Policy Research on Operationalizing People-Oriented South-South Development Cooperation

2018

CSOPartnership for Development Effectiveness

The Reality of Aid
An Independent Review of Poverty Reduction and Development Assistance

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Published by

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The Global Secretariat
3/F IBON Center
114 Timog Avenue
Quezon City 1103
Philippines

April 2018

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This publication has been produced with the financial assistance of the European Commission and the Swedish International Development Cooperation Agency. The contents of this publication are the sole responsibility of CPDE and RoA, and can under no circumstances be regarded as reflecting the position of afore-mentioned donors.

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Acknowledgements

CPDE is grateful to all the ten CSOs and authors whose contributions made this policy research possible. This research is published with the assistance of the editorial team under the Reality of Aid Network (RoA).

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Introduction

This publication is a collection of critical papers written by ten CSO Partnership for Development Effectiveness (CPDE) member organizations representing different sectoral and regional constituencies. The contributions by CPDE members examine South-South development cooperation (SSDC) in terms of operationalizing a people-oriented and human rights-based approach.

According to the 2009 Nairobi outcome document, "South-South cooperation is a common endeavour of peoples and countries of the South and an expression of South-South solidarity." Applying a human rights-based approach (HRBA) to SSDC would help to shift the framework of development away from a narrow focus on economic growth towards a more holistic appreciation of the multiple (political, social, cultural, etc.) and inter-related dimensions of human development – where development is understood as the process whereby people are able to fulfill their full potential through realizing their human rights.

To what extent SSDC endeavors to contribute to the realization of human rights; how they adhere to human rights principles and standards; and how they help empower people, especially the most marginalized people, to claim their rights were evaluated by the contributors. Whether or not these partnerships put in place meaningful accountability frameworks to hold duty-bearers to account, and provide effective means of redress for all actors impacted by these partnerships were also examined in the case studies.

The rise of SSDC and the (re-)emergence of "Southern donors" have raised hopes for reforming the international development architecture. However, the evidence gathered by the authors in this book suggests that current practices in SSDC do not live up to the normative principles of horizontal cooperation, solidarity and partnership, let alone a people-centered approach. The study aims to provide policy recommendations on how to further deepen the adoption and implementation of a human rights-based approach in SSDC.

HRBA is not alien to, and even reinforces SSDC principles by making it more people-oriented. It shores up the spirit of solidarity, justice and equality among oppressed nations that inspired Bandung by applying the same principles within nations where inequality, injustice and oppressive relations also reside. As evidence of the impacts of SSDC on the people accumulate, and in the presence of gaps in implementation, there is likely to be more public debate on these issues and, ultimately, greater scrutiny and intervention in support of people's rights and democracy.

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Towards Operationalizing People-Oriented South-South Development Cooperation

CSO Partnership for Development Effectiveness
Working Group on South-South Cooperation

The Rise of South-South Cooperation

South-South cooperation (SSC) has a long and notable history. In the 1950s, South-South cooperation emerged in the context of the common struggle of former colonies to attain genuine independence and development. The Bandung conference in 1955 brought together 29 countries from Asia and Africa to promote economic and cultural cooperation in the Asian-African region on the basis of mutual interest and respect for national sovereignty. This pioneering South-South conference paved the way for the rise of the Non-Aligned Movement (NAM) in 1961 and the Group of 77 in 1964 (Final Communiqué of the Asian-African conference of Bandung, 1955).

Ever since, South-South cooperation has been practiced in a myriad of ways and combinations that include trade, foreign investment, economic integration, the formation of negotiating blocs within multilateral institutions, cultural exchanges, or security alliances. Cooperative relationships have been at the level of governments and their agencies as well as between private enterprises or civil society organisations.

One aspect of SSC is South-South Development Cooperation (SSDC), which includes humanitarian assistance, technical cooperation as well as the provision of concessional financing for development projects, programs, budget support and strengthening balance of payments. However for many developing countries, SSDC cannot be neatly separated from other aspects of SSC such as trade, loans and investments because all these efforts make important contributions to strengthening the conditions for social and economic development in the cooperating countries.

