

Towards an African Policy on China

Philani Mthembu: Executive Director, Institute for Global Dialogue associated with the University of South Africa (UNISA)

Bob Wekesa: Post-doctoral Fellow, Africa-China Reporting Project at the University of the Witwatersrand

South Africa hosted the Johannesburg Summit and sixth Ministerial Conference of the Forum on China and Africa Cooperation (FOCAC) in December 2015. The event marked a decade and a half since the initiation of the FOCAC mechanism in 2000 and nearly a decade since the Beijing Summit of 2006. South Africa and China are the current co-chairs of the Forum for the period 2015-2018. South Africa seeks to consolidate the strategic Africa-China relationship often framed as a win-win relationship between Africa, the continent with the largest number of developing countries and China, the largest developing nation.

On the whole, the relations under FOCAC have been assessed as beneficial to Africa and China. However, observers have pointed out innumerable instances of asymmetry in the favour of China not least because China is the homogenous, larger partner from multiple perspectives. With two-way trade between Africa and China forecast to reach US\$400 billion by 2020, the FOCAC platform is an ideal opportunity for Africa to strategize for enhanced benefits from the relations. In principle, the development of a cohesive African strategy that takes cognizance of the continent's "unity-in-diversity" can aid in structuring a more symmetrical engagement with China. This calls for innovative thinking about the relations beyond the rhetorical narrative often captured in clichés and catchphrases such as 'neo-imperialism', 'new scramble for Africa', 'win-win cooperation', 'south-south cooperation' and 'dragon in Africa'.

As South Africa's Minister of International Relations and Cooperation remarked in accepting the invitation to co-chair the sixth FOCAC process at the fifth (Beijing) FOCAC Ministerial Meeting in 2012, South Africa's priorities would be visibly aligned to promoting Pretoria's African agenda¹ and a more comprehensive partnership

CONTENTS

- 1**
Towards an African Policy on China
Philani Mthembu and Bob Wekesa
- 3**
FOCAC, African agency and Africa's China policy
Bob Wekesa
- 7**
Cultural approaches to Africa's engagement with China
Paul Zilungisele TEMBE
- 11**
Self-reliance or dependency? The role of China's development finance in enhancing African agency
Philani Mthembu
- 15**
Continental Summitry and Shuffling Diplomacy: The Case of African Agency in FOCAC and IAFS
Sanusha Naidu
- 19**
The role of civil society in environmental protection in the Africa-China relationship
Meryl Burgees
- 23**
Reducing barriers to enhanced Chinese trade and investment with Africa
Emmanuel Igbinoba

with China. South Africa's co-leadership of FOCAC comes to an end in 2018 and thus the need to seize the opportunity of the country's commitment to an African agenda to fashion a clear African position on China. Instructively, China developed an African policy toward Africa in 2006 and released its second African policy during the Johannesburg Summit in 2015.

This special edition of *Global Dialogue* is informed by the fact that Africa does not have a policy framework to guide engagement with China. Additionally, most if not all African countries and regional economic communities similarly lack well thought out frameworks towards China. Consequently, China's policy towards Africa meets a policy gap on the African end. This publication responds to this African policy gap in the context of Africa-China relations.

Thinking about Africa's strategy towards China necessitates a number of questions: What is the nature and character of this relationship in politics, economics and social areas? Are there any steps being taken to craft a more coordinated approach and policy towards China on the African continent? What would be the implications of a coherent African policy framework towards China on Africa's relations with Europe and other external partners? Are the pillars of the Africa-China partnership aligned to or in discord with the African Union's Agenda 2063 and the United Nation's 2030 Agenda for Sustainable Development? Does Africa even need a collective strategy in the first place? The special edition attempts to address some of these with the aim of provoking an informed dialogue on one of the most fascinating geopolitical phenomena in the twenty first century.

This publication forms part of a project implemented jointly by the Friedrich Ebert Stiftung (FES) and the Institute for Global Dialogue (IGD), with additional support from the Wits Africa-China Reporting Project. Unlike much research and analysis which focuses the attention on how China and external powers are engaging with Africa, this project turns the spotlight squarely on the African continent by focusing on Africa's own agency in its partnership with China. In doing so, it seeks to initiate a progressive thought process for a coherent Pan-African policy framework on China.

This initiative can indeed be replicated and applied to the continents' position on relations with the European Union and other external players on the continent. This forms part of a long held yearning for better coordination of African responses to, and enhancement of the continents agency in international affairs. The special edition is thus an important foundation for a bigger book project under the same theme. The forthcoming edited book will look to bridge theory and practice by offering concrete recommendations on the development of a coherent African position and policy framework towards China. Given that South Africa currently co-chairs the FOCAC mechanism, this initiative aims to contribute towards one of its stated objectives, namely, the consolidation of the African agenda leading up to the next triennial conference.

Endnotes

1. See http://www.gov.za/sites/www.gov.za/files/foreignpolicy_0.pdf: Building a world: The diplomacy of Ubuntu: White paper on South Africa's foreign policy



FOCAC, African agency and Africa's China policy

Bob Wekesa: Post-doctoral Fellow, Africa-China Reporting Project at the University of the Witwatersrand

Introduction

China's policy towards Africa specifically took shape from October 2000 when the inaugural Forum on China Africa Cooperation (FOCAC) conference was held in Beijing. As of this writing, the mechanism has been in place for seventeen years.

Africa-China relations show *continuities and discontinuities*¹ over the last roughly two decades. This is of relevance to the current policy brief to the extent that an assessment of African interests in what has not changed and what has changed since 2000 can inform efforts towards African policies towards China. For instance, the Chinese leaders who initiated and/or managed the formative steps of the mechanism, Jiang Zemin, Hu Jintao, Zhu Rongji and Wen Jiabao have left the stage. Equally, most of the African leaders who graced the occasion of the inaugural FOCAC are now either deceased (Gnasinbe Eyadema, Republic of Togo; Frederic Chiluba, Republic of Zambia) or have retired (Benjamin William Mkapa, Tanzania; Dr Salim Ahmed Salim former Organization of African Union secretary general).

The departure of African and Chinese leaders from the stage is symbolic of the changing nature of the Africa-China relations. Space does not allow for a fulsome exploration of other changes that have occurred over the past seventeen years. Suffice it to point out that China has had a policy consideration towards Africa with the promulgation of the first China's Africa policy in 2006 and the second one in 2015. Africa has no policy towards China.

The objective of this policy brief is to look at the key themes underpinning FOCAC, which is in turn the pivotal mechanism that drives the engagements. I first identify and discuss the key themes that characterize FOCAC. I then conclude with pointers as to the pathways available to Africa in charting a policy direction towards China. I make the assumption that Africa needs a policy focus towards China and that this policy ought to be captured in one document ideally marked as "Africa's China Policy".

What is FOCAC?

The FOCAC mechanism remains the fulcrum of the relations (Shelton and Paruk 2008:2). It is the launch of FOCAC that signaled the elevation of the relations and indeed, it is in the FOCAC action plans and declarations that we see continuities and discontinuities. Because of its long shadow over the relations, the beginning point for crafting an African policy towards China should be an African understanding of FOCAC. In other words, what is FOCAC?

The official FOCAC documents define it as "a platform established by China and friendly African countries for collective consultation and dialogue and a cooperation mechanism between the developing countries, which falls into the category of south-south cooperation." We can say that the official definition speaks to how Chinese and African leaders would like FOCAC to be known. The Africa-China scholarly community has however re-interpreted FOCAC in many other ways so much so that FOCAC has come to represent different things to different people. In the following sections, I identify the following thematic conceptions as defining FOCAC: rhetoric, institutional mechanism, geopolitics, dynamics and African/Chinese agency.

FOCAC as rhetoric

FOCAC serves as a connecting thread between China's foreign policy from the 1960s and China's current African policy, thus providing the undergirding principles for Africa-China engagements. Consider the staying power of 'mobilized vocabulary', phrases and principles such as 'sincerity, friendship and equality', 'mutual benefit, reciprocity and common prosperity', 'mutual support and close coordination', 'learning from each other and seeking common development' ... ad infinitum! (Hanauer and Morris 2014; Alden 2007; Wekesa 2014:61; Gazibo and Mbabia 2012:62). On the whole, there is optimism over the FOCAC rhetoric

sitting side by side with pessimism about what the exhilarating language might mask.

FOCAC as a geopolitical platform

FOCAC has a strong element of international politics that brings Africa and China together in a way that lends it to diplomacy generally and public diplomacy specifically – in other words geopolitics. Alden (2007:27) notes that FOCAC ‘is folded into a very public regional diplomacy setting’. Shelton and Paruk (2010) comment that ‘the FOCAC process may be defined as a form of international collaboration through which compatible interests and objectives are investigated, aggregated and strengthened’. Gazibo and Mbabia (2012:52) reckon FOCAC as ‘a multilateral group aiming not only to balance American primacy but also to build an [internationally recognizable] identity’.

FOCAC as a multifaceted institutional mechanism

FOCAC was created as a one-stop-shop through which smooth cooperation, no doubt borne of the difficulties of multi-level engagement with the then 53-nation continent-sized Africa could be undertaken (Wekesa 2014; Hanauer and Morris 2014:20; Gazibo and Mbabia 2012:57). FOCAC is the mechanism for coordinating and linking various Chinese and African agencies across politics, economics and culture. FOCAC coalesces Chinese actors namely the central and provincial governments, multinational corporations and individual entrepreneurs (Gazibo and Mbabia (2012:58). While FOCAC is an overarching mechanism, it is operationally broken down into sub forums representing narrower interests that then interlock with African counterparts.

FOCAC is a nuanced structure and process composed of the Chinese follow-up action committee, the line ministries (foreign affairs, commerce and finance), auxiliary ministries, government agencies, non-governmental agencies among others (Li et.al 2012:20-30). The Beijing-based FOCAC secretariat coordinates with the various layers on the African end such as senior officials, African diplomats based in Beijing, foreign ministers and the AU and RECs (Li et al. 2012: 31-34). As a process, FOCAC proceeds in three years cycles. This is important to note because often, many observers pay attention to FOCAC only during the triennial ministerial conference events. In other words, FOCAC is more than just an event.

