requested only once, it is expected, except in the case of exceptionally large disasters, that China's internal emergency response capability will be adequate. WFP-China's VAM Unit will, however, continue to periodically update its vulnerability analyses and monitor early warning indicators.

Role and Modalities of Food Aid

19. WFP food aid will address the immediate consumption needs of the hungry poor. Food aid will also enable the development of human capacity and foster improved living conditions by freeing household income and other resources for investment in health, education and improved livelihood strategies. As such, it will arrest detrimental regressive coping strategies. Households who have insufficient development potential (those comprising elderly and disabled members) will not be targeted for WFP food aid but will continue to receive Government relief assistance.
20. To avoid dependency, WFP food assistance will only cover approximately 75 percent of the food gap. In general, a family ration of 3.25 kg of wheat per workday will be provided for a period of up to three months. FFA and FFT will be provided to generally the same households in different years. Activities and food distributions will take into account the local agricultural calendar.
21. Because of their remote location, beneficiary households' access to markets is often limited. WFP-provided wheat is therefore not expected to displace demand nor have a negative impact on local production. In October 2000, local wholesale wheat prices were above world market prices. WFP will closely monitor the evolution of local cereal prices in project areas and consider local purchase if warranted.



PROGRAMME OF COUNTRY ACTIVITIES

Country Programme Resources and Preparation Process

22. In view of China's remarkable economic progress and the achievement of the central goal of China's agricultural policy of food self-sufficiency (95 percent target reached in 1999) the question of continuation of WFP's food assistance to China has emerged. A phasing out framework was discussed at the Board's First Regular Session of 2000³ and a strategy was introduced whereby WFP assistance would be decreased over a five-year period towards phasing out of WFP food assistance by 2005. The framework, which has been approved by the Government, calls for a gradual increase in the WFP/Government cost-sharing ratio from 1:1.5 in 2000, to 1:1.85 in 2002, to reach 1:2 in 2003; ultimate transfer of ownership of activities and implementation modalities to the Government will take place after 2005. Annex III shows a declining trend of past and planned WFP wheat deliveries to China for basic development activities for the period 1992–2005.
23. The CSO for China, endorsed by the Board at its Third Regular Session of 2000, reflects these strategies and the CP budget has been developed accordingly. The overall CP cost borne by the Government amounts to US\$210 million. WFP's total cost is estimated at US\$86 million.⁴
24. Government and WFP resources support all programme activities jointly. The CP's wheat requirement for all IRD activity components is estimated at 457,000 tons, at a total value of US\$156 million. The supplementary activity of school feeding will rely on extra funding made available through additional directed multilateral or bilateral contributions and Government funding.
25. WFP wheat requirements for the CP are estimated at 347,000 tons for IRD activity components and 200,000 tons for school feeding. Already approved requirements for ongoing basic IRD components amount to 95,500 tons. Expansions of ongoing interventions are foreseen in three provinces, for a total amount of 20,000 tons. Requirements for IRD component interventions in four additional provinces to be developed under the CP amount to 231,500 tons. Total Government food contribution to IRD activity components is estimated at 110,500 tons. The Government is committed to completing all jointly undertaken WFP/Government activities beyond 2005, which is the phase-out year for WFP. WFP regional staff will monitor completion of these interventions after 2005. Annex IV provides a time frame for all WFP- and Government-supported activities during 2001–2007.
26. IFAD, WFP's key partner, will provide loans to jointly implemented activities under the CP valued at US\$148 million. IFAD loans can be divided into three main categories. Those to: build up counterpart agricultural infrastructure; develop counterpart human resource capacity; and provide micro-credit scheme to WFP beneficiaries.
27. The Government covers all landside transport, storage and handling (LTSH) costs. The Government will cover all external transport costs for new activity components developed

³ In relation with the Executive Board's approval of Development Project China 6147.00.

⁴ The WFP cost figures shown here and in Table 2 do not include the estimated cost for the part of the external transport that will be covered by the Government. For internal management reasons related to the modality of the Government's payment of external transport, budget Annex II shows the full estimated ocean freight cost, including the part that will be borne by the Government. Therefore, the combined value of the WFP commitment in this annex is higher, i.e. US\$107 million.



under this CP. A specific agreement on Government payment of ocean freight will be drawn up to this effect.⁵

28. Table 2 summarizes the resources committed by WFP, the Government and IFAD for each of the planned activity components.

TABLE 2: RESOURCES COMMITTED BY WFP, GOVERNMENT OF CHINA AND IFAD

	Wheat (tons)		Costs (US\$)			
	WFP	Govt.	WFP	Govt.	IFAD loans	Government/ WFP cost ratio
Basic WFP and IFAD components						
Investment in human capacity	84 196	27 400	13 591 839	24 452 157	22 240 000	1.80
Land development and irrigation	144 565	36 800	23 155 982	39 739 425	29 653 000	1.72
Social infrastructure	64 727	27 975	10 571 258	20 312 323	14 826 000	1.92
Water and soil conservation	53 024	18 400	8 579 992	15 649 990	7 413 000	1.82
Micro-credit	–	–	–	–	74 132 000	–
Subtotal by partner	346 512	110 575	55 899 070	100 153 895	148 264 000	1.79
Subtotal WFP and IFAD activity components		457 087		156 052 966	148 264 000	
Supplementary programme activity components						
School Feeding	200 000	400 000	30 019 713	109 650 000	–	3.65
Subtotal by partner	200 000	400 000	30 019 713	109 650 000	–	3.65
Subtotal School Feeding		600 000		139 669 713		
Total by partner	546 512	510 575	85 918 783	209 803 895	148 264 000	2.44
Total		1 057 087		295 722 679	148 264 000	–

⁵ A similar agreement was signed for Development Project China 6147.00 approved at EB.1/2000.



29. The China CP has been developed within the overall goals, objectives and collaboration strategies of the China Common Country Assessment (CCA) and United Nations Development Assistance Framework (UNDAF). The country office has been one of the major contributors to the United Nations Country Team (UNCT) in drafting the UNDAF. The CP, of which the improvement of household food security is the main objective, addresses the China UNDAF's main goal of promoting sustainable development to reduce regional and gender disparities. The China CCA was reviewed by WFP headquarters and endorsed by the United Nations Development Group (UNDG) in late October 2000. The China UNDAF was finalized by the UNCT on 7 November 2000. The activities developed are in support of the Government's Poverty Alleviation Office strategies and the Ministry of Agriculture's (MOA) policies. The Government has endorsed the CP.