For example, the Belt and Road Initiative championed by China not only aims to promote development and cooperation among countries through infrastructure connectivity, trade and financial integration, it also aims to enhance policy coordination and strengthen people-to-people ties. With over 100 countries expressing interest since it was launched in 2013, the Initiative is expected to provide new opportunities and impetus for international collaboration, including SSDC (UN SG, 2017).

South-South cooperation has been receiving a lot of attention from policy makers and other development actors in recent years as part of a broader narrative about "the rise of the South". The past two decades have seen a rapid increase in the share of developing countries in global output, trade and investment. Equally notable is the increase in trade, investment, development assistance and other exchanges between developing countries (UNDP, 2013).

In terms of development cooperation, the high-income countries belonging to the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) continue to be the source of most official development assistance (ODA). But the absolute and relative share of non-DAC contributors in financial, in-kind and technical cooperation has been rising, especially from middle-income countries such as China, India and some of the Gulf States.

While measures of magnitude differ depending on definitions[1], one estimate by the United Nations (UN) indicates that non-DAC 'aid' and 'aid-like' flows have increased from around 5% of the global ODA/ODA-like flows in the late 1990s to around 15–20% by 2013 (UNDP, 2013 as cited in Mawdsley, 2014). A more recent estimate of concessional assistance from 28 non-DAC country providers puts the total at $32.2 billion as of 2014/15, or around 23% of total DAC ODA (Tomlinson, 2016).

Moreover, the countries of the South are moving towards more formalized and institutionalized forms of South-South development cooperation. In the past few years, three aspects of the institutionalization of SSDC are particularly salient, according to the most recent Report of the Secretary-General on the State of South-South cooperation (2017). First, the number and range of actors engaging in South-South cooperation are on the rise. These include subnational entities such as municipal and provincial governments and non-State actors such as civil society, private sector firms, and academic and research institutions.

Second, the development of formal rules, informal norms and dedicated organizations for South-South cooperation – such as the South African Development Partnership Agency and the Indonesian Ministry of National Development Planning – confirm that South-South cooperation has entered the mainstream of policymaking at the national level. Third, there is a new wave of multilateral institutions devoted to SSDC, such as the recently established Asian Infrastructure Investment Bank (AIIB) and the New Development Bank.

South-South development cooperation has undeniably become a major factor in international relations, underpinning growth in trade and foreign direct investment (FDI), redirecting flows of development finance, and shifting longstanding power relations between countries.

In this context, civil society needs to direct more effort in making sure that SSDC's enormous potential is truly directed towards sustainable development and the realization of people's rights especially in underdeveloped countries of the South.

In Search of a Common Framework

There is, however, no straightforward way of assessing SSC or SSDC.[2] To begin with, there is neither consensual definition nor comparable benchmarks for SSDC, not to mention the dearth of information.

There are five interrelated definitional challenges in coming up with a common framework for measuring and evaluating the contributions of SSDC. The first relates to the forms that SSDC takes (e.g. financial flows, technical cooperation, policy coordination, etc.). The second relates to the purpose of SSDC (e.g., for poverty alleviation or economic development in poorer countries, or for mutual benefit). The third relates to the normative principles that guide SSDC (e.g., solidarity, respect for national sovereignty or universal human rights). The fourth relates to modalities and operational principles (e.g., with or without conditions, varying degrees of concessionality). The fifth relates to the relevant actors (e.g., government-to-government or in combination with private-sector, civil society and other development actors).

The G77 and China insist that cooperation between countries of the South must not be analyzed and evaluated using the same standards as those used for North-South relations. For instance, they assert that financial contributions from developing countries to other countries of the South should not be seen as ODA but as "mere expressions of solidarity and cooperation borne out of shared experiences and sympathies." (South Centre, 2009)

Indeed, in almost every intergovernmental forum on the subject, they emphasize that SSDC must not be seen as a replacement for North-South cooperation nor regarded as a means of coping with the diminishing interest of the developed world in assisting developing countries. Rather they consistently call for the separate and independent promotion of SSDC, while calling on developed countries to meet their historical obligations to the South.

