Rural poverty in China

In terms of population, China, with 1.35 billion people, is the largest country in the world. It is the first developing country to achieve the United Nations Millennium Development Goal (MDG) of reducing by half the number of its people living in extreme poverty and hunger, and only 6.3 per cent of the population were estimated to be living in extreme poverty in 2013. Substantial progress has been made with respect to overall development and China is now considered in the high human development category of UNDP’s Human Development Index, ranking 91 out of 187 countries.

Urbanization has progressed rapidly but 47 per cent of the population remains in rural areas and disparities between rural and urban areas are increasing. Poverty is a predominantly rural issue and is higher in the less developed western and central areas of the country, where the poverty headcount exceeds 11 per cent. The majority of poor people in rural areas make their living from agricultural activities.
While the rural sector still accounts for approximately 35 per cent of total employment, it only contributes 10 per cent of GDP, down from 15 per cent in 2000. Although agricultural productivity has been increasing, it has been severely constrained by the availability of land, limited to 0.08 hectares per person. The most vulnerable are women, children and the elderly, as well as ethnic minorities living in remote mountainous areas. Migration of many rural men to urban and eastern coastal areas has brought about increasing feminization of the rural labour force, with over 60 per cent of agricultural activities now estimated to be carried out by women. A further threat to rural livelihoods is posed by climate change, the effects of which are seen in the growing incidence of natural calamities, especially floods and droughts.

**Government’s strategy for poverty reduction.** In 2001, the Government of China formulated the Outline for Poverty Reduction and Development of China’s Rural Areas (2001-2010), which established the overall goal of accelerating the pace of eradicating absolute poverty and creating the conditions for livelihood sustainability in poverty-stricken areas. To achieve this, three poverty reduction strategies were outlined: “the whole village approach”, “poverty alleviation through agro-industrialization” and “relocation of poverty-stricken farmers”. These models have been maintained in the second Outline covering the 2011-2020 period.

In addition, since 2004, the central government has released annually a policy document on agriculture and rural development that also covers rural poverty reduction. As, chronologically, this has always been the first national policy document issued at the beginning of the year, it is known as "Document No. 1". The very first Document No. 1 in 2004 was on *San Nong* or “Three Rural Issues”, namely: agriculture (*nong ye*), farmers (*nong min*) and rural areas (*nong cun*). From 2004 to 2014, a total of 11 such Documents No. 1 were issued. Under the overarching topic of *San Nong*, these subsequent documents focus on a specific theme each year such as food security, agricultural modernization, industrialization and family farms, etc. In 2014, the central theme of Document No. 1 was rural reform.

The instrument for operationalizing the policy directions of the Outline and Document No. 1 is the five-year plan. The 12th Five Year Plan (2011-2015) aims to address rising inequality and create an environment for more sustainable and green growth through more equitable wealth distribution, increased domestic consumption, and improved social infrastructure and social safety nets. It also outlines further market reforms to stimulate technology development and economic efficiency.

In accordance with its aim of reducing rural poverty, the government has classified 14 zones (crossing provincial boundaries) as the focus for its poverty alleviation efforts. These zones contain 680 nationally designated poverty counties, which benefit from special financial support under the government’s various rural poverty alleviation programmes.

**Key elements of IFAD’s country programme**

**Country programme**

Since 1981, IFAD has contributed over US$775 million to 27 agriculture and rural development projects in China, with a total investment of US$1.94 billion. While over 4 million households are estimated to have benefited directly from this investment, the number is insignificant in the context of the total number of poor rural people in China, underlining the particular importance of scaling up in the country.