FOCAC as a bilateral and multilateral entity

FOCAC bears the ambiguity and ‘complication’ of being a multilateral organization bringing together China and Africa while

at the same time being a broad framework within which China engages individual African countries bilaterally (Alden 2007:27). China has reached agreements with African Union (AU), the New Partnership for Africa’s Development (NEPAD) and African Regional Economic Communities (RECs) while at the same time entering specific agreements with individual nations (Li et.al 2012:12 CCS (2010:16; Gazibo and Mbabia 2012:59; Alden (2007:32).

FOCAC as a dynamic

In what could amount to Deng Xiaoping’s “cross the river while feeling the stones” aphorism, China experimented with FOCAC between its establishment in 2000 and sometime after the second FOCAC conference of 2003. Having gained confidence about FOCAC, the Chinese side organized the mega event that was FOCAC III in Beijing, an event that was converted from a mere conference to a summit. From afar, FOCAC may seem like a mechanism that came ready-made and one that has remained fixed. Closer examination reveals that it has been changing and will possibly keep changing in the foreseeable future. A number of scholars have pointed out aspects of the evolution of FOCAC structures and processes since its establishment (for instance Gazibo and Mbabia 2012:55; Li et.al 2012:32; CCS 2010:15).

FOCAC as Chinese, African or joint agency

In trying to figure out whether FOCAC is more an African or Chinese entity, probably the first point of consideration is its origins. Wekesa (2014) traces the beginnings of FOCAC to President Jiang Zemin’s historic visit to Africa in 1996. Back up for Jiang’s 1996 visit as a marker for the movement towards the FOCAC era is provided by Li et.al (2012:14). There has been counter positions to the creation of FOCAC: whether it was created at the request of Africans, if it was the result of Chinese competition with a similar Africa-US initiative or if it squarely is a Chinese creation (see Li et.al 2012:16; 2007:30).

This is a moot point in view of the fact that even if Africa clamored for a FOCAC-like mechanism, it would simply have not been launched without the endorsement of top Chinese leadership (Li et.al 2012:17). It is indeed nearly incontestable that in the crafting of a geopolitical engagement on the scale of FOCAC, it is the larger partner that dictates its contours and invests the most in its existence. It is clear that China is the asymmetrical partner in the relations and therefore has much more agency than Africa. Among other considerations, the fact that Africa collectively and in terms of individual nations lags behind China in the structural and organizational aspects means that FOCAC is more a Chinese than

African mechanism (for instance Gazibo and Mbabia 2012; Li et.al 2012:44). Indeed, calls have been made by the Chinese side for Africans to expand their input into FOCAC (CCS 2010:182). An African policy towards China therefore needs to give serious thought to ownership of FOCAC. Equally important, an African policy towards China should take cognizance of Africans' perceptions about FOCAC (CCS 2010: 180-181). These are wide-ranging: some Africans are completely satisfied while others seek a broadened African contribution. Some argue for shredding of the FOCAC deal seeing it as entirely Chinese while others lobby for African solutions with Chinese support and co-operation. Some think the African Union should take the lead and ultimately create an in AU-FOCAC process while others believe a FOCAC-NEPAD mechanism would work better. Machiavellian perspectives hold that Africa should play China – through FOCAC – against the West and end up the overall winner.

Policy recommendations

Geopolitical platform: An African policy towards China should therefore start by analyzing the international dimensions of the engagement under FOCAC. What can be gained from Africa's relations with supranational organizations such as UN to the benefit of FOCAC? How does Africa, at both the continental/AU and individual country level, relate with other global powers such as USA and EU? Can China really help Africa to attain the longstanding clamor for a continental United Nations Security Council and greater voice in the international sphere? All these inquisitions would guide the framing of the African policy towards China.

Rhetoric: As noted above under rhetoric, linguistic perspectives are a major consideration for the framers of FOCAC. In developing an African policy towards China, African intellectuals and policymakers need to take stock of the “soft power” language deployed in FOCAC and respond appropriately. Where the language bears hallmarks of Chinese thinking, there would be need for an African rhetoric and this can be seen in African Union's constitutive documents including the Agenda 2063 document.

Multifaceted institutional mechanism: The token examples of FOCAC as a mechanism provided above indicate that an African policy towards China would have to diligently analyze its current processes and mechanisms as a prerequisite to establishing policy steps beneficial to Africa.

Bilateral and multilateral entity: An African policy towards China should take cognizance of the duality of multilateral Pan-

African engagements, relations at the Regional Economic Community level and at the national level. In so doing, the constitutive documents of the AU and the RECs such as their charter and overarching plans such as the Agenda 2063 can provide pathways for an African policy towards China.

Dynamics: An African policy towards China would have to review and understand changes in the FOCAC set up and mechanisms as well as anticipate and influence future changes.

African agency: At the very basic, agency is acting rather than merely being acted upon. An African policy towards China is important on various grounds. In the first place, the absence of an African policy speaks to the slanted nature of the relations that need correcting. Developing an African policy should however not be an emotional and reactive undertaking, but one that is deliberate and well thought. It would be important for a select team of African scholars and intellectuals to come together to spearhead this policy agenda before the next FOCAC conference. One of the major tasks of the group would be to undertake a deep reflection on Africa-China engagements in the FOCAC era.

This can be done via thoroughgoing longitudinal and comparative review of official documents, both African and Chinese. As demonstrated above the key questions leading to formulation of an African document on China can revolve around FOCAC: what is it in relation to Africa? What do we learn from its language? What do its continental versus country-level perspectives tell us? What impact does it have on Africa's relations with other parts of the world?

Endnotes

1. Comparison based on analysis of FOCAC Action Plans and Declarations accessible at <http://www.focac.org/eng/>

References

1. Alden, C. 2007. China in Africa, Zed Books, London/New York
2. Centre for Chinese Studies. 2010. Evaluating China's FOCAC commitments to Africa and mapping the way ahead, a report by the Centre for Chinese Studies prepared for the Rockefeller Foundation, January 2010
3. Gazibo, M and Mbabia, O. 2012. Reordering international affairs: The Forum on China-Africa Cooperation. Austral: Brazilian Journal of Strategy & International Relations, v.1, n.1, Jan-Jun 2012, pp. 51-74
4. Hanauer, L and Morris, J.L. 2014. Chinese Engagement in Africa: Drivers, Reactions, and Implications for U.S. Policy, Rand Corporation

5. Li, A., Liu, H., Pan, H., Zeng, A and He, W. 2012. FOCAC twelve years later: Achievements, challenges and the way forward, Nordiska Afrikainstitutet 2012
6. Shelton, G and Paruk, F. 2008. The forum on China-Africa cooperation: A strategic opportunity. Institute for SecurityStudies, Monograph 156, December 2008 Growth Initiative, Brookings Institution, March 2013
7. Wekesa, B. 2014a. 'Whose event? Official versus journalistic framing of the fifth Forum on China Africa Cooperation, Journal of African Media Studies

Cultural approaches to Africa's engagement with China

Paul Zilungisele TEMBE: Research Fellow at the Thabo Mbeki African Leadership Institute, University of South Africa

Introduction

The current policy brief seeks a rationale and operational framework for the promotion of African agency within the China-Africa relationship. The guiding question is: how can Africa best draw a coherent roadmap that can help draw maximum shared benefits from its relations with China? The author is in favor of individual African countries drawing policies for bilateral relations with China rather than a collective continental approach.

Moreover, this policy brief cautions against efforts at establishing an Africa policy towards China based on three customary China-Africa relations rhetorical strands: i) The parallel narrative of anti-colonial struggles by the African and Chinese people; ii) Attempts by the African elite to replicate China's economic successes on the continent; iii) The Western-media fueled anti-China rhetoric on the African continent. Instead, each African nation's policy towards China ought to be preceded by a thorough understanding of China in terms of Chinese history, politics, society, technology, and economy. Two recent historical premises contextualize the debate whether each African nation should take an individual stance or countries should act collectively in formulating an Africa policy towards China.

First, China's foreign policy towards African nations is strongly premised on solidarities founded in the anti-colonial struggles in the 1960s and 1970s. Second, China seems to have adopted a similar approach of solidarity towards Africa during the post-1978 reform and rapid economic rise era. Current dynamics as manifested in the FOCAC and China's second Africa Policy suggest that China-Africa relations continue to heavily rely on the spirit of solidarity. It may seem that the only China known to Africa is that perceived through lenses of anti-colonial struggles, solidarity and as a post-independence alternative partner of the African people.

How can Africa, then, gain knowledge on China beyond the romanticized solidarity? What are the cultural characteristics that

may help Africa better understand a complex China that is rapidly taking the global center stage in international affairs, trade, manufacturing and innovation.

Understanding China through Chinese Culture

The traditional Chinese concepts of *Mianzi* and *Guanxi* have been identified as central tools employed in negotiations since time immemorial. The two concepts apply to individual-to-individual dealings as well as dealings between different cultures and nations. Yutang (1935) observes that the Chinese concept of *Mianzi* 'psychological face', "is not a face that can be washed or shaved, but a face that can be "granted" and "lost" and "fought for" and "presented as a gift". He concludes that *Mianzi* although abstract and intangible, is the most delicate standard by which Chinese social intercourse is regulated¹.

It can be argued that China's traditional concept of *Mianzi* 'face' is at the center of China's dealings with Africa and the world at large. Although referred to as 'face', *Mianzi* should be understood as an expression of 'honour' in China's dealings with foreign nationalities. There are several aspects of *mianzi*; namely *liu and gei mianzi*. *Liu mianzi* is 'granting face' by not allowing the other party to lose face. *Gei Mianzi*, is 'giving someone or a group of people a chance to regain lost honor'. It is difficult for a person to recover from a position of *Shi Mianzi* or *diu lian* 'losing face' or 'losing honor' and it is therefore avoided by both parties at all costs². This is because the act of regaining *Mianzi* is generally costly for both the sponsor and recipient. It also entails a lifelong indebtedness on the side of the recipient who has been accepted back into cycle of 'honor'. Such relationships are reflective in a decorum that consists of a slow, tedious but necessary dance to prevent recurring loss of *Mianzi*³. Because of the centrality of *mianzi*, Africans ought to understand its workings and leverage it when negotiating with a

variety of Chinese entities. *Mianzi* should then be considered one of primary variables in all attempts to understand and strategize dealings with China⁴.