The closest consensus on a framework for SSC – at least among governments – may be gleaned from the outcome document of the High-level United Nations Conference on South-South Cooperation held in Nairobi, on 1-3 December 2009, which was endorsed by the UN General Assembly in Resolution 64/222 dated 23 February 2010. (UN General Assembly, 2010)

According to the 2009 Nairobi outcome document, "South-South cooperation is a common endeavour of peoples and countries of the South and an expression of South-South solidarity." It emphasizes that SSC is a development agenda that is set by countries of the South based on the specific historic and political context of developing countries and their needs and expectations. [3]

It identifies (in Para 12) **different and evolving forms for SSC**, including (but not limited to):
1. sharing of knowledge and experience;
2. training;
3. technology transfer;
4. financial and monetary cooperation; and
5. in-kind contributions

Para 11 suggests a **three-fold purpose** for South-South cooperation:
1. to contribute to national well-being of peoples and countries of the South;
2. to enhance collective self-reliance; and
3. to contribute to the attainment of internationally agreed development goals, including the Millennium Development Goals.

The same paragraph identifies some of the **guiding principles** for SSC as follows:
1. respect for national sovereignty, national ownership and independence;
2. equality;
3. non-conditionality;
4. non-interference in domestic affairs; and
5. mutual benefit

In terms of **operational principles,** the document acknowledges the need to enhance the development effectiveness of SSC by increasing (Para 18):
1. mutual accountability and transparency;
2. coordinating initiatives with other development projects and programmes on the ground, in accordance with national development plans and priorities; and
3. results-oriented monitoring and evaluation.

In terms of the **relevant actors,** Para 19 states that South-South cooperation embraces a multi-stakeholder approach that includes:

- non-governmental organizations and civil society;
- the private sector;
- academia; and
- other actors that contribute to meeting development challenges and objectives in line with national development strategies and plans.

Southern partners have also identified some important features of SSC in recent dialogues under the auspices of the Development Cooperation Forum (DCF) (UN Secretary General, 2014). These include:

- diversity of approaches;
- horizontality, as a voluntary process and mutually agreed relationship;
- equal distribution of benefits;
- non-conditionality;
- comprehensive vision, cultivating the capacity for longer-term sustained development;
- results-orientation, with a focus on concrete results and through demand-driven projects that target country needs.
- flexibility, in ways of sharing their own development experiences and knowledge; and
- visibility, aimed at enhancing mutual benefits and promoting win-win outcomes and complementarities

The 2nd High-level Meeting of the Global Partnership for Effective Development Cooperation (GPEDC) held in Nairobi last November 28 to December 1, 2016 acknowledged the abovementioned reference documents, as well as the commitment of South-South Co-operation to enhance its development effectiveness through its own processes by continuing to increase its mutual accountability and transparency.[4]

Assessing SSDC in Practice

As with any policy discourse, it is important to distinguish between the official policy or normative claims of governments engaged in SSDC and their actual development cooperation practice as evident in the patterns of SSDC flows, in the process of their implementation, and in their outcomes and impacts.

This report reviews South-South Development Cooperation in terms of operationalizing a people-centered approach. In particular, it examines to what extent SSDC initiatives contribute to the realization of human rights; how they help empower people, especially the most marginalized people, to claim their rights; and whether or not these partnerships put in place meaningful accountability frameworks to hold duty-bearers to account.

The report includes ten (10) contributions from members of the CPDE representing different sectoral and regional constituencies. Six of these contributions focus on partnerships involving China as an SSDC provider, two focus on India and one on the BRICS. All the contributions focus on partnerships between governments except for one chapter from Brazil, which examines development cooperation between trade unions from four countries.

Equality and mutual benefit

Countries engaged in SSDC tend to eschew the terms 'donor' and 'recipient' because of their paternalistic connotations rooted in colonial relations. In SSDC, cooperating countries supposedly implement development projects jointly at every level of the implementation process as equal partners and following beneficiaries' needs. This is also referred to as the principle of horizontality (Bry, 2016).

Moreover, both providers and partners are expected to benefit from SSDC in accordance with the principle of mutual benefit as discussed above. Hence, it is considered acceptable for the provider country to factor in its own commercial or political interests in the partnership. SSDC can therefore help enhance the access to resources, markets, regional security or other geo-strategic interests of some of the major non-DAC countries such as China and India just as ODA enhances the power of traditional DAC donors.