Overview of the Country Programme's Activities

30. Under the CP, the IRD activity will be implemented in ten geographic regions. The activity is ongoing in six provinces and will be expanded in four additional ones. Although individual project documents exist and will continue to be drawn up for each of the provinces where the activity is or will be implemented, the similarity of the intervention is such that from a conceptual viewpoint they constitute a single activity. Therefore, the following sections describe the four activity components.
31. In addition to multilateral funding, the IRD activity receives bilateral funding, which allows its implementation in Guizhou province. Further bilateral funding is expected in the Qinghai province.

IRD ACTIVITY COMPONENTS

IRD Activity Component 1: Investment in Human Capacity

📌 *Strategic Focus*

32. The strategic focus of this activity component is to enable poor households to invest in human capacity through education and training.

📌 *Problem Analysis*

33. Low levels of educational attainment, together with poor health and malnutrition, are consequences of and contributors to absolute poverty in rural areas. Illiteracy, semi-illiteracy and the lack of skills prevent many poor farmers, particularly women, from diversifying their sources of income and moving beyond subsistence farming.
34. A high incidence of micronutrient deficiencies such as iodine deficiency disorder (IDD), particularly affecting women and children, has been reported in China's western provinces. Reproductive tract infections among women are also prevalent in many remote areas. Health officials attribute these ailments to dietary imbalance, particularly among the most vulnerable household members such as women and children, inadequate education, weak and outdated technical skills of rural health workers and the lack of qualified and appropriately trained mother and child health (MCH) clinic staff.



📌 **Objectives, Intended Outcomes and Outputs**

35. The objectives of this component are to increase literacy, improve technical skills and management capabilities and raise awareness of basic health and nutrition. Additionally, a sub-component, relying on additional funding, will aim at reducing the occurrence of IDD among the targeted population and provide training for health workers to improve their skills in diagnosis and treatment of disorders and infections. FFT programmes, targeting primarily women, will be executed at different levels.
36. The first level covers functional literacy over a 60-day training period followed by a refresher course approximately one year later. A second level will primarily address the technical and managerial skills of candidates for IFAD-supported loans for income-generating activities. This level will consist of ten days' training. Women will benefit from at least 50 percent of IFAD micro-credit for income-generating activities. Skills training will commence only once IFAD loan disbursement mechanisms are in place. The third level of FFT will consist of basic health and nutrition courses that address micronutrient disorders, reproductive tract infections among women and improve women's knowledge of balanced dietary practices for themselves and their infants. Iodized salt will be distributed to households in areas with a high incidence of IDD, pending availability of additional funding.
37. To reinforce the female-focus of this component, its implementation will be entrusted to the All China Women's Federation (ACWF). IFAD loans and Government funding will enable ACWF to develop and reproduce training materials and conduct training based on successful results with UNIFEM training modules for adults. Strengthening their expertise will enable ACWF to replicate this component outside the project areas. ACWF will carry out leadership and management training for women members of the Village Implementation Groups (VIGs) with the aim of increasing their decision-making roles within the VIG and in regard to the use and maintenance of the assets created under other components.

IRD Activity Component 2: Land Development and Irrigation

📌 **Strategic Focus**

38. The strategic focus of this activity component is to make it possible for poor households to gain and preserve assets.

📌 **Problem Analysis**

39. Poor farming households fail to increase their food production and income because they lack investment resources and are unaware of alternative farming methods. During the lean period, the absolute poor spend their savings, often sell productive assets, and reduce food intake to meet their food requirements. Consequently, at the end of the season, no resources are available to invest in activities that will yield stable and adequate income to overcome the poverty cycle.

📌 **Objectives, Intended Outcomes and Outputs**

40. The objective of this component is to increase labour and land productivity. Irrigation systems will be upgraded to reduce seepage and evaporation losses and new water supplies will be built. Where irrigation is not possible, productivity may be increased through improved soil management, including deepening of soils, levelling and terracing. This activity component focuses on improving the productivity and profitability of the best



lands to a degree that will permit beneficiaries to devote their economically marginal and ecologically fragile holdings to other uses. The latter lands are mostly shallow, degraded and situated on slopes, features that make them inadequate for annual cropping but suitable for perennial crops such as trees and grazing land.

41. The land development and irrigation activity component will consist of WFP food-for-assets activities aimed at developing households' land and labour productivity. Simultaneously, IFAD loans will be disbursed to upgrade agricultural infrastructure, improve management of rural credit cooperatives and strengthen extension services.

IRD Activity Component 3: Social Infrastructure

✦ *Strategic Focus*

42. The strategic focus of this activity component is to make it possible for poor families to gain and preserve assets.

✦ *Problem Analysis*

43. Poor social infrastructure contributes to remote communities' isolation and prevents them from taking part in social and economic development opportunities. Limited access to markets, safe sources of drinking water (also for livestock) and basic health care centres suppresses their standard of living. The prevalence of diseases, particularly water-borne diseases, is high and general health and hygiene status is low. The time-consuming tasks of fetching water and collecting fuelwood constitute a large part of the daily workload, particularly for women, thereby constraining their ability to participate in development opportunities. Isolation also increases the cost of inputs and transport, which in turn reduces the profitability of marketing farm production.

✦ *Objectives, Intended Outcomes and Outputs*

44. The objective is to decrease physical and economic isolation by improving access to markets, health facilities and safe drinking water, and to reduce the daily workload for women. WFP-supported FFA activities under this component are comprised of the rehabilitation or construction of the following infrastructure and assets (where feasible): village roads, village wells, retention ponds, household piped water systems, fuel-saving stoves, latrines and village dispensaries for primary health care. Expected outcomes include an increase in marketing of farm produce, increased livestock production and increased use of health facilities. Improved social infrastructure is the basis for expanded and intensified agricultural and non-agricultural rural production, improved health and increased labour availability for literacy and skills training and for other productive activities. The latter is particularly relevant for women and children, whose health status is found to be more fragile, and who traditionally carry water and fuelwood from distant sources to the house.

IRD Activity Component 4: Soil and Water Conservation

✦ *Strategic Focus*

45. The strategic focus of this activity component will be to enable households that depend on degraded natural resources for their food security to make a shift towards more sustainable livelihoods.



📌 **Problem Analysis**

46. Many mountainous and hilly areas in China suffer from degraded vegetation cover and high erosion rates. It has been assessed⁶ that two thirds of China's "environmentally fragile" land is in the poorest counties. There are mountain ranges with a relatively high population density, including Qinling and Wuling mountains project areas, where the carrying capacity of the land and the environment has been exceeded. Continued cultivation of these lands has resulted in further degradation and siltation of rivers and reservoirs. Farmers have seen the yields of their eroded lands decline and have witnessed a reduction in the availability of irrigation water. The consequentially elevated frequency of droughts and floods places people at greater risk and thus increases their vulnerability.