Guanxi

Guanxi, which refers to ‘safeguarding social networks and relationships’⁵, is the second traditional concept worth understanding. Chinese people value and go to great extents to safeguard existing networks and social relationships. The concept of Guanxi carries a great social and cultural currency. It is the vehicle for a “gift economy”. Furthermore, with the concept of Guanxi at play, it is difficult to determine where kin relationships end and those of extra-kin takeover⁶. Guanxi consists of, and serves to cement, all types of relations from those of a traditional core family, schoolmates, comrades and work colleagues all the way to the offspring of any circle of a given network and relationship.

Given that Chinese social networks and relationships start from small groups and grow into larger and looser types of bonding, a collective approach by Africa towards a China policy would yield poor results. If Guanxi can be understood by using the analogy of the patterns of concentric circles that appear when a pebble is thrown into a pool of water. By the time one concentric circle reaches the outer edge of the pool, the networks, relations and economic debt would have been highly reduced⁷.

This is because Guanxi thrives within an atmosphere of a heightened sense of gift economy⁸. Africa would, then, draw more benefits if individual African nations were to approach China separately thereby rendering Guanxi networks and relations more and stronger at each turn and with the possibility of higher gains at each encounter.

Manifestation of *Mianzi* and *Guanxi* in China-Africa Relations

The 1971 African support for the People’s Republic of China (PRC) admission to the United Nations General Assembly may be regarded as a significant moment of the China-Africa relations⁹. In accordance with traditional Chinese concepts, Africa helped China to regain *Mianzi* on the international arena; which translates to manifestation of both *Liu Mianzi* and *Gei mianzi*.

The PRC regarded its admission to the United Nations as an end to a century long national isolation and ‘national humiliation’¹⁰. The African gift of support to China helped the latter to regain its national dignity in the process incurring an immense debt to the former in accordance with the precepts of Guanxi. It may be argued that in the eyes of China, current China-Africa relations are in

accordance with the precepts of *Mianzi* for safeguarding Guanxi through its heightened sense of gift economy.

Advantages of individual African nations drawing China Policies

The two Chinese cultural traditions argue against a united front as a strategy for formulating Africa’s China policy.

Parallels can be drawn with the fact that African collective resolutions and strategies under the ambit of the African Union (AU) and its predecessor the Organization of African Unity (OAU) have arguably been taken lightly by the international community. Attempts at African unity are hampered by three main historical factors: i) The majority of African nations and regions still carry Anglophone, Francophone and Lusophone colonial identities, albeit symbolically at times. ii) Natural resources are not uniformly distributed across the African continent yet all nations seek to have a front seat in the development of a united continent iii) African collective resolutions do not take into consideration individual nation’s domestic policies and developmental priorities.

Instead, participatory stances are the preferred route meant to accommodate every African nation which results in weak solutions for problems facing individual nations and in turn the whole continent. On the other hand, the recent ‘Africa Rising’ rhetoric – real or imagined – did not result from continental collective efforts but from coherent implementation of domestic policies as is the case of Rwanda, Mauritius and Ethiopia.¹¹ Under the circumstances, it is imperative for South Africa as the current co-chair of the FOCAC mechanism to be seen as acting as an independent sovereign state in its efforts to formulate a China policy. The agency of an individual sovereign state stands to challenge the notion that China is at the helm of the China-Africa relations.¹²

A number of factors reiterate basic arguments for an individual country approach. First, action by a single African state towards formulating a China policy stands to challenge the very ‘China-Africa’ nomenclature which seems to presuppose a form of an unspoken collective on one side as represented by African nations converging around a single entity, with the Chinese nation on the other side. Secondly, each African nation has individual and varying needs and priorities in relation to its developmental goals. Debatably, it would not be functional – mainly in economic and political terms – for South Africa to assume a Big-Brother role and attempt to speak on behalf of the continent in as far as formulating Africa’s China policy is concerned. Economically, while conditions in some African nations tend to requisite quick returns when dealing with China, South Africa has the latitude of playing the long game.

Politically, South Africa would lose credibility and leverage as a peace broker on the continent if it were perceived to bully its way into areas where it lacks knowledge and a track record in comparison to nations like Tanzania and Ghana whose close relations with China span more than half a century.¹³

It would be much easier for South Africa to formulate a China policy based on its priorities as stipulated in the National Development Plan 2030 (NDP) and other country-based frameworks that inform the nation's developmental and transformative strategies. The 2010 World Cup held in South Africa and the hosting of the Cup of Africa Football (CAF) in 2013 stand as examples that benefit an entire region resulting in positive spillovers than those of collective efforts.

The role of regional economic communities

Beyond the homegrown strategies of individual African states', respective regional economic communities stand to gain from the members' strong China policies. Such a strategy may in the long run galvanize the current sluggish inter-African trade. However, regional economic communities should not at any point override the role of individual nation's strategies for setting up a China Policy.

Given the fact that South Africa is the current co-chair of FOCAC, it may play a more significant role in positioning SADC in China-Africa frameworks.

It would be an incalculable strategic mistake for South Africa to downplay its role in the region given, for example, its developed infrastructure and attractive financial institutions. South Africa's membership in a variety of international frameworks and financial institutions should be reflected in its national and regional role when formulating a China policy. However, such a role by South Africa should not translate into collectivism. Instead, it should be regarded as an example to be emulated by other regional and continental parties in drawing up policies towards China.

Recommendations on an African policy framework towards China

- African-China strategists would benefit from reading 'Doing Business in China' literature and by participating in dialogues with local and foreign China-Africa scholars.¹⁴
- African countries should form an advisory body consisting of Chinese Studies specialists, using, for instance, Africans who graduate from Chinese institutions.

- Individual African nations should separately setup strategies and formulate China policies in accordance with their own developmental priorities.
- The formulation of Africa's China policy should make deliberate efforts to distance itself from the centrality of current China-Africa frameworks. This would help achieve a coherent, flexible and workable policy that does not sound like a response to the needs of China.
- Africa's China Policy formulation should not be merely founded on initiatives witnessed within developments of the FOCAC and other China-Africa frameworks alone.
- South Africa as the co-chair of FOCAC mechanism has to find solutions beyond peripheries of China-Africa frameworks. The move is aimed at preventing a possible replication of the well-established China initiated framework such as the FOCAC. Solely relying on the platform provided by the FOCAC and other China-Africa frameworks may confine the intended policies to the very asymmetries the new efforts aims to avert.

Endnotes

1. Yutang, Lin (1935). *My Country and My People* (Hardcover). New York: Reynal & Hitchcock. pp. 199–200. See also: Carr, Michael. (1992). "Chinese "Face" in Japanese and English (Part 1)", *The Review of Liberal Arts* 84:39-77. Carr, Michael. (1993). "Chinese "Face" in Japanese and English (Part 2)", *The Review of Liberal Arts* 85:69-101. Snow, E. 1941. *Scorched Earth*, Gollancz, London. Smith, H. (1894). *Chinese Characteristics*. Fleming H. Revell. Lam Wai-ling. "The Concern of a Nation's Face: Evidence in the Chinese Press Coverage of Sports" *Journal of the Royal Asiatic Society Hong Kong Branch*. Volume 33 (1993). ISSN 1991 – 7295.
2. Chan, S. & Suizhou, E. L. (2007) "Civil Service Law in the People's Republic of China: A Return to Cadre Personnel Management." *Public Administration Review*, Vol.67 (3), pp.383-398. Huang, Y. & Bedford, 2009. "The Role of Cross-Cultural Factors in Integrative Conflict Resolution and Crisis Communication: The Hainan Incident." *The Chinese University of Hong Kong, HONG KONG. American Behavioral Scientist* December 2009 vol. 53 no. 4 565-578.

3. Tembe, P. 'Re-evaluating Political Performatives of the PRC: Maoist Discourse – The Historical Trajectory of the Laosanpian'. The Chinese University of Hong Kong. July 2013. cf. Lansberg et al. 2009. Tradition & Adaptation in Chinese Family Enterprise. HSBC.
4. Chu, Leonard L. (1988). "Mass communication theory: A Chinese perspective" in Wimal Dissanayake, ed., *Communication Theory: The Asian Perspective*. Singapore: The Asian Mass Communication Research and Information Centre. Jennifer Eagleton. www.asian-emphasis.com/writing/Cultural Keywords.pdf.
5. Scott C. Hammond & Lowell M. Glenn. "The ancient practice of Chinese social networking: Guanxi and social network theory" *E:CO Special Double Issue Vol. 6 Nos. 1-2 2004 pp. 24-31*
6. Baker, H. (1979). *Chinese family and kinship*. Macmillan: London, 1979. Che, W-K. (1979). *The modern Chinese family*. R & E Research Associates,
7. XIAO-PING CHEN & CHEN chaochen. On the Intricacies of the Chinese Guanxi: A Process Model of Guanxi Development. *Asia Pacific Journal of Management*, 21, 305–324, 2004. Kluwer Academic Publishers. Manufactured in The Netherlands.
8. Michael Troilo & Jun Zhang (2012): Guanxi and entrepreneurship in urban China, *Journal of the Asia Pacific Economy*, 17:2, 315-331. Gold, Thomas, Douglas Guthrie, and David Wank. 2002. *Social Connections in China: Institutions, Culture and the Changing Nature of Guanxi*. Cambridge: Cambridge University Press.
9. The Secretariat of the Chinese Follow-up Committee of Forum on China-Africa Cooperation. *China-Africa 00: Facts About China, Africa and Relations Between the Two*. 2015. Sinolingua. See literature on October 1971: United Nations General Assembly Resolution 2758
10. Kilpatrick, R. 20 October 2011. "National Humiliation in China". e-International Relations. Retrieved 15 November 2016.
11. Taylor, I. 2010. *Africa Rising? BRICS - Diversifying Dependency*. 2014. James Currey. Boydell and Brewer Limited.
12. Tembe, P. "Misconceptions and omissions in the China-Africa discourse" *CCS Commentary*. Centre for Chinese Studies. Stellenbosch University. Stellenbosch, South Africa. 06 July 2015.
13. Yu, T. "Africa in Chinese Foreign Policy" *Asian Survey* Vol. 28, No. 8 (Aug., 1988), pp. 849-862. Yang, J. "Innovations in China's diplomatic theory and practice under new conditions BEIJING, Aug. 16 (Xinhua) -- The flagship magazine of the Communist Party of China (CPC), Qiushi (Seeking Truth)" Monday, 19 August 2013 (Retrieved 08 November 2016).
14. Zinzius, B. 2004. *Doing Business in the New China: A Handbook and Guide*. Greenwood Publishing Group. Liu, H. and Roos, L.U. (2006), "Managing strategic planning paradigms in China", *Marketing Intelligence & Planning*, Vol. 24 No. 5, pp. 432-4