IFAD-funded programmes and projects in China have mainly supported integrated rural development in remote areas, where there is often a significant presence of ethnic minorities, and in resource-constrained regions in western and central China. Initiatives generally include a focus on rural women, who are largely responsible for farm production as well as household tasks, given the increasing migration of males to urban areas. Projects are executed by subnational governments and thereby are fully integrated into local development programmes and policies. In the period from 1999 to 2005, when most projects were cofinanced by the World Food Programme (WFP), they included health and education as well as rural finance and infrastructure. Since that time, operations have continued to comprise rural infrastructure but have focused on enhanced agricultural production and marketing. IFAD has become known as a development partner working at the grass-roots level in remote and marginalized areas with a participatory and community-driven approach to targeting poor rural people.
Country strategy

The current country strategic opportunities programme (COSOP), covering the period 2011–2015, is aligned with the government’s 12th Five Year Plan as well as the Rural Poverty Reduction Strategy for 2011–2020 and identifies three strategic objectives, namely:

1. Sustainable use by poor rural people in targeted areas of enhanced productive natural and economic assets, and improved technology and advisory services
2. Enabling poor rural people and their organizations to take advantage of improved market access and financial services for increased income generation and enhanced resilience to risks
3. Enhanced South-South cooperation and knowledge management, providing opportunities for sharing knowledge generated from innovations and for scaling up good practices.

The scaling-up experience in China

Strategy for scaling up

Scaling up is mentioned in the current COSOP as a key cross-cutting theme. The document indicates that knowledge management will be instrumental in collecting, documenting and disseminating best practices that can serve as policy advisory references to promote the scaling up of successful approaches or technologies/practices piloted or implemented in IFAD-financed projects. In this connection, an important step was taken with the addition of a dedicated officer for knowledge management and M&E to the IFAD country office in 2012. As a result, it is now possible to take a more active stance with respect to scaling up by better linking it with monitoring and knowledge management.

Successes and failures of the scaling-up experience

Past successes

There have been several cases where approaches and practices that were piloted or implemented in IFAD-funded operations have been scaled up both locally, within the project area or in the vicinity, and more broadly, at the provincial or national level. IFAD, for instance, is often referred to as having contributed to introducing a more participatory planning process at the community level through the establishment of village implementation groups for the preparation of village development plans in its projects, or as having introduced beneficiary-governed and community-based management systems for community facilities and infrastructure. The introduction of a new agricultural technology, i.e. plastic membranes, in the Gansu province is an example of a specific technology that was introduced by IFAD in a specific location through a project, the South Gansu Poverty-Reduction Programme (SGPRP), and that later became adopted extensively in the entire province (see Box 1).

However, the absence of an appropriate mechanism to monitor, document and assess scaling up in most of the past projects (i.e. no indicators, no targets, no baseline and no monitoring system) makes it difficult to assess the extent to which scaling up has actually occurred in the past. Most of the evidence is anecdotal and not collected systematically. An attempt to identify and document cases of successful scaling up originating from IFAD-funded projects was made in 2013. Upon a request by the Government of China, IFAD undertook a study that reviewed two completed IFAD-funded projects, the West Guangxi Poverty-Alleviation Project (2002-2008) and SGPRP (2006-2012), with the precise intent of documenting scaling-up cases and identifying the factors (the drivers and the spaces) that made the cases successful.1-2 A number of such cases were identified. However, although the factors that made the scaling-up cases successful were also identified, the study seems to hint that scaling up has generally been the result of specific,

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1 R. Kohl, Integrating Scaling Up in IFAD Programmes in China, June 2013.
2 The study identified a number of successful cases in the two project areas and documented four of them: (i) the raising of black dolphin guinea pigs as a source of meat for urban markets in the West Guangxi Poverty-Alleviation Project – this began as an investment by one woman farmer, but eventually resulted in the adoption of this income-generating activity by the Black Dolphin Guinea Pig Farmer Producer Association, with over 300 members and roughly 11,000 breeding pairs of guinea pigs; (ii) the production of traditional shoes and willow basket-weaving in the SGPRP; and (iii) the introduction of a new agricultural technology, i.e. plastic membranes, which not only was widely adopted in the province but also led to a cascading impact down the value chain on corn and livestock production, the spread of circular farming, and ultimately investment in on-farm biogas production.
contextual circumstances that arose during implementation rather than the result of a precise, ex ante scaling-up strategy.