📌 **Objectives, Intended Outcomes and Outputs**

47. This activity is closely linked to land development and irrigation, which focuses on increased investments on the most arable lands, thus relieving the pressure on marginal lands. The objective is to reduce the degradation of marginal lands. FFA activities include the protection of key irrigation and road infrastructure as well as riverbanks prone to erosion through planting a variety of environmental-economic trees selected for their site suitability and their capacity to contribute to household and village income. Check dams will be constructed on sloping lands to diminish run-off erosion and to support tree crops and grazing and medicinal plants. Support to animal husbandry through IFAD micro-credit loans will encourage a shift from extensive to intensive livestock raising, including zero grazing. Where appropriate, IFAD loans will promote the establishment of biogas production units linked to improved animal sheds and latrine systems, thus decreasing reliance on fuelwood and improving households' sanitary conditions.
48. The activity objectives fall within the Government's recent decisions embedded in the Western Drive directive to retrieve steeply sloping lands (slopes above 25 degrees) from cultivation back to forestry and pasture uses.

Implementation Strategy for IRD Activity Components

49. The activities will be implemented under the supervision of the provincial People's Governments, while the MOA will act as the channel of communication with WFP on policy matters. Leading groups comprising relevant line departments and bureaux, as well as the ACWF and project management offices (PMOs) within the agricultural or water conservancy bureaux will be established at the provincial, prefecture, county and township levels. PMOs will appoint a gender focal point responsible for mainstreaming gender-related issues in activity components and voice women's concerns in the decision-making process during implementation. VIGs will be set up to develop Village Development Plans (VDPs) in cooperation with township PMOs and using participatory rural appraisal (PRA) approaches for which the PMOs will receive training. Furthermore, the VIGs will select and organize participants for various FFA and FFT activity components and sub-components. VIGs will comprise five activity participants, at least two of whom will be women. Female VIG members and gender focal points will receive training on how to assume management and leadership roles. This training will be organized by ACWF using a UNIFEM module, which has already been successfully piloted in other parts of China.

⁶ Wu *et al*, Study on Poverty Alleviation Since Post-Reform Rural China, Chinese Academy of Social Sciences, 1997.



50. The PMOs will prepare activity implementation plans and annual workplans and budgets based on the VDPs. The timing of the implementation will take into consideration the local agricultural calendars, lean periods and the division of labour between men and women. Timing will be discussed with the VIGs and will be reflected in the individual VDPs.
51. IFAD loans will be used to complement WFP-supported activities. IFAD funds will be disbursed directly to provincial Finance Departments for construction materials, equipment for extension and functional and skills training. Micro-credit will be disbursed through Rural Credit Cooperatives (RCCs). The size of loans will depend on the financial requirements of the income-generating activity. RCCs may receive training in loan management from the German Agency for Technical Cooperation (GTZ), as already piloted in some ongoing projects.
52. WFP wheat will be merged with Government stocks to minimize internal transport costs. The corresponding amount of wheat will be released from warehouses located near the project areas.

Participants and Intended Benefits of IRD Activity Components⁷

53. Poor, food-insecure households in targeted villages will be selected in accordance with household profiles developed through VAM field surveys. Nearly 1.2 million households are expected to participate in FFA and FFT activities, directly benefiting some 4.7 million people.
54. Through participation in FFA and FFT activity components, WFP food will cover the cereal needs of a core group of mostly seasonally food-insecure households for a period up to three months. In addition to the direct food transfer, households will also be the direct beneficiaries of physical and human resource assets created under the activities and benefit from IFAD micro-credit and improved extension services. Outside this core group, IFAD will also assist poor but generally food-secure households.
55. The activities are designed to enable women to take advantage of development opportunities. The most important features can be summarized as follows:
 - Women will undertake 50 percent of all FFA and 80 percent of FFT activities. This will improve their direct access to food and control over household resources. User groups for village drinking-water facilities and maintenance of community assets will be created with equal representation of men and women.
 - Women's participation in PRA exercises, VIG and PMO membership will strengthen their role in decision-making processes and in the management of activity resources.
 - Improved access to drinking water, markets, health facilities, fuelwood, fuel-saving stoves and improved farming techniques will reduce their workload and free up time for income-generating activities. In combination with IFAD micro-credit, 50 percent of which will be reserved for women, training for income generating activities will greatly enhance women's opportunities to earn cash.
 - Eighty percent of functional literacy training will be targeted to women. In addition to imparting basic literacy and numeracy skills, training will enable women to improve their own health and that of their infants by observing basic practices of improved hygiene, sanitation and nutrition.

⁷ See table 1.



SUPPLEMENTARY ACTIVITY: SCHOOL FEEDING

Strategic Focus

56. The strategic focus of this activity is to enable poor households to invest in human capacity through education and training.

Problem Analysis

57. Low school enrolment rates persist, particularly in the western provinces of Qinghai and Tibet, where enrolment rates are substantially below the national average. The ratio of girls to boys in primary graduate classes is far below parity. Female illiteracy among ethnic minorities in the western regions far exceeds the national average.⁸
58. The main causes for these regional disparities include: (1) low income that prevents the poorest households from paying for costly textbooks; (2) reliance on children for farm labour; (3) the traditional perception that girls' education is less important than boys'; (4) remoteness of schools; and (5) the poor quality of education. The World Bank's Appraisal Report on the SouthWest Poverty Reduction Project identifies the lack of food during the inter-season as an important reason for irregular attendance among children from absolute poor families. The report further indicates that school feeding would reduce malnutrition and would be cost-effective in alleviating short-term hunger and its adverse effect on learning abilities of poor children.

Objectives, Intended Outcomes and Outputs

59. The aim is to eliminate illiteracy, particularly among women, and to help make primary education accessible in poor, remote, minority areas, especially for girls.
60. The WFP-assisted school feeding activity will support the Ministry of Education's Action Scheme for Invigoration of Education in the 21st Century, approved by the State Council and the Communist Party of China (CPC) Central Committee in May 1999. Concrete actions taken so far by the Government include: increased central and provincial government spending on education by 1 percentage point per year until 2003 compared with the 1998 level, and the allocation of RMB 3.9 billion towards a special fund for the construction of school buildings. Several projects aimed at poverty reduction in the western regions of China receive World Bank loans and contain an education component. School feeding is part of a Government package that includes tuition assistance, teacher qualification training, school-building assistance and boarding facilities for pupils from remote villages.
61. The provision of a school feeding facility, in addition to improved teacher training, school infrastructure and tuition assistance, will increase primary school enrolment and attendance rates. School feeding will enable minority children, especially girls, to have access to primary education. More directly, school feeding will ensure adequate food intake and increase children's learning capacities, which is particularly relevant where children walk far to reach school from their homes.