References

1. Austin, J. L. (1975). *How to do things with words*. William James lectures. 2nd ed. Vol. 1955. Oxford Eng. Clarendon Press.
2. Boden, J. (2009). *The Wall Behind China' Open Door – Towards Efficient Intercultural Management in China*. Belgium: Academic and Scientific Publishers.
3. _____. *Mindmapping China – Language, discourse and advertising in China*. Academic and Scientific Publishers.
4. Bourdieu, P. trans.by Richard Nice. (1977). *Outline of a theory of practice*. Cambridge. New York: Cambridge University Press.
5. Bourdieu, P. (1990). trans. Nice. R. *The logic of practice*. Cambridge. Bourdieu. P. and Thompson, B. (1991). *Language and symbolic power [Ce que parler veut dire.English]*. Cambridge: Polity Press.
6. Butler, J. 1997. *Excitable speech: A politics of the performative*. New York: London: Routledge.
7. Chan, S. & Suizhou, E. L. (2007) "Civil Service Law in the People's Republic of China: A Return to Cadre Personnel Management." *Public Administration Review*, Vol.67 (3), pp.383-398.
8. Giskin, H. and Walsh, B. (2001). *An introduction to Chinese culture through family*. Albany: State University of New York Press.
9. Guo, Y., Tian, J. comp. Yang, L., and Wang, Q. (2008) *Keywords for better understanding China*. Foreign Language Press. Beijing.
10. Jonathan Wilson Ross Brennan, (2010), "Doing business in China: is the importance of guanxi diminishing?" *European Business Review*, Vol. 22 Iss 6 pp. 652 – 665



Self-reliance or dependency? The role of China's development finance in enhancing African agency

Philani Mthembu: Executive Director, Institute for Global Dialogue associated with the University of South Africa (UNISA)

Introduction

The most recent FOCAC summit held in Johannesburg from 3-5 December 2015 was the first on African soil and coincided with the launch of China's second Africa policy paper. It came in an important year, which had seen the hosting of the Financing for Development meeting in Addis Ababa, the adoption of the Sustainable Development Goals (SDGs) by the United Nations General Assembly, the hosting of the Ministerial meeting of the WTO in Nairobi (for the first time in Africa), and the Conference of the Parties (COP21) held in Paris (Mthembu 2015). In all these meetings, African countries sought to enhance their agency and push for proposals such as an increased focus on the domestic mobilisation of resources and a channelling of foreign funds towards their industrialisation efforts. While North-South cooperation would remain essential to the development prospects of African countries, South-South cooperation would continue to see a greater emphasis from policy makers.

Africa's place in the global development landscape has largely been analysed from the perspective of donor country viewpoints, and recipient countries on the continent have been assumed as inactive agents. African countries are largely portrayed as passive recipients on the receiving end of the largesse of donor countries. However, recent years have drawn a much closer focus on Africa's agency in the development landscape as more actors enter the area of development finance, with China having taken a clear lead. The growing number of actors means that African countries have a wider diversity of development financiers than in the past, and this creates an opportunity for enhanced agency at the individual-country and collective continental levels.

Given the growing number of development actors from the global South, there is need for greater coordination in channelling external development finance partners towards projects with a broader regional impact. This requires each of the regional economic blocs

on the continent to identify the most important sub-regional projects in infrastructure or manufacturing for Chinese development finance to be channelled towards. This does not mean that individual countries must not lobby for their own projects based on the national interest, but in order to align foreign funding with visions such as Agenda 2063 and other pan-African goals, serious thinking and action must be taken by African countries in channelling their external partners towards continental goals of closer regional integration. These initiatives, led at a sub-regional level by the RECs, would ensure greater self-reliance and an enhanced agency in Africa's international relations.

An overview of China's concessional and non-concessional finance

China's development cooperation forms a part of a wider range of economic tools it leverages as it conducts its international diplomacy. Considered as official finance, it comes directly from the government's budget, in contrast to private sources of finance or foreign direct investment (FDI). However, while it is considered as official finance, it is not the only form of official finance. China also give loans at commercial rates, which at times offer slightly better terms to recipients than those provided by private institutions. They also provide export credits to assist mostly local companies in their operations abroad, and also provide buyers' credits, which are often provided to foreign governments that seek to buy goods from China. These types of credits often explicitly promote the economic interests of countries issuing them and boost exports. The growing role of China as a source of development finance signifies an important shift in recent history as developed countries lose their monopoly on ideas regarding the role of the state, poverty reduction strategies, and economic growth.

Concern among traditional donors over possible impacts of

emerging powers on the existing aid architecture is captured by Manning, then Chair of the OECD DAC. While presenting his concerns over the general aid system, he questions the possible risks to recipient countries in the developing world; namely unsustainable debt, the postponement of domestic governance reforms due to a lack of conditionality's, and government waste on unproductive investments (Manning, 2006). Implicit under such concerns is the assumption that the manner in which the DAC organises its aid programmes represents best practice; standards which emerging powers should move closer towards. However, as Emma Mawdsley (2010: 363) argues, this assumption takes a very uncritical view of foreign aid practices from the DAC since the inception of development cooperation as a financing mechanism.

Development finance from China towards African countries largely falls into two main categories: (a) development assistance or concessional finance and (b) non-concessional or market-related finance. While this policy brief includes both concessional and non-concessional finance as sub-categories of development finance, it is important to distinguish the two, which are all too often lumped together under the term 'development cooperation' in the literature. The following table distinguishes between the two:

Table 1. Official financial resources available to African countries from China

<i>Concessional Finance</i>	<i>Non-concessional Finance</i>
Interest Free Loans	Commercial Lines of Credit (LoC)
Concessional and Low Interest Loans	Commercial Export Credits
Grants	Commercial Buyer's Credits
Humanitarian assistance	
Volunteer Work	

The financing instruments in the above table were on full display in the most recent FOCAC summit, with China pledging to increase its funding towards the African continent through a combination of the financial tools at its discretion.

From FOCAC pledges towards greater African agency

China's President Xi Jinping's announcement of a 10 point plan for Africa's development plan was accompanied by a massive US\$60 billion to ensure its success.¹ In reference to Africa's

industrialisation, China's second Africa policy paper states that 'China will make prioritizing support for Africa's industrialization a key area and a main focus in its cooperation with Africa in the new era.'² This is partly operationalised through the "Memorandum of Understanding on the Promotion of China-Africa Cooperation in the Fields of Railway, Highway, Regional Aviation Networks and Industrialisation", and through China setting up a China-Africa production capacity cooperation fund with an initial pledge of US\$10 billion.³ These pledges will rely on the leadership of African states in order to ensure a wider regional impact. The infrastructure gap cannot be overstated, and these funds create an opportunity to not only fix national infrastructure gaps but to bridge regional infrastructure which facilitates sub-regional value chains and cross-border travel and trade.

China's second Africa policy, which informed much of the pledges under the FOCAC summit also makes mention of various tools to finance this ambitious agenda, including preferential loans, the China-Africa Development Fund, special loans for African small and medium sized enterprises, the Africa Growing Together Fund, China-Africa industrial cooperation fund, and the BRICS' New Development Bank. In addition, it states that least developed countries adhering to the One China policy would continue to be granted zero-tariff treatment for 97 percent of taxable items in order to ensure the continued access of African commodities into the Chinese market.⁴

The action plan adopted in Johannesburg goes into more detail, with China offering US\$35 billion of concessional loans and export credits, while pledging to expand the China-Africa Development Fund from US\$5 billion to US\$10 billion. In addition, China also committed to gradually expanding the Special Loans to Support Small and Medium Sized Enterprises in Africa from US\$1 billion to US\$6 billion.⁵

In the area of development cooperation, the policy paper states that 'China's assistance will be primarily used in the areas of human resources development, infrastructure, medical care and health, agriculture, food security, climate change response, desertification prevention and control, and wildlife and environmental protection, and for humanitarian purposes, with the aim to help African countries alleviate poverty, improve people's livelihoods and build up capacity for independent development,' which is also echoed in the action plan adopted in Johannesburg.⁶ 20 billion Renminbi Yuan has been allocated for setting up the China South-South Cooperation Fund to support other developing countries combat climate change. Finally, US\$60 million of free military assistance over the next three years will also help in boosting the meagre resources of the AU,

which mostly relies on foreign donors such as the European Union (EU) and United States (US) to conduct its core operations. This diversification of resources certainly complements the continents ongoing attempts to source more of its peace and security budget from internal sources instead of traditional external sources.

More actors, greater agency?

