Xi Jinping promises a billion Covid vaccines for Africa at FOCAC 2021

As the 2021 Forum on China-Africa Cooperation (FOCAC) takes place in Dakar we examine the state of the China-Africa relationship and what will be on the table at this year's forum.



SEYLLOU/AFP

David Thomas November 29th 2021

Speaking by video link from Beijing, President Xi Jinping announced that China will provide another 1bn doses of Covid-19 vaccines to Africa in his address to the opening ceremony of the Forum on China-African Cooperation (FOCAC) in Dakar.

The eighth edition of the <u>forum</u> is taking place in Dakar, Senegal, from 29-30 November 2021 under the theme "Deepen China-Africa Partnership and Promote Sustainable Development to Build a China-Africa Community with a Shared Future in the New Era".

President Macky Sall welcomes delegates

President Macky Sall, the co-host of the opening ceremony along with President Xi, welcomed delegations and thanked a number of dignitaries for attending via videolink: DRC President Félix Tshisekedi, in his capacity as African Union chair, President Abdel Fattah al-Sissi of Egypt, President Azali Assoumani of Comoros, President Cyril Ramaphosa of South Africa, Moussa Faki Mahamat, chairperson of the AU Commission and UN secretary-general Antonio Guterres.

"Twenty years ago," he said, "China and Africa, determined to reinforce and take their historic relations to a higher level, established FOCAC as a new framework for formal and mutually beneficial partnership."

"Since then, we have moved forward hand in hand, pragmatically and effectively, as evidenced by the intensification of our trade, investments and the many achievements under our various Action Plans."



Senegalese President Macky Sall delivers his speech during the China-Africa Cooperation (FOCAC) meeting in Dakar, Senegal, on November 29, 2021. (Photo: SEYLLOU / AFP) He set out the roadmap for the forum:

"First, let's work to strengthen pharmaceutical and medical sovereignty, and the health security of our countries.

"Second, let us continue our efforts to modernize agriculture to ensure our collective food sovereignty and make the local processing of our agricultural products a factor of economic emergence and the fight against unemployment and poverty.

"Third, we need to further strengthen technical and vocational training, job training and the emergence of digital talent to support youth employment, self-employment and entrepreneurship.

"Fourth, let's continue the tremendous work of building basic infrastructure in Africa: roads, highways, railways, ports, airports, digital and electrical infrastructure.

"Fifth, and finally, we must accelerate our collaboration for the development of African industrial capacities, so that the continent produces more and better meets the standards which facilitate the access of its products to the Chinese and world markets. It is both a need for solidarity and a need for win-win cooperation."

Highlights of President Xi's keynote speech

In his speech, President Xi said that in the run-up to FOCAC, the Chinese and African sides had jointly prepared the China-Africa Cooperation Vision 2035. Under its first three-year plan, he said, China will work closely with African countries to implement nine programmes. Highlights of the programmes include:

1. The medical and health programme

The billion Covid vaccine doses to be delivered to Africa will come in the form of 600m doses as donation and 400m doses to be provided through joint production by Chinese companies and African countries.

2. The poverty reduction and agricultural development programme

Measures will include China undertaking 10 poverty reduction and agricultural projects for Africa, and sending 500 agricultural experts to the continent.

3. The trade promotion programme

China will aim to reach \$300bn in total imports from Africa in the next three years. Measures will include opening "green lanes" for African agricultural exports to China, speeding up inspection and quarantine procedures, and further increasing the scope of products enjoying zero-tariff treatment for the least developed countries (LDCs) that have diplomatic relations with China (which means all African countries apart from Eswatini).

4. The investment promotion programme

China will encourage its businesses to invest at least \$10bn in Africa in the next three years, and will establish a platform for China-Africa private investment promotion.

5. The digital innovation programme

China will undertake 10 digital economy projects for Africa, set up centres for China-Africa cooperation on satellite remote-sensing, and support the development of joint laboratories, partner institutes, and scientific and technological innovation cooperation bases. Online shopping festivals promoting African products and a campaign to market 100 African stores and 1,000 African products on e-commerce platforms are promised.

6. The green development programme

China will undertake 10 green development, environmental protection and climate action projects for Africa, support the development of the "Great Green Wall", and build centres of excellence on low-carbon development and climate change adaptation in Africa.

7. The capacity building programme

Projects will include the building or upgrading of 10 schools in Africa, invite 10,000 highlevel Africans to training programmes and promote vocational training.