⁸ While nationwide illiteracy and semi-illiteracy rates among women of ethnic minorities stand at 42 percent, this rate in China's western provinces of Qinghai, Gansu, Ningxia, Guizhou and Tibet ranges from 65 percent to 82 percent. Similarly, the primary school attendance rate for girls amounts to 45 percent compared with levels of 30 percent for Guizhou and Gansu and 20 percent for Tibet (Education for All 2000—Report by the Ministry of Education).



Role and Modality of Food Aid for School Feeding

62. Food aid will encourage poor parents to invest in primary education for their children and meet poor children's consumption requirements. The approach to school feeding will be determined by an appraisal mission and will involve either take-home rations or wet feeding for the duration of the school year or for the duration of the lean season only.

Implementation Strategy for School Feeding

63. MOA will implement the activity in close collaboration with the Ministry of Education (MOE) and the Office for Poverty Alleviation under the State Council. PMOs will be established to manage the activity implementation at provincial, prefecture and county levels.

Participants and Intended Benefits of School Feeding

64. National education programmes will continue to receive government priority support under the next five-year plan, 2001–2005. WFP support to school feeding will allow a single cohort of 500,000 children from poor families, predominantly girls, to have access to education over a period of six years, while the Government and the World Bank will concentrate their resources on improved teacher training and tuition assistance, thus increasing the overall number of poor children reached.

Support Activities

📌 *VAM's Role*

65. VAM will support the programme sections through: (1) geographic targeting; (2) beneficiary profiling; (3) contributing to monitoring and evaluation (M&E); and (4) food security monitoring.
66. The identification of villages to be targeted for intervention is to be completed through a three-stage process:
- MOA has identified priority provinces and proposed priority counties. Additionally, through a multi-factoral clustering analysis of the latest county-level data available from the State Statistical Bureau of China, VAM has identified counties that contain sizeable vulnerable populations within those provinces. The 62 counties, including VAM-identified and MOA-identified counties, constitute the starting point for the village targeting process. A mission visited selected counties and informed local authorities about WFP targeting criteria and developed the targeting methodology. The mission found the VAM analysis to be consistent with facts on the ground. Areas for ongoing activities and regions in which further targeting is required are mapped in Annex VI. The proportion of the rural population of VAM-identified counties is the basis for the provisional allocation described in Annex I. The results of field surveys, including the assessment of food security and the presence of existing development projects, may lead to an adjustment of the provisional allocation as necessary.
 - The next stage involves the analysis of township-level indicators. These will be collected directly from provincial authorities and used to develop the sample frame for participatory household food security surveys.
 - The last stage employs surveys to identify clusters of villages where activities may be developed. As mentioned in the CSO, the lack of reliable gender-disaggregated socio-economic data requires the collection of primary data. These surveys will establish household profiles, which will be used as selection criteria and for informing the



formulation of activities. The surveys will also serve to establish benchmark data against which outcomes and to some extent impact will be assessed during mid-term and completion surveys.

67. Second and third stage targeting will be implemented to afford adequate time for the preparation of activities. The first surveys will be completed by May 2001 for the activities scheduled to commence in the provinces of Shanxi and Ningxia later that year, followed by Xinjiang and Gansu in 2002.
68. In addition, VAM will periodically update vulnerability analyses, monitor early warning indicators, and provide cartographic services. VAM will work towards transfer of its capacities to MOA and increasingly involve collaboration with various government and parastatal institutions including MOA, provincial Departments of Agriculture, the State Statistical Bureau, the Academy of Agricultural Sciences, and the Academy of Social Sciences. Additional needs for staffing and equipment resulting from VAM's increased level of activities have been reflected in direct support costs (DSC) and other direct operational costs (ODOC) budgets.

✦ Gender

69. The ACWF is in the process of developing its 2001–2010 Programme for Development of Chinese Women and confirms that in accordance with its Beijing+5 commitments, a key goal will be to accelerate assistance to women to help them out of poverty by reinforcing health education, micro-credit and other assistance. WFP's collaboration with ACWF will contribute to the achievement of this goal.
70. The CP foresees that about 80 percent of FFT participants and 50 percent of FFA participants will be women and addresses the micronutrient deficiencies of women, children and adolescents (WFP's Commitment to Women I). The implementation structure requires that women participate in project management groups such as VIGs and PMOs with a minimum of two women out of five VIG members (WFP's Commitment to Women II). Related activities include management and leadership training for women in project management structures. Using the Federation for the implementation of various training activities will strengthen the partnership with ACWF. The CP ensures that women have equal access to fixed assets, IFAD micro-credit, social services of training and health care (WFP's Commitments to Women III) and that particular gender issues in the local context are addressed. Reports and surveys for planning and evaluation will collect gender-disaggregated data (WFP's Commitment to Women IV). Management of the China country office is committed to formalizing the gender commitments in operational documents, contracts, terms of reference and performance appraisals of its staff (WFP's Commitment to Women V). The country office will strive to maintain an equitable gender balance already achieved in 2000 among support staff, national professional officers and international staff combined.

COUNTRY PROGRAMME MANAGEMENT

Appraisal

71. Joint WFP/IFAD multi-disciplinary appraisal missions will be carried out for the new IRD interventions and area-specific appraisal missions will take place for School Feeding. The missions will assess technical feasibility and economic viability of the proposed activity components on the basis of provincial PMO proposals. For WFP, these mission



reports will culminate in the drafting of Activity Summaries, which will be submitted to a national-level Joint Food Security Assistance Review Committee, co-chaired by MOA and WFP and with the participation of United Nations specialized agencies such as UNICEF, FAO and UNDP.

Programme Implementation

72. MOA will remain WFP's main counterpart. MOA will provide policy guidance and coordinate its provincial, prefecture and county departments and bureaux, which will establish PMOs as executing authorities for the activities.
73. In order to build counterpart capacity in areas of vulnerability assessment and disaster mitigation, transfer of VAM methodologies to the Government will be an important function of country office activities.
74. In line with the gradual reduction of WFP food aid deliveries to China, WFP will reduce its country office staffing requirements. The decrease in number of activities will be most marked after 2003. Annex IV provides a time frame for WFP-supported activities during 2001–2005. Both DSC and ODOC requirements are in accordance with this reduction. WFP will help its country office national staff to find employment. It will encourage training and promote experience in other WFP country offices within the cluster and elsewhere during the CP 2001–2005 period.
75. The envisaged training requirements for country office staff include Enabling Development Policy, VAM, SAP, RBM, PRA, Gender and Emergency Response training. Advocacy training has been initiated and will receive renewed emphasis under the CP.
76. In order to increase the involvement of beneficiaries, particularly of women, in planning and management of the activities, WFP and IFAD will:
 - apply participatory approaches to consult with and involve women in project preparation and appraisal;
 - provide training for national gender focal points and strengthen collaboration with ACWF;
 - conduct pilot demonstrations to increase village women's participation in decision-making through VIGs; and
 - conduct gender studies on the situation of food control in project households, female-centred labour force among the rural poor, and benefits for women through FFA and FFT activities.
77. Environmental impact assessments for new activities will become standard procedure and take place before implementation. Detrimental effects on natural resources resulting from WFP-supported activities will be anticipated and remedial actions proposed. An environmental management plan will monitor environmental effects during implementation.