Zimmerman and Smith (2011: 722) argue that “[w]hen the Millennium Development Goals (MDGs) were first agreed, the world appeared evenly divided; there were countries that had to achieve the goals themselves and others that had to help them do so. Ten years later, the line between ‘aid recipients’ and ‘donors’ ha[d] become blurry. The impressive rise of China, India, Brazil and many other emerging economies has been accompanied by an equally impressive growth in the development cooperation they provide to other countries.” Mohan and Power (2008: 27) refer to this phenomenon as a “new multipolarity in international development and growing sources of investment and aid outside of the Western axis.”

While certainly not in a position to replace traditional donors in the OECD DAC, the emergence of China has certainly contributed to creating more options for African countries struggling to secure development finance to fund their domestic and regional aspirations. Former president of Senegal, Abdoulaye Wade (Financial Times, 2008) states that ‘[w]ith direct aid, credit lines and reasonable contracts, China has helped African nations build infrastructure projects in record time – bridges, roads, schools, hospitals, dams, legislative buildings, stadiums and airports. In many African nations, including Senegal, improvements in infrastructure have played important roles in stimulating economic growth.’

Wade (Ibid) further argues that ‘[t]hese are improvements, moreover, that stay in Africa and raise the standards of living for millions of Africans, not just an elite few. In Senegal, a Chinese company cannot be awarded an infrastructure-related contract unless it has partnered with a Senegalese company. In practice, Chinese companies are not only investing in Senegal but transferring technology, training, and know-how to Senegal at the same time’.

Similar statements have been made by Presidents Zuma (South Africa), Museveni (Uganda), Kagame (Rwanda) and their counterparts on the African continent, who see the rise of China and their development finance as a mechanism for enhancing Africa’s agency in global politics and in meeting development priorities.

Recommendations

South Africa’s Minister of Trade and Industry stated on the side lines of FOCAC that everything “[...] they (Chinese) said they would do at Focac in 2012, they pretty well did, and more. There is a good record of delivery on what is agreed at these engagements. They are a pretty reliable partner and that is why something like FOCAC attracts so much attention from African countries.”⁷ Wade (2008) echoes this sentiment in stating that ‘I achieved more in my one hour meeting with President Hu Jintao in an executive suite at my hotel in Berlin during the recent G8 meeting in Heiligendamm than I did during the entire, orchestrated meeting of world leaders at the summit – where African leaders were told little more than that G8 nations would respect existing commitments’.

Given this reliability in turning pledges into attainable goals and then implementing them, it is imperative that African countries seize the opportunities presented by FOCAC and Chinese development finance in order to assist in meeting their individual and collective goals. However, this must be done in a coordinated manner so as to enhance intra-Africa cooperation and ensure that China’s interventions have spill over effects beyond individual nation states across the continent (Mthembu 2015). The policy brief thus recommends the following:

- It may be more manageable to have sub-regional entities such as the regional economic blocs leading the process of greater coordination.
- Leading nation states in the sub-regions will have to lead the coordination efforts and lobbying development partners in Beijing.
- The role of Africa’s own network of development financiers and programmes such as the African Development Bank and the Programme on Infrastructure Development in Africa (PIDA) will play an important role as they have already conducted credible studies on the infrastructure deficit existing in specific sub-regions of the continent.
- What is thus needed is not a reinvention of the wheel, but the political leadership to coordinate sub-regional partners around a set of clear priorities tabled towards China for funding in order to increase longer term regional integration and create more vibrant sub-regional economic activity on the continent.

Endnotes

1. The Brics Post, 'China announces US\$60 billion for African development plan,' December 4 2015, [Available online] <http://thebricspost.com/china-announces-60-bn-for-african-development-plan/#.Vq3RyUBOet->
2. China's Second Africa policy paper (2015)
3. The FOCAC Johannesburg Action Plan (2016-2018)
4. China's Second Africa policy paper (2015)
5. The FOCAC Johannesburg Action Plan (2016-2018)
6. China's Second Africa policy paper (2015)
7. Maromo, J. (2015) Raw materials: Africa 'pushing to curb exports', 4 December 2015, [Available online] <http://www.iol.co.za/business/news/raw-materials-africa-pushing-to-curb-exports-1.1955196>

References

1. Manning, Richard. "Will Emerging Donors Change the Face of International Co-operation", Development Policy Review, Vol. 24, No. 4, 2006
2. Maromo, J. 'Raw materials: Africa 'pushing to curb exports', 4 December 2015, [Available online] <http://www.iol.co.za/business/news/raw-materials-africa-pushing-to-curb-exports-1.1955196>
3. Mawdsley, Emma, "Non-DAC donors and the changing landscape of foreign aid: the (in)significance of India's development cooperation with Kenya" in Journal of Eastern African Studies, Vol. 4, No. 2, July 2010
4. Mohan, G, Power, M. "Africa, China, and the 'New' Economic Geography of Development", Singapore Journal of Tropical Geography, 30(1), 2008
5. Mthembu, P. *From Addis Ababa to Paris: Understanding the Complexities of a Negotiated Global Development Agenda*, in *Global Insight*, Issue 118, September 2015
6. The Brics Post, 'China announces US\$60 billion for African development plan,' December 4 2015, [Available online] <http://thebricspost.com/china-announces-60-bn-for-african-development-plan/#.Vq3RyUBOet->
7. Wade, A. 'Time for the west to practise what it preaches', in *Financial Times*, January 23 2008, [Available online] <https://www.ft.com/content/5d347f88-c897-11dc-94a6-0000779fd2ac>
8. Zimmermann, Felix, Smith, Kimberly. "More Actors, More Money, More Ideas for International Development Co-operation", in Journal of International Development, 23, 2011



Continental Summitry and Shuffling Diplomacy: The Case of African Agency in FOCAC and IAFS

Sanusha Naidu: Senior Research Associate, Institute for Global Dialogue associated with the University of South Africa (UNISA).

Introduction

As we move towards the end of the second decade of the twenty-first century there is much to reflect upon regarding Africa's global positioning. This can be seen in attempts at Africa's revitalization in international relations, the tempering of the 'Africa Rising' narrative, and the continued spotlight on the continent's developmental issues.

Within the above context, three recent significant Summits have taken place which form part of Africa's main external engagements and development partnerships. These are: the India-Africa Forum Summit (IAFS), hosted by the Modi Government in New Delhi, October 2015; the sixth Forum on China-Africa Cooperation (FOCAC) ministerial meeting and Johannesburg summit of December 2015; and the Tokyo International Conference on Development (TICAD) that took place for the first time in Africa, August 2016 in Nairobi.

While the hosting of the 2016 TICAD¹ was seen as more of Japan's way of re-connecting with Africa, FOCAC and the IAFS have become significant platforms in raising questions around whether Africa represents a strengthened form of influence and this triggers the question of Africa's agency. The latter has raised the constant issue of whether there is an African policy framework for engagement with external partners?² The most obvious response is 'yes' or 'no'. But the real challenge in providing a response to this issue is that there can be no 'one size fits all' approach. For starters, having the African Union (AU) defining a single form of agency for engaging with external partners ignores the heterogeneity and diverse nature of the African political landscape.

The underlying issue that persists is how Africa's agency can or should be strengthened. Indeed, speaking of African Agency poses

the question of the plausible description, definition and practice of the said African Agency.

Providing some insights into the above overarching questions forms the basis of this commentary; as viewed from state and non-state perspectives.

Problematising African Agency

At the outset it must be recognised that references to African agency have been largely expressed through the prism of what Africa ought to do. Located within a set of international relations conceptual assumptions, the challenge in trying to problematise African agency is that it is unclear what its framework should be. Moreover there is an implicit impression that Africa needs to conform to a model of agency that leads to conventional suppositions 'that Africa needs to do the right thing' rather than its definition.

Within this construct of the problem, African agency becomes the express criticism that African states are passive actors in shaping and influencing processes such as FOCAC and IAFS, among others. While it is not the intention of this brief to defend the current practices and/or weaknesses of African agency, it is equally important to recognize that African agency cannot be automatic or homogeneous.

So when it comes to FOCAC and IAFS, the more compelling issue is whether African agency should be examined from the perspective of a unitary approach or not? Or maybe there are myriad of approaches that need to be considered. For instance can bilateral engagements have a vertical and horizontal approach in determining collective regional agency?³ Can this then lead to the shaping of continental diplomacy and agency?

The push for African Agency in FOCAC: Implications for Broader Summitry

More often than not analyses surrounding Africa's engagement with the FOCAC and the IAFS processes is seen as coming from a position of disadvantage. The commonplace criticism is that there is no Africa policy that informs a framework of engagement with China and India or for that matter with any other external partner.

But does having an Africa position or policy really define agency? What about how structure shapes agency?

To this end, it would be shortsighted to assert that African agency does not really exist when it comes to FOCAC or IAFS. One significant question that always seems to pop up but remains in the beltway of uncertainty is: who actually initiated the idea of FOCAC. Claims have been made that the idea germinated with the African ambassadors' group in Beijing who then presented it to the Chinese government. And then, of course, there is the argument that FOCAC was conceptualized after President Jiang Zemin's 1996 six nation African tour. These and other claims remain unsubstantiated.

In the case of the IAFS there does seem to be more African consultation, especially in the initial phase of the 2008 Summit as well as in the 2011 Summit. This was mainly due to the previous Indian Congress Party-led government seeking to have a more measured approach by working through the AU and the Regional Economic Communities (RECs). While the current Modi administration seeks to continue with the previous IAFS engagements, it has become more expansive in broadening IAFS to all 54 African countries.

Whether or not the African ambassadors group or the Chinese were the initiators of FOCAC, or that IAFS represents a broader engagement, the issue at hand for African states in these fora is the strength of the continent's negotiating power. This is the basis around which the critique of disadvantage is mooted.

The point of departure in the search for African agency from the perspective of negotiating power is really the simple question of: what does Africa hope to get out of its engagements with China and India through FOCAC and IAFS respectively? Herein lies the dilemma for pushing African agency in FOCAC and IAFS. This is because there cannot be a single goal since Africa has differentiated interests. Equally, China and India are sovereign independent countries forging a partnership with a continent.