Scaling up outside China: South-South cooperation

South-South cooperation, one of the emerging priorities in the China country programme, is intended as a possible avenue for the scaling up of good practices. In this context, IFAD funded a grant for the period 2011-2014, implemented by the International Poverty Reduction Center in China (IPRCC), to facilitate South-South cooperation and eventually the adoption and scaling up of successful approaches and practices in poverty reduction outside China, through knowledge-sharing. Activities and outputs included: a series of workshops for sharing experience on various themes related to rural poverty reduction, both in China and abroad; study/training visits of officers working with IFAD’s projects in Ghana, Kenya, Argentina and Bangladesh; exchange visits of Chinese and Argentinian government officials to the provinces of San Juan, Argentina, and Xinjiang, China, respectively; and the production and dissemination of various knowledge products. The grant also partially financed pilot projects in selected participant countries on agricultural technologies and poverty reduction models.

While these activities contributed to advancing the scaling-up and South-South cooperation agendas, the limited grant resources available under the China portfolio did not permit much more substantial scaling up through this window. In this regard, the possibility of establishing a dedicated facility for South-South and triangular cooperation within IFAD, currently being discussed in the framework of the Tenth Replenishment of IFAD’s Resources, could provide an instrument and dedicated resources to more systematically support scaling up through South-South cooperation. Similarly, the plan of making the IFAD Country Office in Beijing a knowledge hub for rural development, i.e. a centre that favours the exchange of knowledge, lessons, successes and best practices from China with other countries and vice versa, would serve the purpose of facilitating scaling up through South-South cooperation in knowledge management.

Box 1: IFAD’s catalyst role in scaling up: the case of the adoption of plastic membranes in Gansu

The project area of the IFAD-supported SGPRP is characterized by an arid climate, lack of irrigation potential and cold winters. In this context, the plastic membrane technology combined with a double ditch approach introduced by the project brought about a significant increase in soil temperature and moisture retention. Under the project, carefully selected demonstration sites in pilot villages ensured that farmers in neighbouring villages could see results. The large increases realized in cereal yields translated into substantial financial benefits. It also became clear that use of the membranes extended the growing season during which corn could be grown, as well as enabled its production under much dryer conditions than previously possible. Higher corn yields and a dramatic increase in where and when corn could be grown brought about a shift to more corn production, primarily for animal fodder.

Moving up the value chain, this led to a substantial increase in livestock production and evolution into production for the market (away from production for own consumption). This was further leveraged by the introduction of a new, more productive sheep variety and of related cooperatives.

Due to the success of the technology and the support of local authorities, the results extended far beyond the original project. Initially, the leadership of Guang He county agreed to provide technical and financial support for scaling up throughout the county with the result that the entire county reached full coverage by plastic membranes in the 2009/2010 growing season. Subsequently, the provincial Department of Agriculture (DOA) officially recognized the technology and made a decision to support scaling up throughout Linxia prefecture and beyond. By 2012, roughly 370,000 farmer households were using plastic membranes in the prefecture and, as of May 2013, the membranes were ubiquitous in all counties.

The scaling up was ultimately driven by the funding and political support of the county and provincial governments. IFAD, through SGPRP, played a key catalyst role in facilitating the scaling-up process as it put in place all the pieces (funding and technical assistance, and incentives for individual agencies to collaborate) required for the critical piloting process.

3 Promoting South-South Cooperation with China in Poverty Reduction through Knowledge Management.
Key drivers and spaces for scaling up

Drivers

The main drivers that favoured scaling up in China were leadership, the presence of an external catalyst, and incentives.

Leadership

The country has strong leadership committed to reducing rural poverty. IFAD’s main partners at the national level are the Ministry of Finance and the Leading Group Office on Poverty Alleviation and Development. Both partners have been consistently supportive of the idea that the added value of IFAD in China stands in its capacity for bringing, introducing and piloting innovative approaches and technologies/practices in specific project areas that, if proven successful, could be scaled up. At the project level, the case studies reviewed in the Kohl study showed that a key recurrent element at the base of the successful scaling up was the leadership and vision of one individual (see Box 2).

