

China-India Brief

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Guest Column

China and India's Roles in Providing Development and Peacebuilding Assistance in Africa

By Agnieszka Paczyńska

Over the past two decades the global development and peacebuilding assistance landscape has undergone significant changes. Emerging donors, and in particular China and India, are now playing much more prominent roles. Their growing prominence is especially visible in Africa where their footprint has rapidly expanded. The **2023 BRICS summit** held in Johannesburg, South Africa, further underscored emerging donors' commitment to supporting African peace efforts and locally-led development.

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The *China-India Brief* is a monthly digest focusing on the relationship between Asia's two biggest powers. The Brief provides readers with a key summary of current news articles, reports, analyses, commentaries, and journal articles published in English on the China-India relationship. It features a Guest Column weighing in on key current issues in China-India relations.

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What has motivated Chinese and Indian expansion on the continent? What do their approaches to development and peacebuilding assistance look like and how have they changed over time? Finally, how has this expanding presence in Africa shaped China's and India's standing regionally?

China and India's Expanding Presence in Africa

China and India's expanding presence in Africa has been driven by their interest in the continent's growing consumer market, its natural resources, and increasingly in gaining political support from African states in various international forums as both countries have sought to play more prominent global roles. At the same time, as their footprint on the continent and global aspirations grew, they have come to play more prominent roles in United Nations' peacekeeping operations, expanding their collaborations and support of the Africa Union Peace Architecture and, especially in the case of China, engaging in conflict mediation.

By 2022, African countries signed more than **\$170 billion** in loan commitments from China in addition to loans extended to **African state-owned enterprises**. Chinese **foreign direct investment (FDI)** in Africa also increased, soaring from \$75 million in 2003 to \$5 billion in 2021, surpassing investments coming from the United States. Like China, Indian trade and investments in Africa has expanded significantly.

By 2020, India became the continent's third largest trading partner after China and the United States, and the fifth largest investor, with more than **\$70 billion** invested in oil and gas, mining, and other natural resources, information and communication technology, railway and auto industries, and textiles.

As trade and investment has expanded, China's and India's development assistance grew as well. **Emerging donors**, including China and India, frame their development assistance in the language of solidarity, mutual benefit, and South-South collaborations with emphasis placed on respect of state sovereignty and non-interference in domestic affairs of recipient states. This means that unlike Western donors, they do not attach conditionalities linked to governance to their aid. Both India and China's assistance is demand-driven, based on **Africa's own prioritisation of its needs**.

Since 2000, China has been rapidly expanding its foreign assistance, with 45 percent going to Africa, much of it focusing on infrastructure construction, agricultural and mineral sector development, livelihoods support and bolstering state capacity. Since 2018, China has coordinated its development assistance through the **China International Development Cooperation Agency (CIDCA)** which took over responsibilities from various ministries that used to disburse aid.