Programme Monitoring and Evaluation

78. WFP China will introduce and apply Results-based Management principles and methods for monitoring and evaluating its activities in accordance with document WFP/EB.A/2000/4-C "WFP Principles and Methods of Monitoring and Evaluation". With emphasis on performance and measuring results, output and outcome indicators will be developed and realistic targets set. M&E will include the assessment of the extent to which the CP's activity-specific objectives are met. As a corporate results-oriented framework is



developed and guidelines become available, the country office will adjust its M&E system. Meanwhile, a logical framework, outlining goal, CP strategic objectives and activity objectives is provided in Annex VII. Annex VIII shows preliminary performance outcome and output indicators corresponding to each level of objective. A terminal evaluation of the CP is foreseen which will include lessons learned with regard to the phase-out strategy as requested by the Executive Board in relation with its discussion of the China CSO.

79. The process by which outcomes will be measured relies mainly on comparison between baseline survey benchmark data (third stage of the targeting process) and subsequent mid-term and termination beneficiary survey data. Baseline and beneficiary survey results will be made available to mid-term and termination review missions, who will integrate these results into evaluation reports, supplemented by qualitative observations including beneficiary contact monitoring (BCM) and area-specific studies. Outputs will be measured through standard project reporting records, adjusted to reflect the China CP's specific focus.
80. Closer linkage between VAM and the M&E process will be established. The success of food aid is ultimately measured by the reduction or elimination of household food insecurity. It thus stands to reason that indicators used in the process of targeting beneficiaries and the indicators used for baseline/mid-term and terminal surveys are closely related. The third stage of targeting therefore will be the baseline survey. The VAM and programme units of the China country office will closely collaborate in conducting mid-term and end-of-project participatory household food security surveys, as follow-ups to targeting/baseline surveys, that will measure CP performance outcome and activity outcome, inform project refinement and remedial action, and facilitate knowledge transfer to indigenous institutions.
81. For the purpose of keeping vulnerability maps up to date, a VAM focal point will be identified in each PMO at the provincial and county levels; their capacity will be built up in collecting data and maintaining regular data exchanges with the VAM Unit in Beijing and ultimately, upon phase-out of WFP in China, with the national VAM Unit. In addition, VAM will update the vulnerability maps of the counties and townships that are assisted by WFP, and map the trend of changes in order to provide a supplement to monitoring and evaluation.

Programme Adjustments and Supplementation of Activities

82. Upon review of Activity Summaries, Operational Contracts for an initial period of two to three years and Letters of Readiness will be signed by the WFP country office and MOA. Subject to attainment of output and outcome targets reflected in standard corporate reports and mid-term evaluation reports, the decision will be taken jointly by the country office, MOA and IFAD whether to continue the activity, reallocate resources to other activities or activity components.

KEY ISSUES, ASSUMPTIONS AND RISKS

83. The success of the proposed activities with regard to achieving household food security for many rural poor will depend on MOA's support to shift emphasis from extensive, low-income cereal cultivation with high water requirements to more diversified, intensive crop and livestock production.
84. There is uncertainty as to the effect of China's joining the World Trade Organization (WTO) with regard to small-scale farming. Short-term predictions include a downward



realignment of China's domestic cereal prices with world market prices. While lower cereal prices improve the accessibility of cereals for the poor, farmers may see the profitability of their cereal crops dwindle. WFP is committed to monitoring cereal prices in the intervention areas.

85. Successful implementation of the CP activities will require intense collaboration between MOA, MOE, MOH and the Office for Poverty Alleviation under the State Council at both the central and provincial levels.
86. Implementation of supplementary activities will be subject to availability of bilateral or additional directed multilateral funding. All WFP resources depend on voluntary donor contributions.

RECOMMENDATION

87. The Executive Director recommends that the Executive Board approve the proposed Country Programme for China for the period 2001–2005.



ANNEX I
**COUNTRY PROGRAMME 2001–2005 CONSOLIDATED OVERVIEW OF FOOD
COMMITMENT AND PROVISIONAL ALLOCATION**

	Geographic location	Food volume (tons)
Basic IRD activity	Guizhou 5181	15 927
	Sichuan/Chongqing 5652	11 225
	Qinghai 5717	18 000
	Anhui 5796	6 000
	Hunan 6023	8 360
	Shaanxi/Hubei 6146	56 000
	Guanxi 9997	80 000
	Shanxi/Ningxia	56 000
	Xinjiang	19 500
	Gansu	75 500
Sub total IRD		346 512
Supplementary activity (School Feeding)	Tibet, Xinjiang, Qinghai, Guizhou, Gansu	200 000
Grand total		546 512

Totals by category	Food volume (tons)
WFP—basic IRD activity	346 512
Government*	510 575
WFP—supplementary school feeding	200 000
Grand total	1 057 087

* The period for Government intervention is 2001–2007.



ANNEX II

COUNTRY PROGRAMME DIRECT COSTS BUDGET (2001–2005)

Totals by category	Food aid beneficiaries	Food volume (tons)	Direct Operational Costs			Direct Support Costs	
			Food Cost	Transport, LTSH	Other DOC	Total DOC	Total DSC
US Dollars							
Basic	4 724 400	346 512	44 353 536	13 860 471	1 314 700	59 528 707	3 805 750
Supplementary	500 000	200 000	25 600 000	8 000 000	702 500	34 302 500	1 545 100
Grand total	5 224 400	546 512	69 953 536	21 860 471	2 017 200	93 831 207	5 350 850

¹ Staff resources, non-food items and services exclusively for use by beneficiaries, Government or implementing partners.