Box 2: The role of ideas, vision and leadership in scaling up: the case of the black dolphin guinea pig production in Guangxi

An interesting case of successful scaling up originated by a practice introduced under an IFAD-funded project is that of the black dolphin guinea pigs as a source of meat for urban markets in the West Guangxi Poverty-Alleviation Project. This began as an investment by one woman farmer, Mrs Zhao, but eventually resulted in the adoption of this income-generating activity by the Black Dolphin Guinea Pig Farmer Producer Association, with over 300 members and roughly 11,000 breeding pairs of guinea pigs.

The first key element that determined the success of this case was the idea itself of raising guinea pigs, and the fact that this idea fit well with the needs and constraints of small-scale, poor women farmers. Guinea pig-raising had several attributes that made it a good fit for these farmers: (i) raising guinea pigs requires very low technological sophistication and can be learned in a day or two; (ii) guinea pig-raising has very low initial capital requirements; (iii) farmers do not need working capital, as maintenance and feed costs are minimal; (iv) guinea pigs are not susceptible to major diseases and do not require expensive vaccinations; and (v) guinea pig-raising has a rapid recovery of initial investment, as the guinea pigs reach market size in three months. These characteristics are particularly complementary in time and labour requirements with the demands of staple crop agriculture, making guinea pig-raising an ideal income-generating activity for staple farmers.

The second key element that determined the success of this case was vision. Mrs Zhao had a vision of what large scale could look like and the potential of the black dolphin guinea pig market, based in part on her experience as a migrant worker. Rather than consuming her early profits, she steadily reinvested them (and her loan receipts) for nearly five years to achieve her vision.

Finally, the third key element that determined the success of this case was leadership. As word of her efforts spread, Mrs Zhao emerged as a clear leader. Initially this took the form of sharing her knowledge and experience, but later she expanded her leadership role to serve as a champion for black dolphin guinea pig-raising as the major source of breeding pairs and as a market maker for other farmers. Ultimately, she founded and now leads the Black Dolphin Guinea Pig Farmer Producer Association.

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**External catalyst**

IFAD, through its projects, functions as an important external catalyst by providing external funding and a supportive institutional environment.

**Incentives**

In general, provincial and county officials have strong incentives to support scaling up led by individual entrepreneurs, as successful and highly visible scaling-up cases reflect well on officials’ own activities and increase their career prospects for promotion and advancement.

**Spaces**

There are several favourable dimensions, or spaces, that are conducive to scaling up in China.

1. **Policy and political space.** Political space in China is highly favourable to the scaling up of proven innovations for poverty reduction. Since 1949, rural poverty reduction has been a major policy priority for the government. These national priorities have been reflected in those of provincial, prefectural and county governments, as indicated by their five-year plans (the instruments for operationalizing the national policy directions).

2. **Fiscal space.** There is ample fiscal space at the national level for scaling up in China. The government has significant amounts of financial resources at its disposal. Proof of this is seen in the cofinancing of IFAD projects (at least matching the IFAD contribution), the willingness to finance province-wide scaling up of successful innovations and the availability of multiple special funds administered by individual agencies at the national and subnational levels.

3. **Institutional space.** The institutional space for scaling up is fairly homogenous: the institutional structure in all provinces and at the subnational level is essentially the same as that at the central level.

4. **Market space.** Although market access and the size and potential of markets is highly variable across products and geographic areas – and likewise the institutional support from relevant government agencies to assist small-scale farmers, cooperatives and companies in gaining market access – overall the economic liberalization of the economy and the massive investment in infrastructure, especially transportation and communications, have improved market size and access immeasurably, potentially favouring scaling up.