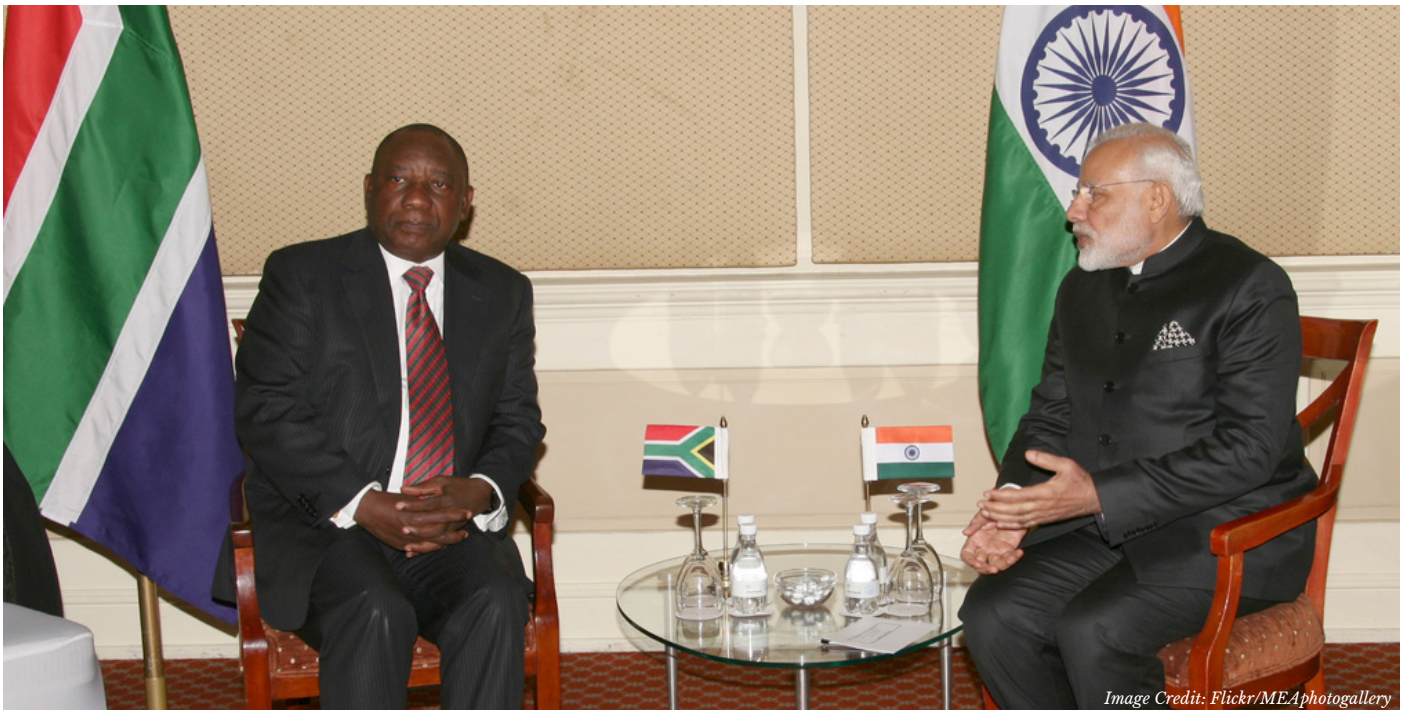


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CIDCA also oversees **China's South-South Cooperation Assistance Fund** which was established in 2015 at the United Nations Sustainable Development Summit and is responsible for forging cooperative agreements with various multilateral organizations such as the World Food Programme and the World Health Organisation. Since 2013, China's **Belt and Road Initiative (BRI)** has supported infrastructure and investment projects all over the world, including in **fifty-three African countries**. At the **October 2023 Belt and Road Forum**, President Xi Jinping announced an additional \$100 billion in funding for physical and green energy infrastructure projects, with Africa as one of its key recipients.

One of the primary institutions for Chinese-African collaborations has been the Forum on China-Africa Cooperation (FOCAC), one of the many multilateral institutions that China has launched as an alternative to the current global order.

Established in 2000, the FOCAC gained prominence in 2006 when China announced the creation of the \$5 billion **China-Africa Development Fund**. FOCAC meets every three years at the heads-of-state level and releases a joint plan that guides their relations in between summits. China has also released three white papers that guide its national strategy on the continent in 2006, 2015, and 2021. The 2021 white paper was released in the lead-up to that year's FOCAC summit held in Senegal and titled, *China and Africa in the New Era: A Partnership of Equals*. The white paper underscored the importance of cooperation and mutual development, and noted that the "greatest good in China–Africa relations is to closely combine Africa's independent and sustainable development with China's own development, and reject the zero-sum game and actions driven by a narrow pursuit of profit." Digital and green energy development cooperation also became more central to the relationships between China and African states.

While smaller than China's, India has also significantly expanded its development assistance in recent years. The primary vehicles through which Indian assistance is disbursed are concessional finance, lines of credit, grants, capacity building and technology transfer programs, with the Indian Technical and Economic Cooperation Program (ITEC) playing a central role. By 2020, India had completed **194 development projects** in thirty-seven African states with an additional seventy-seven projects still ongoing, worth \$11.6 billion—making Africa the largest recipient of the **ITEC program**. Since 2012, bilateral development cooperation has been overseen by the Development Partnership Administration within India's Ministry of External Affairs. The India Export-Import Bank is also a key player, with half of its international funding for technical aid and trade going to Africa.

India's assistance to Africa, like China, is focused on strengthening state capacity. In 2008, the first India-Africa Forum Summit was held, resulting in the signing of the **Africa-India Framework for Cooperation**, focusing on strengthening economic development, including in agricultural, small and medium-scale enterprises, and industrial sectors; and enhancing technology cooperation, trade and financial collaborations, in addition to promoting good governance.

Unlike China's BRI, India has channeled \$70 billion for public project financing through the African Development Bank.

Additionally, the framework underscored the importance of peace and security in the relationship between India and African countries. The 2011 **Africa-India Framework for Enhanced Cooperation** reaffirmed these commitments to long-term and mutually beneficial partnership. India has also placed emphasis on development partnerships framed as "together as equals" with initiatives such as the **Solar Mamas** program that aims to make electricity access more reliable, and has been extended to thirty-six African countries. This growing focus on Africa was reinforced by Prime Minister Narendra Modi during his **address** to the Ugandan Parliament in 2018, in which he outlined ten principles guiding Indian engagement with Africa and designated the continent as a priority for Indian diplomatic and economic investments.

