The Experience of Chinese Foreign Aid and Its Value for Achieving SDGs in Developing Countries

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01 Introduction

02 Chinese Foreign Aid and Its Principles of SSC

03 The Practice and Experience of Chinese Foreign Aid

04 Chinese Foreign Aid and SDGs
In the 17th development goal of 2030 Agenda for Sustainable Development, the importance of SSC and SSDC has been highlighted. In order to help other developing countries to achieve SDG, it is urgent and necessary for SSDC providers to study the concept, principle, to sum up the experience, to enhance the effectiveness of SSDC and to expand the impact of SSDC in the 2030 SDG agenda.

However, most South-South donors have problems with unsatisfactory statistical systems and incomplete statistics, thus it is difficult for researchers to fully study and conduct empirical analyses on aid's scale, sector distribution, regional distribution and effect.

We collect 14 Chinese foreign aid cases to thoroughly discuss the concept, principle, method and effects of SSDC, and thus find the value of SSDC practice and experience for helping other developing countries to achieve SDG.
| Financial Resources, Aid Modality, Aid Area, Aid Field of the Case Projects |
|----------------------------------|-----------------|-----------------|-----------------|
| Tanzania-Zambia Railway Project  | grants          | complete projects, technical cooperation | Africa economic infrastructure |
| African Union Conference Center Project | grants          | complete projects, technical cooperation | Africa public facilities |
| Madagascar’s General Hospital Project | grants          | complete projects          | Africa medical and health care public facilities |
| Humanitarian Assistance to Myanmar Flood 2015 | grants          | emergency humanitarian aid | Africa medical and health care other (disaster relief) |
| China’s Aid to Africa's Fight against Ebola | grants          | emergency humanitarian aid | Africa medical and health care |
| The restoration of Angkor relics project | grants          | technical cooperation | Asia other (cultural relics protection) |
| Agricultural Technology Demonstration Center Project in Tanzania | grants          | complete projects, technical cooperation, human resource development cooperation | Africa agriculture |
| China-Tanzania Joint Learning Center Project | grants          | complete projects, technical cooperation, human resource development cooperation | Africa agriculture |
| Papua New Guinea and Fiji Juncao Technical Cooperation Project | grants          | complete projects, technical cooperation | Oceania agriculture |
| China-Uganda SSC Project under the Framework of FAO Food Security | grants          | technical cooperation | Africa agriculture |
| Agricultural Trilateral Cooperation of FAO + China + Hosting Country | grants          | human resource development cooperation | Africa agriculture |
| CGCOC Agriculture cooperation project (Nigeria) & Jiangxi Ganliang agricultural cooperation project (Equatorial Guinea) | grants          | technical cooperation | Africa agriculture |
| China-Mozambique Agricultural Technology Demonstration Center Project | grants          | complete projects, technical cooperation | Africa agriculture |
| Zambia-China Economic & Trade Cooperation Zone | grants          | | Africa economic infrastructure |
The characteristics of South-South development assistance mainly manifested in two dimensions:

- South-South development assistance is more multi-faceted, which includes development assistance, provided bilaterally or multilaterally on grant or concessional terms, and other related economic and technical cooperation, such as trade, investment, capacity building, technology and knowledge transfer.
- South-South development assistance follows the principle of South-South Cooperation.
The Principles of SSC and Chinese Foreign Aid

The Ten Principles proposed at the Bandung Conference in 1955

- to adherence to the respect for partners’ sovereignty, non-political conditions attached
- to emphasize mutual benefit and win-win cooperation
The Principles of SSC and Chinese Foreign Aid

1. Non-political conditions attached
   - the principle of sovereign equality.
   - the principle of attaching no political conditions.
   - the principle of non-interference in others' internal affairs.

- to adherence to the respect for partners' sovereignty, non-political conditions attached
- to emphasize mutual benefit and win-win cooperation
- to promote economic development of both sides
The Principles of SSC and Chinese Foreign Aid

2. Mutual benefit and win-win cooperation

- Corresponding to its wider range of development cooperation scope.
- South-South development assistance often focuses on infrastructure sector and production sector (such as agricultural sector), which is committed to promote bilateral trade, investment and other business activities through aid.
- To meet the interests of both donors and recipients.
In order to improve the effectiveness of aid and ensure the sustainability of development cooperation, Chinese foreign aid has made useful explorations in the long-term practice, forming unique practices and accumulating rich experience.

- Following the principle of ownership and demand-oriented
- Emphasizing technical training and capacity building
- Combining assistance with investment

Three outstanding practices and experiences of Chinese foreign aid
The Practice and Experience of Chinese Foreign Aid

- **Following the principle of ownership and demand-oriented**

The definition

The principle of ownership means that the development assistance is oriented toward the development of recipient countries and that recipient countries should be in a dominant position at various stages of development assistance programs.