Indeed, studies point out that the major Southern cooperation agencies are often attached to the Ministry of Foreign Affairs in their respective countries. This ensures that cooperation is aligned with the provider country's foreign policy objectives and makes SSDC more likely to be politically driven (Bry, 2016). Moreover, SSDC is difficult to distinguish from the overseas operations of multinational corporations (MNCs) from SSDC provider countries which are now competing for fields of investments. It is not surprising, therefore, that the regional and sectoral flows of SSDC suggests that, like their DAC peers, SSDC providers are also motivated by the pursuit of geo-economic interests and soft power objectives. (ROA Management Committee, 2010)

This is clearly evident in the following chapters that demonstrate how China's development cooperation is guided by its national interests. This is explicit in its criteria and conditions for concessional loans as well as in the choice of partner countries. In particular, China appears to prioritize partner countries that would facilitate its access to energy, land and mineral resources, and/or gateways to other markets in exchange for Chinese assistance or investments in infrastructure, transportation, telecommunications, mining or agro-industrial ventures.

Likewise, the chapters by Lanzet, and Masum et al. in this volume show that India's priorities for development cooperation reflect its geo-political and security interests especially in relation to its neighbors and China. In particular, India's need to enhance its energy security appears to be a major motive for its development cooperation with Bhutan, Nepal, Bangladesh and Sri Lanka.

Nevertheless, all these do not necessarily contradict the SSDC principle of respect for national sovereignty and ownership as long as the endeavor is demand-driven, fulfils the partner country's needs and horizontal approaches are followed. A few countries such as Brazil highlight these principles in their development cooperation. However, there are no clear operational guidelines for horizontality in SSDC programs and projects to ensure that the principle of equality in partnerships is followed consistently at every level and stage of cooperation.

Respect for national sovereignty and ownership

According to analysis provided by the UN Department of Economic and Social Affairs (DESA) for the 2nd International Development Cooperation Report, partner countries value SSDC for its flexibility to fund key (and changing) priorities in their own national development programmes, assisted by rolling multi-year programming and growing SSDC budgets. This suggests that the needs of partner countries is the main driver of SSDC – which makes SSDC projects demand-driven rather than donor-driven (UN DESA, 2014).

For instance, according to the chapter by ROA-Africa, China's assistance to Angola adheres to the latter's National Reconstruction Program and coordinated by the Cabinet Reconstruction Office under the Office of the President of Angola. Similarly, China's assistance to Kenya supports the Kenya Vision 2030 that places emphasis on infrastructure development for socio-economic transformation.

On the other hand, the authors note in this volume that the Kenyan government's role is limited to the identification and approval of projects for co-operation with China. Likewise, the Angolan Ministry of Finance has minimal oversight over actual project implementation and disbursements since China's Exim Bank and the China Construction Bank release funds directly to Chinese firms involved in project implementation (construction).

In the case of India's joint venture power projects with Bangladesh, Masum et al. in this volume highlight that these even contradict Bangladesh's official policy of moving away from coal-based power generation.

Nevertheless, an additional benefit of SSDC is the additional leverage it provides to Southern countries to negotiate with traditional donors – which in itself enhances national sovereignty and independence.

Non-interference in domestic affairs

By convention, Southern countries do not interfere in partner country's internal affairs. They generally avoid making critical comments on human rights and domestic policies of partner countries. This is viewed with disdain as a neo-colonial practice of Northern countries.

There is also consensus in the literature that SSDC providers rarely impose macro-economic or political conditions on partner countries before grant or loan agreements become effective. They also come with fewer procedural conditions thereby enabling disbursements to commence faster. The related high predictability, and fast delivery of SSDC result in the widely shared perception that SSDC is more efficiently delivered than North-South ODA according to UN DESA (2014).

However, various commentators as well as CSOs have heavily criticized some of the major SSDC providers – especially China – for ignoring the appalling human rights records of some of their partner governments. Providing aid with complete disregard for human rights, social and environmental considerations is seen as condoning or even supporting continued mis-governance, for the sake of gaining access to a country's resources and markets (ROA Management Committee, 2010).

Non-conditionality

Moreover, tied aid or the requirement to purchase goods and services from the providing country is frequently practiced in bilateral SSDC. Several chapters in this report provide additional evidence of this practice on the part of China as well as India.