Thus the rationale for African agency from the point of view of FOCAC, IAFS and other such frameworks has to be shuttle diplomacy where no single set of interests can define the agency but rather, agency incorporates collective regional interests that represents the continent's common development goals whether that is Agenda 2030 or Agenda 2063 and even National Development Plans that have can align to regional objectives.

Collective Regional Agency

One of the significant outcomes to emerge from the 2015 FOCAC Summit according to a briefing presented by the Department of International Relations and Cooperation (DIRCO) to the South African Parliamentary Portfolio Committee was that this was "the first FOCAC Ministerial or Summit where the zero draft outcome documents were not provided by China but was done by South Africa".

This signals that African agency can be instrumentalised and negotiated at the outset with an eye on the outcome declarations and plans of actions. It also represents a strategic lesson for those African states that will co-host future FOCAC platforms. This represents a precedent that enables a more integrated approach to be adopted where African interests can be negotiated and inserted into the final communiqué and outcomes documents.

To this end lessons should be gleaned from the South African experience in how pre-FOCAC negotiations were managed not only with China but also in bringing together the voices of other African countries, especially those of SADC and the AU. It may also be important to gauge the extent to which South Africa negotiated for regional outcomes that align to continental imperatives rather than narrowly focused national benefits. The monitoring of post-FOCAC outputs and deliverables through a consultative dialogue with African partners also portends African agency.

Of course there has to be consensus for such a collective regional agency to work effectively. And this is where projects aimed at advancing regional public goods for integration could be identified as turnkey outputs⁴.

The IAFS⁵ has identified this direction of engagement as being more pragmatic since New Delhi wanted to have a more focused agenda on regional and continental programmes of development and integration. This can be seen in the Pan African e-Network ICT project that was initiated in partnership the AU.

The inherent challenge, with advocating for a collective regional agency approach is that such a policy approach has to be navigated through the murky waters of sovereignty. But this difficulty could be reoriented towards a pre-regional economic community meeting around the most pressing regional development needs. This does not have to give way or sacrifice bilateral interests. Instead bilateral engagements can serve as precursor to pursuing the regional interests through the prism of state agency that has collective agency benefits and which ultimately aligns to the continental roadmap of development.

There have been explicit references in the Johannesburg FOCAC Declaration⁶ and Action Plan⁷ for supporting better-coordinated regional economic integration programmes. This is a starting point towards collective African agency in the case of FOCAC while for IAFS this needs to be strengthened.

Non-State Actors: Bridge Builders for African Agency

If collective regional agency is about advancing state negotiating power, then the role of non-states actors is to pursue the function of bridge builder in strengthening this collective state agency on the basis of pragmatic needs. This is because non-state actors operate at the sub-national level and coal face when it comes to addressing socio-economic justice issues. Non-state actors are better placed to communicate to state actors what is really needed from their engagements with China or India.

But to do so, non-state actors need to also define their conceptual framework of agency from a point of a coherent engagement. Issa Shivji best articulates this when he describes the role of CSOs in agency with emerging actors in Africa is to:

Fundamentally re-examine their silences and discourses ... scrutinize the philosophical and political premises that underpin their activities ... investigate the credentials of their development partners and the motives of their benefactors ... distance themselves from oppressive African states and compradorial ruling elites ... refuse to legitimize, rationalize and provide a veneer of respectability and morality for global pillage carried out by voracious transnationals under the tag line of 'creating the global village'⁸

This requires that non-state actors must not only recognize that each has a role to play strengthening partnerships between themselves while working with state actors but to also coordinate strategies aimed at combining the intellectual and activism discourse for a viable African CSO perspective to be nurtured

Conclusion

The ongoing debate on African agency will remain a moot issue until tangible or a discerning impact can be measured. For now the discussion on African agency will continue to be confined to a particular narrative of how African countries should behave based on a narrow assumption that all things are equal in the structure.

But the fact of the matter is that African agency whether in the form of a collective framework or even that of the civil society sector defining a space for themselves in shaping FOCAC or IAFS cannot succeed if such agency is not cultivated by an African consensus.

Such agency needs to be free of financial dependency. This is where the skewed nature of African agency becomes the subject of speculation and criticism as to whether it genuinely reflects an African perspective.

Perhaps the most significant of all of this is that agency can only be strengthened and then applied to external partnerships if there is acquiesce by both state and non-state actors to work together in building regional and continental structures, especially where agency is actually defined and displays a sense of collective bargaining and negotiated power.

South African foreign minister, Maite Nkoana-Mashbane, has said that South Africa is "...a bridge builder... act(ing) as [an] agent for progressive change". As such, Pretoria's role in the 2015 FOCAC Summit needs to be extrapolated in terms of possible policy recommendations that can be extracted around an Africa Policy towards China, India and other such partnerships:

- The Africa policy should be disaggregated and structured in terms of RECs development policies, which will assist in identifying the continent's needs.
- There should be Pre and Post Africa Meetings that enable for a consensus framework to be developed around the engagement. Funding of such meetings has to be provided for by African philanthropy and not by outsider partners, which will distort the objectives of such discussions.
- A Monitoring and evaluation toolkit should be developed at the level of the RECs in order to gauge the impact of projects and rollout of, inter alia, FOCAC, IASF, TICAD, and other action plans.

It is important that Africa reclaims its advantage through the efficacy of its agency. Thomas Sankara captured this best when he said: *You cannot carry out fundamental change without a certain amount of...nonconformity, the courage to turn your back on the old formulas ...[and]... dare to invent the future.*

More importantly trying to find a model that will satisfy all 54 member-states of the AU will be a daunting task, not least because of the issue of sovereignty. Perhaps, enhancing collective state and regional agency that percolates into continental diplomacy maybe an avenue to explore. This can be done by strengthening a bottom up approach that unpacks the role of civil society or non-state actors as interlockers in this agency, and providing them with the relevant space to act as bridge-builders.

In view of the above, this policy brief advocates the exploration of whether African agency is possible, and how it can shape engagements with external partners especially through programmes like FOCAC and IAFS. Moreover it is worthwhile understanding whether the role of non-state actors can perform the function of bridge-builders in creating a more tangible approach towards boosting African Agency. Perhaps it is the intersection of state and non-state actors that inventing Africa's future agency can be enhanced. This does not mean that there can be a single agency for engagements, but advancing collective agency should be the starting point when it comes to enhancing the continent's diplomacy with external actors.

References

1. This was the first time that TICAD was hosted on African soil.
2. It should be noted that the African Union has signed 21 external partnerships. These are formal agreements that

the AU has entered into with a regional bloc, country or organization. For more details on the partnerships see: <https://www.au.int/en/organs/partnerships>

3. Collective regional agency refers to the role that Regional Economic Blocs (RECs) can play in shaping and implementing policy instruments that can act as significant drivers in developing regional approaches to issues of common concern such as collective security or in the interest of regional public goods
4. The idea here is that it will enable for a bottom up regional development strategy that can align the FOCAC as well other external partnership frameworks and action plans to regional needs. In turn such an approach can assist with achieving the goals of continental development frameworks such as NEPAD and even Agenda 2030.
5. The 2015 IAFS Declaration is available at: http://www.mea.gov.in/Uploads/PublicationDocs/25980_declaration.pdf
6. The Declaration can be accessed at: http://www.focac.org/eng/ltada/dwjbzjjhys_1/t1327960.htm
7. The Action is available at: http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1323159.shtml
8. Shivji, Issa (2007) *Silences in NGO Discourse: The Role and Future of NGOs in Africa*, Nairobi/Oxford: Fahamu/Pambazuka Press. Pg. 47



The role of civil society in environmental protection in the Africa-China relationship

Meryl Burgees: Research Fellow at the Centre for Chinese Studies

Introduction

Environmental protection has become a major issue of debate in the evolving Africa-China relationship. China's engagement in environmentally-sensitive natural resources sectors such as oil and gas, mineral resources, hydropower, timber, and investments in infrastructure projects such as roads, railway, seaports and energy transmission lines have raised environmental concerns. The evasion of Environmental Impact Assessments (EIAs) in some major projects has been reported by environmental non-governmental organisations (NGOs) who aim to protect Africa's biodiversity, natural resources and bring environmental transgressors to book.

The increasing focus on the environment was indeed reflected in the sixth Forum on China-Africa Cooperation (FOCAC) ministerial meeting and Johannesburg summit of December 2015. The FOCAC Action Plan (2016-2018) saw to the increase of "Environmental Protection and Climate Change" commitments from six commitments to ten and for the first time, clear objectives were set regarding illegal wildlife trade. Commitments included the development of the "China-Africa Joint Research Centre" project with cooperation in biodiversity protection, prevention of desertification and establishment of modern agricultural demonstration centres (FOCAC, 2015). This can be partly attributed to the efforts of environmental civil society groups lobbying African and Chinese governments to put more emphasis on sustainable engagement in the relations. As environmental impact becomes a significant aspect of the intensifying engagements, African governments should seek an enhanced role for civil society groups already working in this area.

The increasing focus on the environment was indeed reflected in the sixth Forum on China-Africa Cooperation (FOCAC) ministerial meeting and Johannesburg summit of December 2015. The FOCAC

Action Plan (2016-2018) saw to the increase of "Environmental Protection and Climate Change" commitments from six commitments to ten and for the first time, clear objectives were set regarding illegal wildlife trade. Commitments included the development of the "China-Africa Joint Research Centre" project with cooperation in biodiversity protection, prevention of desertification and establishment of modern agricultural demonstration centres (FOCAC, 2015). This can be partly attributed to the efforts of environmental civil society groups lobbying African and Chinese governments to put more emphasis on sustainable engagement in the relations. As environmental impact becomes a significant aspect of the intensifying engagements, African governments should seek an enhanced role for civil society groups already working in this area.

The African Union's (AU) institutional platforms can be a medium for governments to engage with civil society on environmental matters. In 2013, the AU adopted Agenda 2063 with the aspiration of building "a prosperous Africa based on inclusive growth and sustainable development" (African Union Commission, 2015). Climate change and the environment are highlighted in Agenda 2063 and action plans include the implementation of programmes on climate change; sustainable forest management and the sustainable exploitation and management of Africa's diversity (Africa Union Commission, 2015). The AU places great importance on the contribution of civil society in achieving its objectives.