Related documents

- Buenos Aires Plan of Action (1979)
- the conference documents of the Nairobi conference
- the conference documents of the Bogota and Delhi conferences

The Practice of Chinese Foreign Aid

- The construction of the African Union Conference Center
- Agricultural Technology Demonstration Center Project in the United Republic of Tanzania
- The humanitarian aid provides for Myanmar
- ......
China’s assistance to Cambodia largely focused on economic development and the projects are mostly related to people’s living standards. In addition, China’s assistance to Cambodia was driven by Cambodia’s demands and was aligned with Cambodia’s own development plans. All the projects were offered based on the request of the Cambodian government.

Agricultural Technology Demonstration Center Project in the United Republic of Tanzania is recipient’s needs oriented and mainly targeted small farmers. Chinese agricultural experts of the demonstration center targeted at small farmers’ needs as the orientation. They adjusted the agricultural technology based on the local condition, and finally promoted to the farmers.
The Practice and Experience of Chinese Foreign Aid

- Emphasizing technical training and capacity building

**The definition**

South-South development assistance have also realized the importance of recipients’ capacity building, and put emphasis on strengthening the capacity of recipient countries in order to enable them to make their own decisions and to achieve sustainable development.

**Related documents**

- the conference documents of the Buenos Aires, Nairobi, Bogota and Delhi conferences

**The Practice of Chinese Foreign Aid**

- Agricultural Technology Demonstration Center Project in the United Republic of Tanzania
- China-Uganda SSC Project
- The project of China-Tanzania Village-based Learning Center for Poverty Reduction
- Agricultural Technology Demonstration Center Project in the United Republic of Tanzania
- The project of China-Tanzania Village-based Learning Center for Poverty Reduction
- ......
The Practice and Experience of Chinese Foreign Aid

Chinese foreign aid cases

While installing the medical equipment for Madagascar’s general hospital project:
● Chinese partners firstly held on-site training of Madagascan technicians and equipment maintenance personnel to ensure that the Madagascan people would be able to skillfully operate the medical equipment provided by China.
● To further ensure the sustainable development of the hospital project, the Chinese government decided to send a technical assistance group to the hospital to provide technical guidance for the use and maintenance of equipment and to provide local personnel training.

The project of China-Tanzania Village-based Learning Center for Poverty Reduction attached importance to foster recipients’ self-development capacities.
● The local farmers and officials participated in design, decision-making as well as implementation of the project and were organized to be trained in both China and China-Tanzania agricultural technology demonstration centers.
● The project went further than Village-based Learning Center project and concentrated on establishing a University-local government-farmer cooperation mechanism in order to strengthen interactions.
 Combining foreign aid with investment

The definition

The definition of development assistance should go beyond the traditional scope, including general definition of development assistance and international trade and investment for mutual benefit.

Related documents

- In recent years, the wide range of cooperation contents of South-South development assistance has been recognized by traditional donor countries to some extent.
- “Development beyond aid” was recently emphasized by traditional donor countries.

The Practice of Chinese Foreign Aid

- Focusing on the promotion of the aid project’s sustainable development.
- Pushing enterprises to go global and achieve mutual benefit as well as win-win cooperation.
Combining assistance with investment

In order to achieve the sustainable development of the aid projects, China entrusted aid projects to Chinese enterprises. After the aid process, the enterprises are encouraged to turn the project into commercial. At the same time, the recipient’s local government and the Chinese government set conditions or encouraged the enterprises to continue providing technology transfer in the recipient countries, which held the function of public welfare and provided a feasible way for the sustainable development of the aid project.
Chinese foreign aid cases

For the **Agricultural Technology Demonstration Center Project** in the United Republic of Tanzania, in the three years’ of cooperation period, the enterprise was introduced as the major party of constructing and implementing the aid project. In the sustainable development period the enterprise emphasis industrialized development, realizing the dual goal of profiting for the enterprise and the sustainable development of the aid project and it’s public welfare functioning.

As for the enterprises that have successfully implemented the strategy of going global, they can be entrusted to construct the aid projects. **The Agricultural Technology Demonstration Centers in Mozambique** has explored an approach to sustainability through introducing several Chinese agricultural companies (including both state-owned and private companies) to invest the agriculture in the center or other areas. These companies helped Mozambique not only solve food production problems and promote Chinese agricultural development experience and technology, but also helped promote their experimental products to local markets with the purpose of realizing the sustainability of China’s agricultural aid to Africa through public-private partnership.
The 2030 Agenda for Sustainable Development puts forward new requirements to international development assistance. Chinese foreign aid and its SSC principles and practices could provide a feasible and realistic way for helping other developing countries to achieve SDG. And communication platforms need to be build and utilized to share SSC practice and experience with other development partners.
THANK YOU!