For example, the report of ROA-Africa reveals how China has succeeded in securing oil through a number of partnerships in infrastructure rehabilitation and development that are financed through oil-backed loans guaranteed by the National Bank of Angola. The Angolan government is then supposed to use the Chinese loans to fund construction projects for which at least 70% of the construction companies involved have to be Chinese firms.

Similarly, according to Masum et al., the recent Indian directive, "Guidelines on Cross Border Trade of Electricity", stipulates that India would only buy electricity from Nepal, Bhutan, Bangladesh and Myanmar if Indian investments produce that electricity. Hence, Indian joint ventures with these countries for electricity generation and supply follow Indian terms and conditions.

In the case of the Rampal and Sampur joint ventures of Bangladesh and Sri Lanka with India, respectively, Masum et al point out that the SSDC partner countries have to shoulder all the financial risks by accepting sovereign guarantee provisions.

Mutual benefit in SSDC, therefore, does not imply equal benefit.

So a similar critique of ODA is often levelled at SSDC: that unless SSDC contributes to a comprehensive and locally-owned national strategy that develops agriculture, industry and services in an all-rounded, integrated and sustainable manner, then whatever short-term economic gains brought by specific SSDC endeavors in partner countries are illusory. Indeed they may even be counter-productive in the long-run as the people in impoverished countries may end up even poorer, more deeply indebted and left with a degraded resource base.

Human rights and development outcomes

According to DESA, SSDC is often welcomed in partner countries for yielding concrete and tangible results with an estimated 55 per cent of SSDC going to infrastructure and 10 per cent to production. However, most non-DAC providers measure performance in terms of outputs. Only a few have expressed an interest in developing evaluation standards that focus on long-term outcomes and impacts. There is a common view among SSDC providers that partner countries should determine their own standards to measure project performance. Hence their reluctance to develop a full set of pre-existing evaluation standards comparable to DAC donors (Goss Gilroy, Inc., 2014).

ROA-Africa reports in this volume that Chinese investment in Kenyan roads has resulted in the rehabilitation or construction of approximately 905.4 kms of road at an estimated cost of €316 million over a four-year period starting 2006. These, according to the Kenyan government, result in improved traffic flow into and out of the city and reduction in fuel consumption, economic savings for vehicle owners, travel time savings for passenger and cargo, and road maintenance savings. Similar benefits can be said of Sino-Angolan cooperation that has led to the rebuilding of national roads, the building of a new airport in the outskirts of Luanda and other major infrastructure projects in the country.

However, though public investment projects are aimed at improving infrastructure, and may help stimulate domestic and foreign direct investments, the Chinese contracts are not in themselves employment-generating because Chinese contractors prefer to employ Chinese labor. CSOs also cite the lack of evidence of technology transfer with most sub-contracted firms being Chinese and most of the skilled labor are Chinese and other foreign expatriates. The government has also given Chinese companies tax allowances to import the raw materials from China for construction.

Moreover, Chinese companies flout local labor regulations especially for the expatriates working for their companies. The government of Angola has even allowed Chinese companies to pay their laborers lower wages while their competitors from other countries have to follow the extant minimum wage policies.

These demonstrate the lack of commitment to universal human rights norms and standards in SSDC. In the case of the NDB, its foundation documents and BRICS summit declarations have emphasised poverty eradication but not human rights. Nevertheless, they have in place an Environment and Social Framework and the phrase "sustainable development" peppers many of its documents.

The problem with this, according to PWESCR, is that the NDB treats it as self-explanatory and does not define the criteria by which a project will be considered "sustainable". While the Environmental and Social Framework (ESF) provides that the NDB "integrates the principles of environment and social sustainability into its policies and operations", it does not define what the NDB understands to constitute 'sustainability' nor does it indicate the manner in which such sustainability will be integrated into project selection or implementation. The ESF "also does not reflect NDB's sustainability mandate, allowing financing of activities contrary to that mission, such as unsustainable extractive industries, nuclear energy, coal, large-scale hydroelectric, etc."

In the chapter by Masum et al., India takes advantage of weak regulations in Bangladesh to establish coal-fired projects even in ecologically fragile areas such as mangrove factories. China and India, both SSDC providers, are reducing their domestic coal use but funding new overseas coal projects so that these emissions do not count towards their national carbon footprint. By investing public funds in coal-related SSDC projects, SSDC provider countries like China and India are in fact exporting their highly polluting technologies to other southern developing countries and undermining global action on climate change.