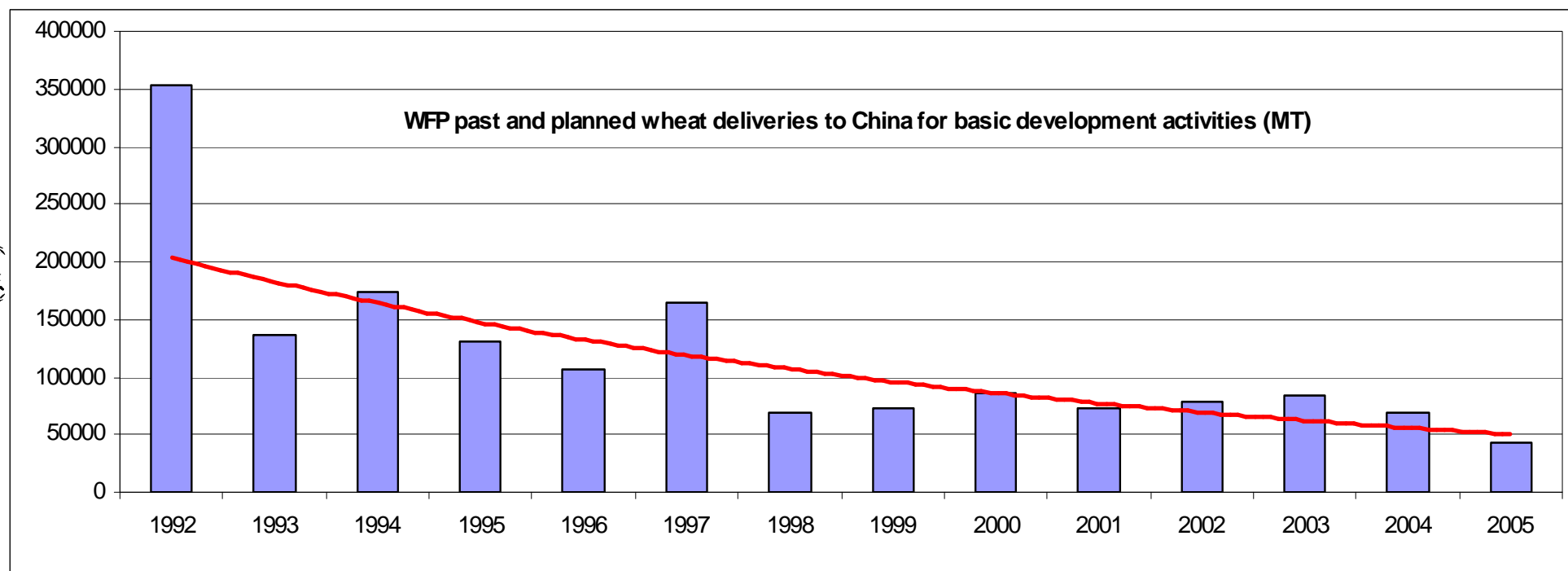
² External transport on 59,512 tons from previous projects for which the Government is not covering ocean freight plus external transport on new commitments since February 2000 which will be reimbursed to WFP by the Government through a direct multilateral contribution against the ocean freight of the CP. All LTSH costs are borne by the Government.

³ External transport will be covered by the Government through a directed multilateral contribution to the CP.



ANNEX III

WFP WHEAT DELIVERIES TO CHINA



ANNEX IV

TIME FRAME FOR WFP-SUPPORTED ACTIVITIES DURING CHINA COUNTRY PROGRAMME 2001-2005

		2001	2002	2003	2004	2005	2006	2007		
Integrated Rural Development ACTIVITY	5181 Guizhou	completion of ongoing intervention - 6 927 tons	expansion components 1 & 3 - 12 000 tons							
	5652 Sichuan/Chongqing	completion of ongoing intervention - 11 225 tons								
	5717 Qinghai	completion of ongoing intervention - 13 000 tons	expansion components 1 & 3 - 10 000 tons							
	5796 Anhui	completion of ongoing intervention - 13 000 tons	expansion components 1 & 3 - 8 000 tons							
	6023 Hunan	completion of ongoing intervention - 8 935 tons								
	6147 Shaanxi/Hubei	completion of ongoing intervention - 56 000 tons								
	9997 Guangxi	new CP intervention - 80 000 tons								
	Ningxia/Shanxi		new CP intervention - 90 000 tons							
	Xinjiang			new CP intervention - 31 500 tons						
	Gansu			new CP intervention - 105 500 tons					completion with Government resources only - 16 000 tons	
IRD ACTIVITY	Total wheat requirement by year for IRD (tons)	76 845	89 586	122 558	90 648	61 449	10 000	6 000		
	Female participants by year	158 880	185 200	253 360	187 360	127 040	20 640	12 400		
	Male participants by year	39 720	46 300	63 340	46 840	31 760	5 160	3 100		
Suppl. ACTIVITY	School feeding	Supplementary CP activity - 500 000 benefiting children			completion with Government resources only - 500 000 benefiting children					
	Total wheat requirement by year for School Feeding (tons)	100 000	100 000	100 000	100 000	100 000	100 000			