5. **Social or cultural space.** Two peculiar aspects of the social and cultural space in China relate to ethnic minorities and the feminization of agriculture. As far as ethnic minorities are concerned, IFAD has always been encouraged by the government to target ethnic minorities in remote and resource-poor regions. Participatory approaches promoted in IFAD-funded projects have proved to be particularly successful in working with and empowering ethnic minorities. There is certainly scope for spreading approaches to working with the ethnic minorities and enabling them to take charge of further development. The feminization of agriculture is a dominant factor in social space that appears to be supportive of scaling up, as it has helped to economically empower women, allowing them to become entrepreneurs and to make investment decisions. This has been supported by the proactive role of the Women’s Federation, which has proved to be extremely responsive to the needs of women at the grass-roots level.
Box 3: Drivers and spaces in the successful case of the use of plastic membranes in Gansu province

(i) The presence of an external catalyst. One of the major drivers that led to the scaling up of the plastic membrane technology that was introduced in Gansu province under SGPRP was, as described in Box 1, the IFAD-funded project itself, which acted as an external catalyst. The plastic membrane technology was already known prior to the IFAD project; likewise the biogas technology was also known. Women’s literacy trainings were regularly carried out. The introduction of a legal framework for agricultural cooperatives by the government was a timely coincidence. However, it was the project that provided an institutional framework for all of these elements to come together and be demonstrated to farmers, along with incentives for individual agencies to collaborate and funding and technical assistance for these innovations to be piloted and demonstrated. While most of the scaling up was ultimately driven by the funding and political support of the county and provincial governments, the project was key in laying the foundations for scaling up: it put in place all the pieces that ultimately helped drive the scaling-up process.

(ii) Leadership. The second and probably most important driver that favoured the scaling up of the plastic membrane technology was the leadership of the Guang He County Project Management Offices (CPMOs), the Gansu Provincial Project Management Office (PPMO), and the governors and deputy governors at both the county and provincial levels. Their willingness to officially recognize the plastic membrane and biogas technologies and to provide both technical assistance and full subsidies for the necessary materials was critical to the initial success of these technologies and to the cascade of effects that followed. They clearly had a vision of near universal coverage of plastic membranes and its impact on animal fodder and livestock production that also drove the process.

(iii) Incentives. The incentives of key actors happened to be aligned and synergic: Chinese officials at the provincial and county levels in Gansu had a clear commitment to alleviating poverty and improving the status of poor women farmers. Their career prospects were dependent on their ability to show clear, concrete and observable examples of successful innovations that they had promoted and helped to implement. The plastic membrane and biogas technologies served this purpose.

(iv) Policy and political space. The policy and political spaces in Gansu province and Linxia prefecture were very supportive of this type of innovation. For example, one explicit focus of the DOA’s 11th Five Year Plan was increased exposure of farmers to technological innovation in order to increase its spread. As noted above, once plastic membranes proved so effective, the PPMO and CPMOs created strong campaigns for knowledge diffusion and provided financial and technical support.

(v) Institutional space. The institutional space for plastic membrane use, circular farming and biogas production was quite strong. The DOA/Bureau of Agriculture (BOA) at all levels had the technical capacity to support all of these innovations, and the supply chains to distribute plastic membranes and biogas components. This was reinforced by the creation of livestock cooperatives and subsequent provision of support and training, which was complemented by strong partnership between the various implementing parts of the DOA/BOA, CPMOs, county and provincial governors, and the Women’s Federation.

(vi) Market space. The market space supported the rapid growth in corn and meat production, clearly indicating that the income elasticity of the demand for meat was high, as the parallel growth in incomes and demand for sheep clearly kept pace with each other. This was facilitated by the market information and assistance provided by the DOA and its tutors. The related value chain space was in fact wide open and highly receptive to the cascade of complementary innovations that was generated by the use of plastic membranes.

