



# The EU-China-Africa triangle

by Jakob Bund and Michal Makocki

In 2008, the European Commission presented its first communication on trilateral cooperation between the EU, China and Africa. Eight years later, despite China's rapidly expanding commercial and military footprint in Africa, tangible effects of trilateral engagement on the continent have yet to materialise. Meanwhile, Africa's economic development and stability has only grown in importance for both the EU and China. The challenges affecting the economy-security nexus on the continent mean that the EU is now facing unprecedented migration flows from Africa to Europe. Yet, the current crisis is just a hint of future migratory pressures: Eurostat predicts that future flows might peak at nearly 1.5 million per year in 2036. A large share of these migrants will come from Africa, the population of which is set to double in the next few decades.

To meet these challenges, the EU has proposed to re-orient its aid for Africa to tackle the root causes of migration and to support partners in managing its consequences. The Union aims to sign partnership frameworks with third countries and link its development aid and preferential access to the EU's single market to cooperation in readmission programmes for illegal migration and improvements in border controls. The agreements also aim to mitigate economic push factors for migration by fostering private sector development through public-private partnerships. A new EU trust fund will provide additional financial resources, supported by a proposed EU External Investment Plan that promises up to €62 billion in private and public investments. The success of these initiatives will not only depend on political stability

but also on reliable good governance and robust enforcement of the rule of law.

This interdependency between security and development makes China an important partner for the EU – and Beijing has also emerged as one of the major donors and loan providers for Africa. Traditionally, China's aid has been oriented towards economic sectors and often involves large-scale infrastructure projects. But the need to protect Chinese investments and citizens (an estimated one million Chinese live in Africa), including in the most fragile parts of the continent, are driving China's growing role as a security provider. China has already emerged as the largest contributor of peacekeeping forces among the permanent members of the UN Security Council and is constructing its first overseas military base in Djibouti, for example.

## Compare, contrast, complement

Chinese and EU assistance programmes are driven by substantially different development paradigms. EU aid is based on horizontal programmes, relies on grants and direct budgetary support, aims at poverty alleviation and targets soft sectors such as healthcare, education and governance. China's approach is based on projects, relies on a mix of concessionary and market-based lending and concentrates on high-growth sectors such as infrastructure and mining. These differences notwithstanding, synergies exist between China's focus on hard infrastructure and the EU's approach of supporting capacity-building and improving framework



conditions and business environments. Most critically, China offers additional resources to finance development initiatives and foster economic growth. Similarly, the narrowing gap between EU development assistance and security interests, as well as China's growing security presence in Africa both hint at a growing prospect for cooperation on security matters.

Despite the obvious potential of trilateral collaboration between the EU, China and African countries in promoting stability and prosperity, a comprehensive assessment of China's role on the continent also reveals limits to more substantial convergence of European and Chinese development assistance. The overlap between Chinese commercial and development agendas will be one of the key obstacles. This discrepancy is most apparent in the Ministry of Commerce's leading role in setting the development agenda and the fact that the main aid implementation agency – China Exim Bank – has an overarching objective to support Chinese exporters. These two institutions pursue commercial considerations even when cooperating on issues seemingly dedicated to the development agenda. For example, China has informally championed four domains for multilateral and bilateral development cooperation: healthcare, environment, education and infrastructure. While these areas offer great development potential, Chinese objectives are tailored to further commercial or industrial policies in these areas.

Not all Chinese investments have lived up to the promise of economic benefits for the recipient countries. Chinese aid tends to be tied to the use of Chinese contractors and goods, limiting the benefits to the local economy. China is facing increasing criticism in developing countries regarding the social, environmental and political impact of its policies. Lack of respect for social and environmental standards and the limited local employment opportunities generated by Chinese companies have led to backlashes from some African elites and publics. The conditions attached to China's aid also often run counter to EU objectives of good governance, human rights, macro-economic stability and market-oriented reforms.

Restrictions also apply to China's security involvement in Africa. To date, China has deployed its troops only within UN peacekeeping frameworks and in many cases avoided high-risk operations. While the scope of Chinese participation in these missions is increasing, so will regional pressure on China to commit its troops to conflict zones. Some Chinese economic investments may even directly fuel conflicts by worsening corruption, exacerbating local fault lines and creating disputes over water and land resources. Unreported and illegal Chinese fishing in the waters off the coast of Western Africa may contribute to the resurgence of piracy in the region. Moreover, China frequently

provided concessional financing to Zimbabwe and Sudan, often circumventing Western sanction regimes.

## Low hanging fruits

The EU's development agenda is increasingly driven by security and migration concerns. In turn, China's security engagement is motivated by the need to protect its fast-growing economic interests on the continent. This makes the EU's and China's starting points closer than in 2008 – when the triangular cooperation was first suggested – given the importance of sustained high economic growth for Africa's stability. Extending the EU-China Dialogue on Security and Defence beyond military circles to include development agencies could facilitate better coordination of different aspects of bilateral cooperation.

Chinese participation in CSDP missions may not be foreseeable in the near future, yet China's interest to assume greater responsibility in UN-mandated peacekeeping missions provides an opening for military diplomacy. China's 2015 pledge to establish an 8,000-strong peacekeeping standby force offers an opportunity to cooperate in the training of troops. Military-to-military exchanges could also translate into spill-overs of greater transparency in arms transfers, better monitoring of their end-users and increased sensitivity to concerns about fomenting conflict through weapon sales. Disaster relief and humanitarian cooperation offer another potential avenue to build confidence in practice. China's development agenda has shown to be responsive to conditions on the ground. Rather than normative prescriptions, it will be local frameworks and structural constraints that will put China's agenda on a more sustainable footing. Countries with strong governance systems, the rule of law and vibrant civil societies have been able to obtain better conditions from Chinese counterparts.

Concerted efforts with the African Union to reinforce local frameworks for environmental protection, labour laws and open public procurement schemes can benefit all investors. Given its endeavours to strengthen good governance and support for institution and capacity-building on the continent, the EU could seek to further harness oversight mechanisms that ensure transparency and accountability. Additionally, the EU could appropriate grants to support local governments' feasibility studies for Chinese investments to better gauge their impact in terms of economic potential but also to better address potential negative externalities. The result would be sustainable economic growth and stability, two of the key factors for addressing the root causes of migration.

**Jakob Bund is a Junior Analyst and Michal Makocki is a Senior Associate Fellow at the EUISS.**