Accountability and transparency

The lack of transparency is one of the major problems associated with SSDC. There is a serious lack of accessible and comprehensive information on Southern development assistance. This is not surprising since even the major SSDC providers do not have central coordinating agencies to manage and monitor development assistance at the national level (ROA Management Committee, 2010).

CSOs have been raising concerns over limited transparency in the use of funds from SSDC and have urged for greater disclosure on investments from the SSDC. The lack of transparency and dearth of information invites corruption. Unconditional concessional financing can easily win the support of corrupt officials even for projects of dubious merit, leaving citizens with the burden of repaying graft-ridden loans.

Call for greater transparency has provoked mixed responses from BRICS, according to PWESCR in this volume. On one hand, the BRICS countries have been pushing for greater transparency on the part of DAC donors. On the other, they are wary of subscribing to international standards for transparency that can be used as a stick to constrain SSDC and help maintain the dominant position of DAC.

Currently, the commitment of the BRICS and the NDB to transparency is low. For example all documents and information regarding projects are still hard to come by. The NDB maintains that sharing of information about NDB projects should be in keeping with national level policies. While this may be seen as respecting of the countries' right to determine its own policies, this could also serve to severely water down the commitment to keep people informed.

For instance, despite the "freedom of information law" existing in India, civil society is unable to monitor and provide a critical measure of accountability for India's SSDC because of the paucity of data on it. Civil society is not in a position to demand accountability from the Government about the use of finances and its effects on people, society, culture, economy and environment. That this would be helpful and relevant for development effectiveness is not yet a common understanding among the decision makers in Indian development cooperation.

Multi-stakeholder approach

The responsibility for charting a national development strategy necessarily lies with the programme country, not the provider, if the principle of country ownership and sovereignty is to be respected. However, in most accounts of SSDC there is hardly ever a mention of citizen's or even parliamentary participation in steering these initiatives. SSDC from the non-DAC countries are mostly restricted to government-to-government affair with little opportunity for CSO or trade union participation.

For example, while the Kenyan government exercises leadership in identifying and approving the infrastructural projects with China, a study done by RoA Africa in 2014 revealed that citizen participation in the identification of priority projects was non-existent. It appears that outside the government, the exercise remained as closed to most stakeholders including the domestic private sector. This could be attributed to the technical nature of the process of identification of the projects as well as the lack of a clear framework and structure within which to facilitate public participation in the process.

This lack of public and stakeholder participation led to challenges during implementation as most of the projects identified required large tracks of land currently occupied by the population. Citizen involvement is paramount in such a process as they are not only beneficiaries of the infrastructural projects but also active players in the success of the projects. But in practice there is no support to community and civil society initiatives based in the areas where the projects have been initiated to, say, facilitate the awareness and advocacy campaigns on land rights and access to land for pasture.

It must be noted, however, that the involvement of the Kenyan cabinet in the approval of projects indicates a strong political buy-in from the government implying strong commitment from the government side.

In the cases examined by Masum et al in page 49, public consultations fulfilled the formal EIA requirements even though many people remained silent or felt too timid to ask questions during these consultations because of the very technical presentations made by project proponents.

SSDC partner country governments frequently spread propaganda that opposing SSDC projects is tantamount to blocking the road to national development. CSOs, NGOs and activists who are mobilizing affected communities and raising concerns about the negative impacts of SSDC projects often face threats, intimidation, attacks and legal harassment.

The serious lack of transparency discussed above precludes any real democratic ownership of SSDC. Without information, there can be no meaningful participation in shaping policies and monitoring outcomes. Citizens are inhibited from exercising their right to make demands on their own government as well as purported partners. It undermines the accountability of the institutions involved in SSDC to the people in both sides of the partnership (ROA Management Committee, 2010).

As SSDC is typically restricted to government-to-government relations, there is little opportunity for people's and CSOs participation even though Southern people as taxpayers bear the economic burden of risky SSDC projects. The lack of people's active participation in designing and implementing SSDC indicates that human rights standards, principles and instruments are not guiding the SSDC process.