In developing Agenda 2063, a bottom-up approach was used with extensive consultations with the African citizenry. A Civil Society Division has been instituted at the AU, with a commitment to encourage and support inter-continental consultation partnership, for example within the FOCAC framework. These consultations are

to help ensure that African civil society groups make inputs into the various partnership processes and support Africa's integration and development agenda (African Union, n.d.).

There are numerous environmentally-sensitive sectors impacted through China's engagement in the continent. However, this paper is focused on areas where NGOs have particularly been active. The policy brief examines the role of environmental NGOs in environmental protection in the Africa-China relationship, primarily focusing on NGOs monitoring EIA compliance, as well as illegal wildlife trade and its inclusion in the FOCAC summit. This paper is primarily interested in the agency coming from civil society and NGOs (bottom up) and how this has impacted state responses at the official level. Recommendations are then provided for both African governments and environmental NGOs.

Civil society engagement in Africa-China environmental challenges

In recent years, African and international NGOs have been at the forefront of raising the alarm with regards to environmental violations in African countries. For example, in 2007, a Gabonese NGO, Brainforest, reported that the Kongou Falls on the Ivindo River in the Congo rainforest would be flooded by the Chinese-built Kongou Dam project in Gabon (Stella, 2007). Environmental groups sought public access and input into the contract between the China National Machinery & Equipment Import & Export Corporation (CMEC).

They also wanted the Gabonese government to provide adequate accountability over issues related to transparency, anti-corruption and environmental social protections. Eventually, negotiations and EIAs took place in 2011 and CMEC lost rights to the project. In a recent example, there has been controversy around proposed plans to build a US\$ 1.5 billion standard-gauge railway line extension from Mombasa, via Nairobi to Naivasha with a passage through the Nairobi National Park in Kenya. The railway line is being funded by Exim Bank of China and contracted to the China Road and Bridge Corporation (CRBC) and is part of infrastructure upgrades to the national network linking Mombasa port to Nairobi and onwards to Uganda, Rwanda, Burundi and South Sudan (Africa Research Online, 2016).

The proposed railway line is to be elevated across 6 km of the park, on pillars between 8m and 40m high and will have major impacts on the natural environment. A group of local environmental organisations and activists filed a petition with Kenya's National Environment Tribunal claiming an EIA had not been carried out for

the railway project. The project has been suspended on two occasions because of the lack of EIAs (Oirere, 2016).

A further example of where EIAs have been lacking in major construction projects has been during the controversial construction of the proposed world's largest dam, the Inga 3 dam, in the Democratic Republic of Congo (DRC). The DRC government has attempted to begin construction of the delayed dam project without conducting thorough EIAs. Backers of the project claim the dam could provide about 40 per cent of Africa's electricity, however, the project may violate national law and international guidelines for the development of mega-dams (Vida, 2016). In an interview with the international NGO, International Rivers, the director of the Inga project agency, said government intends to begin construction of the dam without EIAs, and with the World Bank's disapproval.

The agency further hoped that a Chinese consortium of dam builders, China Three Gorges Corporation and Sinohydro, would be awarded the rights to the construction of the dam, however, the Chinese government has established guidelines for companies working overseas with instructions to not build any international projects without an EIA. The two Chinese companies have both committed to not build any projects without the necessary assessments (ESI Africa, 2016). International and local NGOs are opposing both the environmental and social impacts of this project. These examples illustrate the growing need for institutionalised platforms for engagement with civil society organisations, which are increasingly motivated to hold developers accountable for their impacts on the environment and compliance with EIAs.

At the 2012 FOCAC Ministerial Conference in Beijing, environmental degradation was recognised as a major global threat, with commitments made for increased social responsibility of Chinese companies operating in Africa. FOCAC can thus be viewed as an institutional platform where civil society organisations can engage with various Chinese and African state actors to address environmental concerns together.

FOCAC's commitment to combat illegal wildlife trade and the role of civil society

While environmental issues have been responded to in previous FOCAC action plans, the 2015 conference was the first to focus on wildlife poaching and illegal wildlife trade. China is a top consumer country of rhino horn and ivory products. During the 2015 FOCAC conference, the two sides agreed that China will help to build capacity to protect Africa's biodiversity, including the fight against the illegal wildlife trade, in particular with regard to ivory and rhino

horn (FOCAC Action Plan, 2015). While there have been several agreements made at high levels of government between China and African countries – both South Africa and Kenya have signed Memorandums of Understanding (MoUs) with China on wildlife conservation - the efforts of civil society cannot be overlooked. NGOs and international organisations such as TRAFFIC, a wildlife trade monitoring network, have been challenging governments to plug policy gaps and to increase environmental awareness in populaces with regards to the poaching of African wildlife. In South Africa, which has had record numbers of rhinos killed since 2010, local NGOs like the Endangered Wildlife Trust and Project Rhino KZN carry out anti-rhino poaching projects including lobbying the government. Often these projects involve international networks as the crisis cuts across countless international borders. The World Wide Fund for Nature's (WWF) South African branch and TRAFFIC (with a regional branch in Johannesburg) have carried out behaviour change campaigns in top consumer countries, Vietnam and China, by focusing on myths about rhino horn use (WWF SA, n.d.b).

Notably, the involvement of civil society in FOCAC is a relative late comer (from 2009). However, there has been an increasing development in the relationship between state and civil society within the environmental sector. Before the commencement of the 2015 FOCAC, NGOs attended and organised side events to the summit, where recommendations for action plans could be made to decision-makers (Wekesa, 2016). For example, WWF South Africa, together with WWF China and other African offices, hosted a high-level conference in December 2015, bringing together African and Chinese stakeholders from government departments, state-owned companies, private enterprises, academia, and civil society to discuss the role of FOCAC and Chinese investment in sustainable development for Africa among other issues (WWF South Africa, n.d.a). This is an encouraging development for China and African countries as more expertise is needed to address environmental concerns.

Since FOCAC 2015, there have been some developments on the action plans. In September 2016, a centre for joint research on environmental protection was opened at the Jomo Kenyatta University of Agriculture and Technology in Kenya. The Sino-Africa Joint Research Centre is proposed to combat desertification and other ecological problems and will help improve agriculture (Kamau, 2016). China has continued its support and cooperation with African countries on the wildlife poaching crisis. For instance, in October 2016, China held an international workshop on illegal wildlife trade in Chengdu with participants from government,

business, civil society and enforcement agencies. A review was undertaken on the implications of decisions taken at the 17th Conference of the Parties (CoP17) to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) held in October 2016 in South Africa. Of particular interest were efforts towards phasing out domestic ivory markets (Li, 2016).

Conclusion and policy recommendations

This policy brief has shown how environmental civil society groups bring issues to light and that through engaging with these groups, African governments can potentially ensure effective environmental policies. While the work of NGOs may seem antagonistic to some governments, specifically when they challenge major infrastructure and investment projects like in Nairobi National Park, implementing EIAs in the first place will prevent enormous harm to natural resources and the environment.

Moreover, the efforts by a few local and international NGOs can be used as a model for other local African environmental NGOs to use their knowledge of local challenges in order to monitor FOCAC action plans and play an oversight role in partnership with the respective governments. Some recommendations include:

- Through the AU's membership in FOCAC and their bottom-up approach in achieving their objectives, African civil society groups can use this platform to liaise with African officials in order to give their inputs on partnership processes such as FOCAC
- Environmental groups should seek public access and input into the contracts between foreign companies and their host governments during deals on major projects with potential environmental impacts. African governments must be held accountable by environmental groups in providing adequate environmental protection
- In cases of EIA evasion, NGOs must use strategies such as petitions or litigation where possible in order to ensure their implementation and the responsibilities of African governments towards the environment being held
- Local civil society organisations with limited finance should use their valuable indigenous knowledge and access on the ground as a resource to help larger NGOs in increasing the monitoring of EIAs. Working in partnership could ensure accountability against major companies or government interests
- Civil society organisations can assist with the implementation of FOCAC action plans in ensuring environmental protection of wildlife at the local level by

educating communities about the negative impacts of illegal wildlife trade and including them in prevention strategies

References

1. Africa Research Online. 2016. Kenya – Conservationists Lament Railway Plans. [Online]. Available: <https://africaresearchonline.wordpress.com/2016/10/10/kenya-conservationists-lament-railway-plans/> [Accessed: 15 October 2016]
2. African Union. n.d. The Civil society division. [Online]. Available: <https://www.au.int/en/civil-society-division> [Accessed: 26 January 2017]
3. African Union Commission. 2015. Agenda 2063: the Africa we want. [Online]. Available: <http://www.un.org/en/africa/osaa/pdf/au/agenda2063.pdf> [Accessed: 27 January 2017]
4. ESI Africa. 2016. DRC: Inga 3 to proceed without EIA, says International Rivers. [Online]. Available: <https://www.esi-africa.com/news/drc-inga-3-proceed-without-eia-says-international-rivers/> [20 October 2016]
5. Forum on China-Africa Cooperation (FOCAC). 2015. Forum on China-Africa Cooperation Johannesburg Action Plan (2016-2018). [Online]. Available: http://www.focac.org/eng/ltada/dwjbzjjhys_1/hywj/t1327961.htm [Accessed: 14 October 2016]
6. Kamau, J. 2016. China and Kenya partner on study of environment. [Online]. Available: http://www.the-star.co.ke/news/2016/09/28/china-and-kenya-partner-on-study-of-environment_c1427541 [Accessed: 25 November 2016]
7. Li, S. 2016. China: implications of recent CITES decisions examined. [Online]. Available: <http://www.traffic.org/home/2016/10/28/china-implications-of-recent-cites-decisions-examined.html> [Accessed: 25 November 2016]
8. Oirere, S. 2016. Environmental tribunal halts Kenyan rail project. [Online]. Available: <http://www.railjournal.com/index.php/africa/environmental-tribunal-halts-kenyan-rail-project.html> [Accessed: 15 October 2016]
9. Stella, N. (2007) ‘Central Africa’s “most beautiful waterfall” under threat’, International Rivers [website] <www.internationalrivers.org/resources/central-africa-s-most-beautiful-waterfall-under-threat-2880> (posted 2 November 2007) [accessed 2 November 2015].
10. Vidal, J. 2016. Construction of world's largest dam in DR Congo could begin within months. [Online]. Available: <https://www.theguardian.com/environment/2016/may/28/construction-of-worlds-largest-dam-in-dr-congo-could-begin-within-months> [Accessed: 15 March 2017]
11. Wekesa, B. 2016. A review of FOCAC side-events 2015, [Online]. Available: <http://china-africa-reporting.co.za/2016/02/a-review-of-focac-side-events-2015/> [Accessed: 14 October 2016]
12. World Wide Fund for Nature South Africa (WWF SA). n.d.a. WWF curtain raiser to FOCAC. [Online]. Available: http://www.wwf.org.za/what_we_do/focac/ [Accessed: 14 October 2016]
13. World Wide Fund for Nature South Africa (WWF SA). n.d.b. Rhinos. [Online]. Available: http://www.wwf.org.za/what_we_do/rhino_programme/ [Accessed: 24 November 2016]