8. The cultural and people-to-people exchange programme

Chinese tourism in African countries will be promoted and facilitated.

9. The peace and security programme

President Xi said that China will undertake 10 peace and security projects for Africa. It will continue to deliver military assistance to the AU, support African countries' efforts to independently maintain regional security and fight terrorism, and conduct joint peace-keeping exercises.

Ramaphosa praises progress but calls for reduction of trade deficit

"Since its inception, FOCAC has been an engine for progress," said President Ramapahosa in his address by video link.

He praised FOCAC as a "beacon of hope" and a "valuable platform for dialogue… and for amplifying Africa's voice on the world stage." He also drew attention to the gains it had brought in terms of trade and investment and the cooperation it had fostered in fields from higher education to medical care and transportation.

But he also emphasised the need to reduce the trade deficit between China and Africa.

"Over the next three years we will be implementing the Dakar Action Plan," he said. "This will require that we recalibrate the Sino-Africa relationship with a greater emphasis on promoting sustainable development for the benefit of all.

He also called on China "to increase infrastructure investment in Africa, especially in key sectors such as port, rail, energy and water, and to continue to support human capital development and technology transfer."

Referring to the travel restrictions that had been placed on South Africa after its reporting of the presence of the Covid-19 Omicron variant, he said: "We need to resist unjustified and unscientific travel restrictions that only serve to further disadvantage developing economies. We wish to thank the People's Republic of China for its unwavering support to Africa since the onset of the pandemic. We are confident we can continue to count on China's support in the continental vaccine acquisition drive

Four key themes for the FOCAC agenda

On 8 November, Senegal's foreign minister Aïssata Tall Sall and the Chinese ambassador to Dakar, Xiao Han, announced that the forum would adopt four key resolutions: The Dakar Action Plan (2022-2024); the China-Africa Cooperation Vision 2035; the Sino-African Declaration on Climate Change; and the Declaration of the Eighth Ministerial Conference of FOCAC. The Senegalese foreign minister said that the forum would appraise the results of China-African cooperation during the Covid-19 pandemic and define how it would continue for the next three years and beyond.

She also announced that the seventh China-Africa Business Conference would take place in parallel with FOCAC at the Diamniadio Exhibition Centre in Dakar and by video conference. The 2018 edition in Beijing hosted more than 1,000 African representatives from over 600 enterprises, business groups, and research institutions.

"FOCAC is our common good. Its success will bring prosperity to current and future generations of Africans and Chinese," said Aïssata Tall Sall.

In an <u>interview with the Xinhua news agency</u> the minister said she expected the forum to address Africa's place within the <u>Belt and Road Initiative</u>, underlining its importance to world trade.

What is FOCAC?

FOCAC is a triennial high-level forum between China and all of the states of Africa, with the exception of Eswatini, which continues to recognise Taiwan.

Modelled on Japan's Tokyo International Conference on African Development (<u>TICAD</u>), it provides an organising mechanism for Chinese foreign policy toward Africa.

The US Department of Defence's Africa Center for Strategic Studies describes FOCAC as <u>"a</u> <u>process rather than a series of summits</u>", as it has spawned a vast number of consultation meetings, policy forums and specialist organs, as <u>described in detail on the FOCAC website</u>.

The Africa Center for Strategic Studies also draws attention to its focus on training and capacity building, with more than 100,000 training slots allotted to African Union member states triennially.

FOCAC has frequently played host to eye-catching Chinese policy announcements and financial commitments. The forum is alternately hosted in Beijing and major African capitals.

Three of the seven editions held so far have included summits attended by the incumbent Chinese president and many of his counterparts across the continent. According to <u>Quartz</u> <u>Africa</u>, twice as many African leaders chose to attend the 2018 edition in Beijing than the UN General Assembly two weeks later.

All the previous editions have included ministerial conferences, and this year's forum is taking place at ministerial rather than summit level as in 2018. China is represented by its foreign minister, Wang Yi, rather than President Xi Jinping. However, as <u>Lauren A.</u> Johnston of Adelaide University has pointed out, this does not indicate a downgrading of FOCAC: "Although Mr. Xi will only speak to the Forum from China's capital Beijing via videolink, China-Africa ties are compounding apace."

The China-Africa Business Council's recent <u>report on China's private sector investment in</u> <u>Africa</u> looks forward to the event as "another milestone and a new starting point for China-Africa economic and trade cooperation" that will provide "a great opportunity for all African countries to attract foreign investment and expand their international influence".