The COVID-19 pandemic further expanded and deepened the India-Africa relationship, as Prime Minister Modi's government set out to make Africa one of India's key global partners. In particular, India's investments in Africa's public health infrastructure, and pharmaceutical and vaccine production capacity expanded, placing these sectors at the center of the **new development model** and emphasising the importance of public-private partnerships. The newly created India-Africa Entrepreneurship Forum serves as a space where these partnerships can be nurtured.

Security and Peacebuilding

Alongside expanding development assistance, China and India have intensified their focus on issues of security and multilateral peacebuilding in Africa. For China, a turning point came at the 2012 FOCAC meeting where it strengthened cooperation in these areas with African states. This new phase in the relationship between China and Africa was reflected in the Initiative on China-Africa Cooperative Partnership for Peace and Security (ICACPPS). The initiative aimed to bolster the continent's security and peacebuilding capabilities, through the strengthening of Chinese assistance to the Africa Union (AU), the Africa Stability Force, the African Capacity for Immediate Response to Crises, and the **African Peace and Security Architecture**. Simultaneously, China increased its contributions to UN peacekeeping operations on the continent, expanding these contributions to include the provision of combat troops. The latest **FOCAC Summit** held in 2022, reiterated the essential role that peace and security played in promoting development in Africa.

One of the more significant changes over the past decade has been China's greater involvement in conflict mediation. The uptick in these efforts coincided with the launching of the BRI and China's growing concerns about its investments and nationals being impacted by **violent conflict**.

Not only have Chinese conflict mediation efforts intensified, but unlike in the past when such mediation efforts were undertaken out of the public limelight, today the Chinese government is publicising these efforts. China has been involved in **conflict mediation** in a number of African countries, including in convincing the Sudanese government to accept UN-AU peacekeeping troops in Darfur, and working on South Sudanese and Libyan conflict mediation and reconciliation processes, among others.

Like China, as India's footprint expanded in areas affected by violent conflict, it has also expanded collaborations in areas of peace and security with African states, and those issues became more central to discussions during the India-Africa Forum Summits. The first **India-Africa Strategic Dialogue** conference was held in 2011 and focused on how best to ensure stability in Africa. For many years, India had been a key contributor of troops to UN peacekeeping operations on the continent. The Dialogue further expanded India's commitments to these issues by focusing discussion on peacebuilding, conflict resolution and post-conflict reconstruction, and considering how India could best support the AU's efforts in establishing conditions that would prevent reoccurrence of civil wars. Later Strategic Dialogues also explored issues of fighting terrorism, preventing violent extremism and bolstering maritime security.



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The Lucknow Declaration signed in 2020 by India and fifty African states, further deepened collaboration in areas of security and peacebuilding. The **Declaration** underscored that New Delhi welcomed “the AU vision for peace and security in Africa that coincides with India’s vision of SAGAR (Security and Growth for All in the Region).” The Declaration signatories committed to working on conflict prevention, resolution and management, peacebuilding and enhancing the role of women in peacekeeping, as well as fighting terrorism. By bolstering the AU, as well as individual African state’s capacities, the **Declaration** pledged to expand the “exchange of experts and expertise, training programs and capacity building, enhance support toward peacekeeping and post conflict reconstruction in Africa.” There has also been a shift in India’s approach to democracy promotion.

Historically, it has been reluctant to do so because of its commitments to non-interference principles. However, as its competition with China for influence in Africa has grown, India has moved towards providing more assistance to **election management** and good governance issues.

Conclusion

Overall, African political elites and populations have welcomed the growing role of China and India on the continent. Engaging with both Beijing and New Delhi does not come with the colonial baggage associated with cooperating with European powers; in fact, their past support for African independence movements continues to be appreciated even today.

Furthermore, for many governments, the greater diversity of donors providing development and peacebuilding assistance is a welcome change as it affords them greater choice in choosing which donors to work with. Most importantly, Chinese and Indian aid do not come with strings attached.

This is not to say that the relationships are always smooth and tension-free. For instance, there are **concerns** in some African countries about indebtedness to China that have accompanied various large infrastructure projects, as well as apprehensions over environmental impacts of Chinese investments, and labour rights violations.

At the same time, Africa has become one of the key places where the global competition for influence among between the United States and China is playing out, with some referring to the shifting power dynamics and donor landscape as a **“new scramble for Africa.”** Yet, the views among African leaders of this global competition are more complex. For instance, in the **2022 Perceptions of China Overseas Development Survey** that asked about perceptions of China, France, Russia, South Africa, United Kingdom and the United States, African leaders indicated that they preferred to work with different donors depending on which sector these donors were seen as having a comparative advantage.

While China was the preferred partner in energy, transport, infrastructure, other countries like the United States, France and the United Kingdom were favoured in areas of governance and the rule of law. Other **surveys** have found similar preferences among African leaders. **Public opinion surveys** indicate similar views among the general public in Africa which sees Chinese, Indian and the American influence on the continent more positively.

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