(vii) Fiscal, knowledge and social spaces. Perhaps the most important of the spaces were the fiscal, knowledge and social spaces. While it appears that farmers have become willing to pay for plastic membranes, the initial, rapid scaling up and spread of the use of plastic membranes was largely due to the willingness of provincial and county authorities to cover 100 per cent of the initial adoption costs. The same was true with biogas production: the government subsidies of the physical inputs meant that the only cost to farmers for the adoption of the biogas units was their labour for construction. Early government financial support for scaling up and the use of exchanges between farmers – first with surrounding villages and then non-project townships and counties – created a snowball effect of mainstreaming into farmers’ practices that has now become both financially and culturally sustainable. The provincial government’s strong efforts to generate buy-in by farmers and technical agents through multiple forms of media, exchanges and technical training provided a necessary complement. Finally, the fact that the project included poverty and in particular gender sensitization of CPMO staff and technical agents allowed these innovations to be designed, demonstrated and scaled up in ways that were aligned with poor women farmers’ needs and with the types of results and visibility that facilitated adoption by them.
Constraints

Despite the presence of several factors in China that favour or could favour scaling up, there are also several elements or constraints that limit the potential for scaling up in the country.

1. **Leadership.** Since the change of the main counterpart ministry from the Ministry of Agriculture to the Ministry of Finance in 2001, interactions with the Ministry of Agriculture at the national level have decreased. This has resulted in the lack of a technical partner at the national level in a position to capture, assess and ensure the spread of successful innovations generated through IFAD-funded operations beyond the boundaries of a specific province or autonomous region.

2. **Incentives.** Although government officials usually have strong incentives to support scaling up led by individual entrepreneurs, as successful and highly visible scaling-up cases reflect well on officials’ own activities and increase their career prospects for promotion, they usually tend to have less interest in and incentives for promoting or encouraging the horizontal spread of a technology or of an innovation to other small-scale farmers, as these are less visible, more difficult to promote and more difficult to get credit for. In other words, local officials get more credit and visibility if they can showcase one large, successful farmer or rural entrepreneur, rather than a large number of small successful farmers.

3. **Policy and political space.** Although the political space in China has generally been favourable to the scaling up of successful approaches and practices for poverty reduction, the fact that the subnational governments bear the responsibility for repaying IFAD loans does not provide a strong incentive for them to scale up beyond their individual province.

4. **Fiscal space.** Although there is ample fiscal space at the national level for scaling up in China as the government has significant amounts of financial resources at its disposal, a specific constraint to the more widespread adoption of new technologies is the (lack of) availability of finance for poor farmers and rural women. Although in theory there are multiple sources of microfinance for small-scale farmers (e.g. the Rural Credit Cooperatives, the national poverty alleviation programme, the Agricultural Bank of China, discretionary funds controlled by relevant provincial departments and county bureaus, etc.), in practice small-scale, poor farmers’ access to these funds is limited by the conditions applied: collateral, co-signers, co-guarantors, etc., which they are often unable to meet.

5. **Institutional space.** Although the institutional structure in all provinces and at the subnational level is essentially the same as that at the central level, local capabilities and the interpretation and implementation of policy can vary substantially. The frequently weak management capacity of cooperatives and the lack of incentives for agencies providing finance to engage with poor small-scale farmers and women further circumscribe the institutional space.

6. **Social or cultural space.** Although the feminization of agriculture appears to have been a supportive element of scaling up, in order to successfully promote the scaling up of gender-sensitive innovations, particularly in the more traditional areas, women’s health and education issues need to be addressed in tandem with economic development. This is because shortcomings in these areas limit women’s ability to take advantage of technical innovations.

7. **Monitoring and evaluation.** A major issue with respect to the future of scaling up in China is the absence of any systematic tracking or monitoring of innovations. Although second-level Results and Impact Management System (RIMS) indicators may give an indication of the impact of an innovation within the project area, the data is not sufficiently specific to provide the basis for a sound decision on whether and how to scale up. Cost-benefit analysis and cost-effectiveness are important considerations when assessing whether an innovation should be scaled up, and are not monitored in any systematic way at present. As scaling up is not monitored and assessed systematically throughout project implementation, there is little incentive for project managers to dedicate efforts to it.
Future strategy for scaling up