Towards Operationalizing People-Centered SSDC

Clearly there are vital omissions both in the policy framework and actual practice of SSDC today. Governments and other development actors engaged in SSDC need to demonstrate greater commitment to social justice, gender equality, environmental sustainability, and people's rights.

A people-centered approach to SSDC requires reorienting the framework of development away from a narrow focus on economic growth towards a more holistic appreciation of the multiple (political, social, cultural, etc.) and interrelated dimensions of human development – where development is understood as the process whereby people are able to fulfil their full potential through realizing their human rights.

Perhaps most importantly, a people-centered approach to SSDC requires people's participation in decision-making processes. Genuine people's participation is a right in itself and is necessary to realize other human rights. In particular, the participation of impoverished and marginalized groups is necessary for the effective formulation of policies and programs that can tackle poverty and advance basic entitlements such as adequate education, health, food, and potable water. The poor are most capable of appraising how to improve their own livelihoods because they are most aware of what must be done to attain these improvements with the resources available to them (Kararach et al, 2013).

A people-centered approach to SSDC should not be seen as a departure from the vaunted attributes of SSDC. In fact, a people-centered approach reinforces the core principles of SSDC. It shores up the spirit of solidarity, justice and equality among oppressed nations that inspired Bandung by applying the same principles within nations where inequality, injustice and oppressive relations also reside.

A people-centered SSDC is also compatible with the human rights based approach (HRBA) to development. Framing the goals and objectives of SSDC in terms of the realization of people's rights provides an objective basis for measuring the results and long-term impacts of such cooperation. Applying human rights norms and standards derived from the Universal Declaration of Human Rights and other international human rights instruments provides a basis for mutual accountability, horizontality and coordination. The empowerment of rights-holders within the country also increases transparency, democratic ownership, accountability and effectiveness. Last but not least, a human rights-based approach mobilizes broad-based support and enhances the legitimacy and sustainability of SSDC. In short, a people-centred approach to SSDC marries the core attributes of the HRBA and the operational principles of SSDC as laid out in the Nairobi outcome document.

The HRBA in development cooperation clarifies the roles and responsibilities of individuals and groups as rights holders on the one hand, and governments and other relevant development actors as duty bearers on the other. Conversely, duty-bearers are accountable to rights-holders for human rights obligations under international law and codified in national legislation (OHCHR, 2006). This affirms the agency of the poor and marginalized people to chart their own destiny by empowering all people to claim their rights rather than treat them as passive recipients of aid and charity.

The HRBA also implies that human rights obligations reside not only with the State but also with other duty-bearers such as international financial institutions and transnational corporations (TNCs), many of which are beyond the reach of any individual State to regulate on its own. This is pertinent to SSDC because the prevalence of 'business sector' involvement in implementation of SSDC projects and programs raises the need to address human rights issues including labor conditions, consumer protections, and the social and environmental impacts of firms.

Of course, there are significant challenges associated with adopting a human rights agenda in SSDC. It is often a politically sensitive issue especially for developing countries, many of whom believe that human rights principles are interpreted selectively to suit the agenda of developed countries. But human rights standards reflected in human rights treaties as well as recommendations from human rights bodies can serve as guide to setting goals and targets and SSDC programming at all stages (OHCHR, 2006).

A recent article by Mawdsley (2014) concludes that human rights are still "weakly, indirectly, and residually incorporated into South-South Development Cooperation policies and programs". She notes that, "Human rights considerations do not seem to have any bearing on the allocation of development cooperation financing or other flows and relationships. The limited evidence on allocation, for example, suggests that geo-economic interests, regional interests, and historical ties are the dominant factors shaping South-South Development Cooperation."

Based on similar evidence, the 2010 ROA Report concludes:

> "The human rights and democratic framework of SSDC should be strengthened so that the acclaimed advantage of Southern donors in terms of their avowed respect for sovereignty and policy of non-interference is not abused. Respect for national sovereignty should not mean ignoring gross human rights violations, environmental destruction, corruption and blatant abuse of power in partner countries. But neither should these concerns lead to attaching conditionalities to development assistance. Every country in the community of nations has obligations under International Law and international Human Rights Covenants and Conventions. Human rights should not be attached to ODA as conditionalities; rather they are obligations assumed by all governments and should therefore inform their dialogue and agreements on international cooperation."