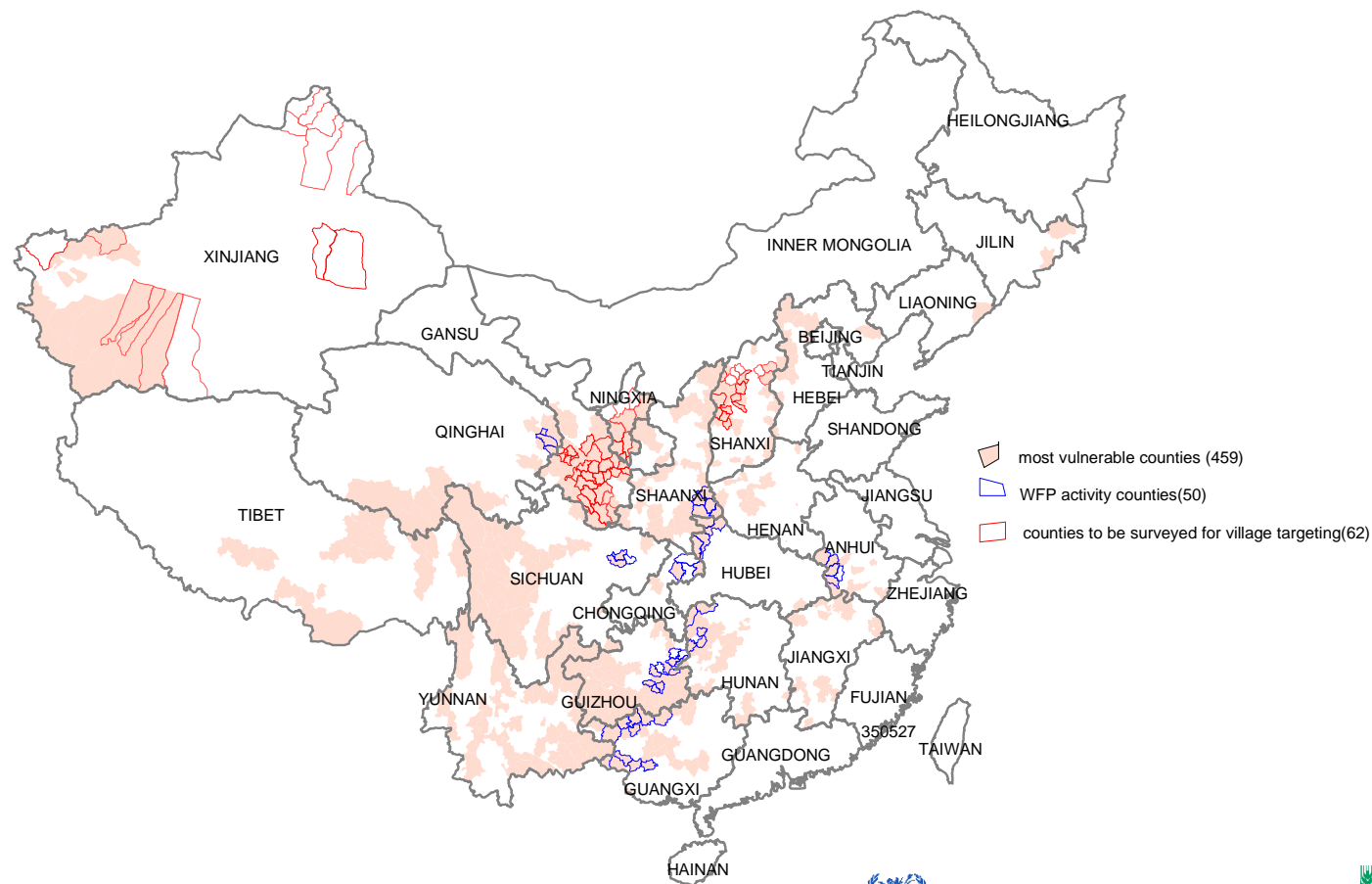
ANNEX V

WFP/GOVERNMENT FOOD ALLOCATION BY COMPONENT FOR CP CHINA 2001–2005

CP basic activity component	Allocation of WFP food (%)	Allocation of Government food (%)	Allocation of WFP and Government food (%)
Investment in human capacity	24.3	24.8	24.4
Land development & irrigation	41.7	33.3	39.7
Social infrastructure	18.7	25.3	20.3
Water and soil conservation	15.3	16.6	15.6
Total	100.0	100.0	100.0

ANNEX VI

Location of the Most Vulnerable Counties, WFP Ongoing Activity Counties and the Counties to be Surveyed for New Activity Preparation

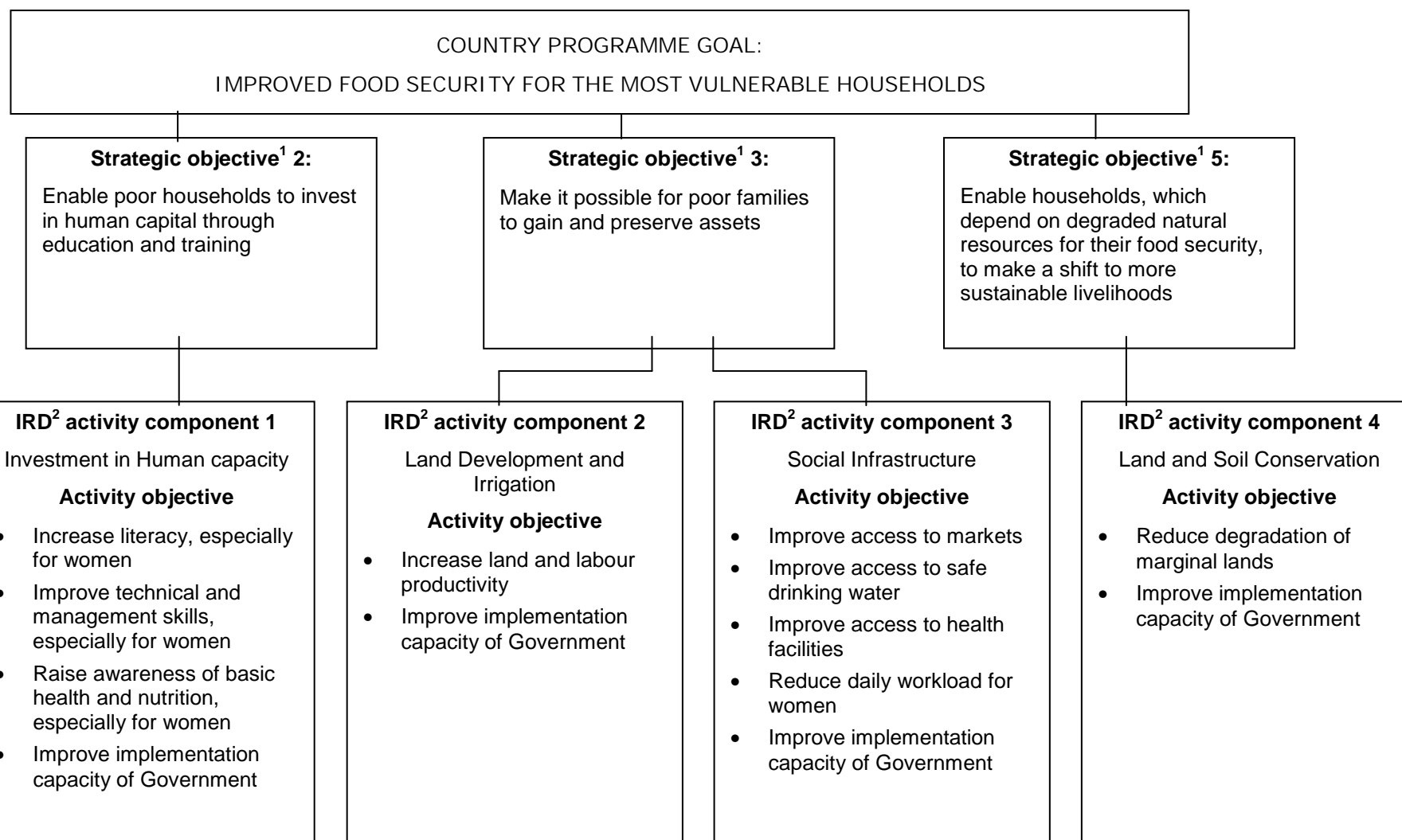


WFP/IFAD China - VAM Unit, October 2000



The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the World Food Programme (WFP) concerning the legal status of any country, territory, city or area or of its frontiers or boundaries