"Both Chinese and African enterprises should anticipate the opportunity to enjoy great mutual policy benefits," says the report.

The forum looks to build on the increasingly close economic relations that have been forged between China and Africa over the last 20 years.

According to the China-Africa Research Institute at Johns Hopkins University, the value of China-Africa trade in 2019 was \$192bn, up from \$185bn in 2018. In 2019, the largest exporter to China from Africa was Angola, followed by South Africa and the Republic of Congo. In 2019, Nigeria was the largest buyer of Chinese goods, followed by South Africa and Egypt.

On 17 November, Chinese vice commerce minister Qian Keming reported that <u>trade</u> <u>between China and Africa had risen 38.2% year on year to \$185.2bn</u> in the January-September 2021 period, a record level.

China is also Africa's biggest source of foreign direct investment – investment surged from \$75m in 2003 to \$2.7bn in 2019. Chinese FDI flows to Africa have exceeded those from the US since 2014.

China's direct investment in Africa hit \$2.59bn in the first nine months of 2021, up 9.9% year on year, reported Qian Keming.

Between 2013 and 2018, 45% of China's foreign aid went to Africa. The number of Chinese workers in Africa by the end of 2019 was 182,745, according to official Chinese sources.



Chinese and Ivorian technicians at work on the construction site of a new container terminal at the port of Abidjan, Côte d'Ivoire. (Photo: ISSOUF SANOGO / AFP)

How has FOCAC impacted the financial relationship between China and Africa?

The first official FOCAC was held in Beijing in 2006, following two major ministerial conferences in Beijing and Addis Ababa in 2000 and 2003.

Between 2000 and 2019, Chinese financiers signed 1,141 loan commitments worth \$153bn with African governments and their state-owned enterprises, estimates the China-Africa Research Institute at Johns Hopkins University.

In 2000, Chinese investment in Africa was at 2% of US levels, while by 2020 it had reached 55%, according to the US Department of Defense's <u>Africa Center for Strategic Studies</u>.

In 2015, China <u>unveiled its largest commitment of the conference series</u>, a \$60bn package of aid, subsidised lending, and state-backed investment, a commitment repeated in 2018.

Chinese financial support has proved crucial to African countries over the last two decades. Loans from government and state-owned banks have enabled the construction of major infrastructure projects across the continent, including highways, ports, airports and government buildings.

But much of that support has been relatively opaque. According to a <u>research</u> <u>paper</u> released in late September by the China Africa Research Institute, Zambia's outstanding external debt to Chinese financiers is approximately \$6.6bn, almost double the \$3.4bn revealed by the previous Zambian government.

The estimates do not include substantial arrears to Chinese contractors for unpaid projects, part of an estimated domestic arrears pile amounting to \$2bn.

What was promised at FOCAC in 2018?

For the first time in the history of the FOCAC meetings, China's commitments to Africa stayed flat at FOCAC 2018, with \$60bn pledged over three years. Prior forums had seen an exponential growth in commitments, starting from around \$5bn in 2006.



China's President Xi Jinping (R) with South Africa's President Cyril Ramaphosa (L) at FOCAC 2018 in the Great Hall of the People, Beijing. (Photo by Lintao Zhang / POOL / AFP)

According to Annalisa Prizzon, a senior research fellow at the UK-based ODI, the 2018 commitment was more weighted towards aid than previous instalments, with 25% of these commitments – or \$5bn a year – in the form of grants, interest-free loans and concessional loans.

In a May speech, Chinese finance minister Wang Yi said that over 85% of the eight major initiatives announced at the 2018 Beijing Summit have been implemented, 70% of the \$60bn supporting funds have been disbursed or earmarked, and a large number of cooperation projects have been launched or completed.

Other analysts are less enamoured of the track record of FOCAC in delivering benefits to Africa. Writing for *African Business*, former Liberian public works minister Gyude Moore says that a vast economic chasm has opened between Africa and China. <u>He argues</u> that this year's forum presents an opportunity for African states to recalibrate and correct their courses using lessons from China's past.

Also writing for *African Business* earlier this year, Hannah Ryder, CEO of Development Reimagined, an African-led international development agency based in Beijing, called for "a more organised, collective approach to engagement" on the part of African leaders at this year's FOCAC, and summarised her organisation's blueprint for an African China strategy.