Reducing barriers to enhanced Chinese trade and investment with Africa

Emmanuel Igbinoba: Visiting Research Fellow at Korean Institute of Economic Policy

Introduction

Despite being Africa's largest trade partner, China still trails the European Union (EU), the United States and India in foreign investment, with about four percent of its total outward direct investment (ODI) centred in Africa¹. Africa's own investments in China also remain negligible, leading to deliberations on ways Africa can enhance engagements with China and derive greater benefits. The objective of this article is to enumerate ways through which Sino-African economic engagement can be enhanced and to assess present mechanisms used to address economic challenges.

Though western media opinion of Sino-Africa engagements is controversial, depicting China as Africa's new colonial master, a recent BBC poll shows that China enjoys a favourable perception with average ratings of sixty percent or more in most African countries². This perception stems from China's increased aid, trade and investment activities with Africa³.

Furthermore, contrary to the popular perception that resource rich economies are the primary destination for Chinese relations, its engagement in Africa is evenly distributed with non-mineral commodity economies such as Kenya, Ethiopia, and Mauritius, which all rank China as their major economic partner. Data from the Chinese Commerce Ministry (MOFCOM) also shows that rather than the mining sector, the service sector constitutes a higher percentage of its investment, followed closely by the manufacturing sector (see fig.1).

Figure 1: Sectorial composition of Chinese ODI



- Manufacturing (wholesale & retail) 22%
- Business Service 34%
- Basemetals and articles of base metals 5%
- Mineral products 10%
- Transportation, storage and postal services 12%
- Import and Export 17%

Source: MOFCOM⁴, 2015

The following section outlines the challenges to enhanced Sino-Africa trade, while the third section concludes with recommendations.

Challenges to enhanced economic relations

This article focuses on three main challenges to enhanced economic relations with China; namely structural barriers, regulatory barriers and cultural differences.

The Chinese market is more accessible to western enterprises relative to African enterprises due to a variety of factors; the most notable, is the existence of structural barriers. This implies the non-existence of noteworthy manufacturing and service industries in many countries, thus restraining African economies from taking advantage of China's huge market.

Firms attempting to engage in trade with China also encounter governmental barriers. Such barriers, such as tariffs and various government regulations act as impediments to trade and market access.

China's tariff regime is generally lower for minerals, while there are non-tariff barriers such as Chinese government refusal to recognize international certificates in permitting the import of products. Standards and quantitative restrictions also make the Chinese market difficult for Africans to access. For example, South Africa has a memorandum to export beef to China, but lengthy sanitary clearances and numerous certification procedures make exporting beef to China difficult⁵. Other non-tariff barriers such as

an inconsistent application of regulations, slow custom administration and the discriminatory application of China's value added tax (VAT) on imported goods all make it difficult for African firms and commodities to enter China.

A third factor is cultural differences. China's distinct culture makes trade navigation difficult for Africans. Business is often conducted through contacts rather than through contracts. Language differences are another significant impediment to effective communication. Guanxi (face) is also a concept not well understood by African entrepreneurs when engaging with the Chinese. It implies reputation, and is usually difficult for foreigners to understand when doing deals⁶. These barriers tend to limit African exports and account for the trade imbalance.

Conclusion and Recommendations

From an economic perspective, China remains an opportunity for the taking. There is a need for Africa to improve its capacity to benefit gainfully from the relationship despite current challenges about Chinese growth. Indeed China's structural transformation can create opportunities for win-win cooperation with Africa, leading to sustainable growth and development. As China moves up the value chain, the challenge for FOCAC is to enable African economies to take advantage of China's outsourcing to attract a larger percentage of the approximately eighty million labour intensive manufacturing jobs that are no longer viable in China. Mechanisms such as structural transformation to encourage African enterprises to focus on areas in which they have comparative advantage such as abundant labour and raw materials should be discussed and propagated.

African enterprises should also be urged to further engage in joint ventures and mergers with their Chinese counterparts. These partnerships will further create jobs, ensure technological transfer, aid better management practices and enable the efficient restructuring of domestic enterprises. It will also raise awareness about domestic firm's products and value.

Initiatives to attract Chinese investors such as undertaking trade missions and foreign trips to China to attend fairs and trade shows as well as organizing trade shows for Chinese investors and entrepreneurs in Africa should be encouraged. Bureaucratic procedures that complicate acquiring a Chinese business visa should also be reviewed. Language and cultural taster sessions on how to do business with China and the provision of basic Chinese language lessons by chambers of commerce and Confucius institutes will provide greater understanding of how to negotiate with the Chinese. It will also be an ideal opportunity for domestic firms looking to or

currently doing business with China to network with similar local firms, as well as discuss challenges and solutions. Undertaking these measures will enhance Sino-Africa investment and trade engagement at the national and continental level to enable Africa to take advantage and benefit maximally from Chinese relations.

FOCAC should further institute mechanisms that encourage Chinese firms and enterprises to relocate to Africa by pinpointing industries in which their latent comparative advantages exist, as well as removing the barriers that hinder investment by facilitating the creation of special economic zones and industrial parks to attract labour intensive industries from China⁷. Advancements in economic infrastructures and the business environment in these zones will help lower logistic and transport costs, as well as foster clustering and industrialization. Also, pioneering Chinese firms can be compensated through the provision of incentives such as granting of tax holidays, reduced tariffs, and priority access to credit facilities. Mechanisms should be instituted to allow African enterprises to easily liaise with their respective Chinese embassies to identify marketing opportunities in the Chinese markets. Platforms like FOCAC and NEPAD should also lobby China to increase its support towards Africa's industrialization by increasing the amount of technological transfers and allowing easy transplanted of Chinese industries to Africa.

President Xi Jinping's pledge to assist Africa address its developmental deficiencies is laudable however; finance alone is insufficient in meeting Africa's challenges. There should be an effort to allow African enterprises to access the 1.3 billion Chinese market. High level discussions to allow for further liberalization of the Chinese market should be the top economic priority in bilateral talks, to promote an open and free trading system. China's restrictive import laws and high tariff on non-mineral commodities should be revamped to enable African products to gain a foothold in the lucrative Chinese market. Issues relating to standards and certification can be tackled by setting up Chinese accredited testing laboratories in Africa, as well as translating all trade related regulations and information into African languages.

References

1. Brookings. 2015. China's direct investment in Africa: Reality versus myth [Online]. Available: <http://brookings.edu/Africa-in-focus> [Assessed: 7 October 2016].

2. World Public Opinion. 2016. Country rating poll [Online]. Available: <http://worldpublicopinion.org> [Assessed: 21 October 2016].
3. Quartz Africa. 2015. Chinese investment in Africa is more diverse and welcome than you think [Online]. Available: <http://qz.com> [Accessed: 3 October 2016].
4. Ministry of Commerce. 2016. Statistics of Chinese FDI [Online]. Available: <http://mofcom.gov.cn> [Assessed: 12 October 2016].
5. Viljoen, W. 2015. Non-tariff barriers frustrating South African agricultural exports. [Online]. Available: <http://tralac.org> [Accessed: 12 September 2016].
6. Guan, J. 2011. *Guanxi*: The key to achieving success in China. [online]. Available: http://sino-platonic.org/complete/spp217_guanxi.pdf
7. Lin, J. 2016. Africa's path from poverty. [Online]. Available: <http://en.nsd.edu.cn> [Accessed: 19 October 2016].



Acknowledgements

The Institute for Global Dialogue would like to thank the Friedrich-Ebert Stiftung (FES) for its generous support to publish this Global Dialogue Issue.



ABOUT IGD

The Institute for Global Dialogue (IGD) is an independent South African-based foreign policy think tank dedicated to the analysis of, and dialogue on the evolving international political and economic environment and the role of Africa and South Africa. It advances a balanced, relevant and policy-oriented analysis, debate and documentation of South Africa's role in international relations and diplomacy.

The IGD strives for a prosperous and peaceful Africa in a progressive global order through cutting edge policy research and analysis, catalytic dialogue and stakeholder interface on global dynamics that have an impact on South Africa and Africa.

3rd Floor Robert Sobukwe Building

263 Nana Sita Street

Pretoria South Africa

PO Box 14349
The Tramshed,
0126
Pretoria South Africa

Follow Institute for Global Dialogue on Facebook and Twitter:

<https://www.facebook.com/Institute-for-Global-Dialogue-215168621838580/>

www.twitter.com/IGD_SA

Contact us:

+27123376082

info@igd.org.za

www.igd.org.za

All rights reserved. The material in this publication may not be reproduced, stored or transmitted without the prior permission of the copyright holder. Short extract may be quoted, provided the source is fully acknowledged.

Produced and Published by IGD.