CHINA COUNTRY PROGRAMME LOGICAL FRAMEWORK




¹ Priorities 2, 3 and 5 of WFP's Enabling Development Policy are adopted as CP Strategic Objectives

² Integrated Rural Development



PERFORMANCE AND OUTCOME INDICATORS

Country Programme Strategic Objectives		Integrated Rural Development Activities		
Objective	Outcome performance indicator	IRD activity component	IRD component outcome indicators	IRD component output indicators
Strategic objective 2	Increased rate of girls and boys proceeding to higher educational levels; Increased % of women heading an organisation or micro enterprise; Improved pregnancy outcome; Reduction in stunting rate.	Investment in Human Capacity	Improved adult literacy rates, especially for women.	Number of participants in literacy training sessions by gender; Number of literacy training sessions organised; Number of training materials developed/adapted.
			Number of men/women who have developed an income generating activity; Increase in household income from new activity.	Number of participants in skills and management training sessions by gender; Number of skills and management training sessions organized; Number of training materials developed/adapted.
 Strategic objective 3	Number and % of men and women who have gained assets beyond WFP assistance; increased household investment expenditure; increased household expenditure on education and health; reduction in stunting rate.	Land Development/ Irrigation	Reduced incidence of RTI; increase in number of health conditions diagnosed and treated; Increase in the number of births taking place at clinics; reduction in IDD prevalence.	Number of participants trained in health and nutrition sessions by gender; Number of medical staff trained by gender; Number of households received iodized salt.
			Yield increase; livestock production increase; increased income from agriculture; increased multiple cropping index.	Area of land developed, e.g. irrigated land, improved drainage, reduced seepage, whether terraced; km of irrigation canals improved/built.
Strategic objective 5	Increased income from tree crops, medicinal plants and livestock production (grazing); increased availability of irrigation water; reduction in stunting rate.	Social Infrastructure	Increase in marketing of farm produce; Increase in frequency of health consultations; Reduced occurrence of water-borne diseases; Time freed up for women.	km of rural roads built/rehabilitated; number of wells, ponds, rural clinics, latrines rehabilitated/constructed; number of households with piped water; number of households with fuel-saving stoves; number of households with access to safe drinking water.
			Water & Soil Conservation	Amount of forest and livestock products harvested and marketed; Seedling survival rates at nursery and plantation levels; reduced siltation of reservoirs and irrigation canals; reduced occurrence of flooding of down-stream land.

ANNEX IX

COUNTRY STRATEGY OUTLINE—CHINA

EXECUTIVE SUMMARY

During the past two decades China has achieved remarkable economic progress. Average gross domestic product (GDP) growth rose from 5.5 percent to 12.8 percent in the first half of the 1990s. In 1998, the yearly per capita GDP was US\$720 and the Human Development Index (HDI) was 0.7, ranking China 120th and 98th, respectively, out of 174 countries. By the mid-1990s, China achieved its major target of ensuring nearly sufficient (95 percent) food production at the national level. During consultations on future WFP assistance, held between the Government and WFP in 1999, the Government requested continued assistance from WFP for a five-year Country Programme. Two key principles for WFP assistance for the period 2001-2005 were agreed on:

- a gradual downsizing of WFP resources, leading to a phase-out of WFP assistance by 2005;
- an increase in the Government's cost-sharing from the current 1.5:1 to 2:1.

Despite China's achieving impressive economic progress and near food self-sufficiency, in 1999 more than 34 million rural people lived below the Government's poverty line of 635 Yuan⁹ per year. Rural women and children are the most vulnerable and disadvantaged in gaining access to resources. Widening regional disparities place the disadvantaged at an even greater risk in the face of China's economic advances and increasingly market-based economy. Considerable investment to build skills and develop non-subsistence crop production is needed to help these people out of poverty.

Since 1996, WFP's successful partnership with the Government of China has been expanded to include IFAD. In line with the Government's Poverty Alleviation Plan, and in accordance with WFP's Enabling Development policy (decision 1999/EB.A/2), WFP resources will be used in a complementary fashion with government and IFAD resources to pursue the following of the Enabling Development policy's strategic objectives:

- enable poor households to invest in human capital through education and training;
- make it possible for poor families to gain and preserve assets; and
- enable households that depend on degraded natural resources for their food security to make a shift to more sustainable livelihoods.

The future programme will more accurately target poor households in the most vulnerable villages located in remote mountain areas of China's western regions through a strengthened WFP vulnerability analysis and mapping (VAM) system. Simultaneously, the transfer of VAM capacity to the Government will be an important activity over the next five-year period.

The WFP/IFAD support to the Government is the cornerstone of an Integrated Rural Development (IRD) model. This model will be further refined, with more emphasis placed on investments in human capacities and social infrastructure. Focus will be on providing opportunities for women to gain new skills and access to micro-finance loans, and on assets that will reduce women's work burden and thus create time for their participation in other development opportunities.

⁹ Exchange rate: US\$1 = 8.3 Yuan.



The United Nations Development Assistance Framework (UNDAF) for China is currently under preparation. The China United Nations Country Team has reviewed the Country Strategy Outline (CSO) and noted that it conforms with the goals set for future United Nations system support to China.

The key challenge for the Government and WFP will be to implement and monitor the modalities and processes of the planned five-year exit strategy. The lessons identified and strengths and constraints encountered will be documented for use in developing future phase-out strategies in other WFP recipient countries.



ACRONYMS USED IN THE DOCUMENT

ACWF	All China Women's Federation
BCM	Beneficiary Contact Monitoring
CCA	Common Country Assessment
CPC	Communist Party of China
DSC	Direct Support Cost
FFA	Food for Assets
FFT	Food for Training
GTZ	German Agency for Technical Cooperation
HDI	Human Development Index
IDD	Iodine Deficiency Disorder
IFAD	International Fund for Agricultural Development
IRD	Integrated Rural Development
LTSH	Landside Transport, Storage and Handling
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOH	Ministry of Health
M&E	Monitoring and Evaluation
ODOC	Other Direct Operational Costs
PMO	Project Management Office
PRA	Participatory Rural Appraisal
RBM	Results-based Management
RCC	Rural Credit Cooperative
RTI	Reproductive Tract Infections
SSB	State Statistical Bureau
TOR	Terms of Reference
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNIFEM	United Nations Women's Fund
VAM	Vulnerability Analysis and Mapping
VDP	Village Development Plan
VIG	Village Implementation Group
WTO	World Trade Organization