The partnership between IFAD and the Government of China is strong and founded on a shared vision and commitment for rural poverty reduction. The government values IFAD’s contribution in support of China’s efforts towards poverty reduction and sustainable development, particularly in rural areas. In addition, IFAD is valued as a source of global experience and best practices, knowledge, innovation and financing in agriculture and rural development. However, the partnership, which has revolved around the lending programme for the past 30 years, is at a crossroad and needs to be transformed in the future. While the lending programme would continue to represent the core of the IFAD-China partnership, as it would provide the basis for piloting innovative approaches and generating evidence-based knowledge, the real added value of IFAD in China stands not in its financing but in its global experience and capacity to bring about innovations. Thus, more and more emphasis should be placed on non-lending activities (i.e. knowledge management, partnership-building and policy dialogue) and on promoting innovation and scaling up.

The potential for scaling up approaches and practices to address rural poverty in China is huge, and IFAD through its projects is in a unique position to support and facilitate this process, particularly in those areas where poverty remains most obdurate – i.e. in the poorest provinces, border areas and ethnic minority areas, which are typically remote and mountainous areas in central and western China. Promoting scaling up should become a priority in the country programme. This would require exploiting further the favourable conditions for scaling up in China (see above, drivers and spaces of scaling up in China) and addressing the challenges that constrain the potential for scaling up (see above, constraints to scaling up in China), and particularly:

1. **Mainstream scaling up into the country programme.** Integrate scaling up systematically into the design, implementation and supervision of future projects. Ensure that progress towards scaling-up objectives are adequately monitored and reported. Ensure that scaling-up objectives and strategies are clearly specified in the COSOP.

2. **Invest in knowledge management.** Develop a process and allocate resources for systematically identifying, assessing, documenting and disseminating good practices and scalable innovations in IFAD-funded projects across counties or prefectures within projects, and across provinces and projects, possibly in real time.

3. **Promote post-project activities.** Advocate for post-project/follow-up activities. Ensure that financial and institutional resources are available for scaling up after project completion. Devote more resources to ensure political support for scaling up at the national level.

4. **Support South-South cooperation.** Develop mechanisms to share best practices and scalable innovations between China and other countries. This sharing will undoubtedly benefit China as well, as best practices in other countries may prove useful for scaling up in China.
Key lessons for scaling up in the country

1. China provides a favourable environment for scaling up with a strong, supportive government partner, an appropriate incentive framework, a conducive policy and fiscal space, and huge potential for rural poverty reduction.

2. IFAD has been successful in scaling up innovations and best practices in China but this has been largely the result of favourable circumstances in the context of sound programme design rather than a systematic approach to scaling up.

3. Some of the factors that constrain scaling up in China include the absence of a technical partner at the national level to capture, incorporate and ensure the spread of innovations/good practices in its programmes; a perverse incentive system that favours the spread of highly visible cases rather than the horizontal spread of a technology or of an innovation to other small-scale farmers; the absence of a clear strategy for and approach to scaling up; and the absence of a mechanism for systematically identifying, assessing, documenting and disseminating good practices and scalable innovations, and for monitoring and reporting progress.

How can scaling up be promoted in the IFAD-Government of China partnership?

- **Mainstreaming scaling up into the country programme**, i.e. integrating scaling up systematically into the design, implementation, and supervision of future projects; ensuring that progress towards scaling-up objectives are adequately monitored and reported; and ensuring that scaling-up objectives and strategies are clearly specified in the COSOP

- **Investing in knowledge management**, i.e. developing a process and allocating resources for systematically identifying, assessing, documenting and disseminating good practices and scalable innovations in IFAD-funded projects across counties or prefectures within projects, and across provinces and projects, possibly in real time

- **Promoting post-project activities**, i.e. advocating for post-project/follow-up activities; ensuring that financial and institutional resources are available for scaling up after project completion; and devoting more resources to ensure political support for scaling up at the national level;

- **Supporting South-South cooperation**, i.e. developing mechanisms to share best practices and scalable innovations between China and other countries.
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