Recommendations

The rise of SSDC and the (re-)emergence of "Southern donors" have raised hopes for reforming the international development architecture. However, the evidence gathered in this book suggests that current practices in SSDC do not live up to the normative principles of horizontal cooperation, solidarity and partnership, let alone a people-centered approach. As SSDC grows in importance, the more there is a need to bridge the gap between the normative principles and the actual practice of SSDC providers and partner countries.

While SSDC provider countries are understandably reluctant to simply adopt DAC norms and standards, or to be bound by the GPEDC which is still perceived as an outgrowth of the prevailing DAC-dominated aid architecture, there is clearly a need to develop common norms and standards for SSDC that go beyond rhetorical affirmations of SSDC principles.

A multilateral forum on SSDC is needed to overcome the tendency of provider countries – like traditional Northern donors – to set cooperation policies and programs according to their national self-interest and priorities. A multilateral forum on SSDC should include "recipients" or partner countries to build a unifying platform that can promote an alternative vision of international development cooperation based on the principles of equality, partnership, justice, solidarity, sustainability and people's rights. The DCF may fulfil this role but not in its present state as a loose platform for sharing experiences and practical lessons. While the DCF is currently a valuable platform for disseminating innovations in SSDC practice, it would have to evolve into a Southern-led multilateral forum for global standard setting in the field of international development cooperation.

Setting clear shared standards enhances the legitimacy and effectiveness of SSDC. They serve as the basis for systematically monitoring trends and evaluating strengths and weaknesses in SSDC according to pre-agreed criteria. This increases transparency and improves mutual accountability between provider and partner countries. They also provide the minimum (but not the sole) criteria by which citizens can assess SSDC and hold governments and other development actors to account. These standards should not only consider the economic dimension of development but also the social and environmental implications of SSDC.

Many governments in the Global South have signed international human rights treaties and conventions yet too often neglect their duties to respect, protect and fulfil these rights. These should be explicitly and systematically incorporated into SSDC standards and procedures.

Southern countries, especially the major SSDC providers, should also establish or strengthen national agencies for development cooperation responsible for designing, monitoring and managing governments' overseas development policies and programmes. These agencies should also be tasked to collect accurate data on their respective countries' contribution to international development; to carry out regular research into their development effectiveness; and to disseminate relevant information to the public in a timely and accessible manner. They should cover not only aid or aid-like activities but also investments that are packaged with grants or concessional financing.

Most urgent of all, SSDC participating countries – both providers and partners – should promote inclusive partnerships by ensuring the meaningful involvement of parliamentarians, non-executive branches of government, sub-national government agencies, local businesses and civil society. Governments should also establish mechanisms for review and for redress. People must be able to seek remedies from courts of other quasi-judicial bodies which should also have the power to enforce decisions.

Civil society organizations – especially people's organizations representing those most affected by SSDC projects – should be able to participate in identifying needs and priorities, setting policies and standards, implementation, monitoring and evaluation of SSDC at all levels. People's participation should be institutionalized, promoted and supported through information, capacity building and financial resources.

The good news is that domestic and international advocacy groups, through better organizing, networking and communications, are becoming more effective at pressuring governments to alter their behavior at the domestic and international level. As evidence of the impacts of SSDC on the people accumulate, there is likely to be more public debate on these issues and, ultimately, greater scrutiny and intervention in support of people's rights and democracy.

Endotes

1 There is no uniform definition of ODA provided1 by Southern countries. In fact SSC providers insist that SSC finance is not the same as ODA. An analytical study produced by the United Nations Economic and Social Council in 2009 proposes a definition of SSC focusing on financial transfers consisting of: "grants and concessional loans (including export credits) provided by one Southern country to another to finance projects, programmes, technical co-operation, debt relief and humanitarian assistance and its contributions to multilateral institutions and regional development banks." This definition, however, is still subject to debate and is not used consistently by official reports or existing studies on SSC.

2 From this point onward in the report, the terms SSC and SSDC are used interchangeably

3 The 2009 Nairobi document does not attempt to disentangle South-South Development Cooperation (SSDC) from SSC broadly construed. However, when attempting to quantify SSC, the UN Secretary General's subsequent reports only include "official concessional resources (concessional loans, grants as well as debt relief and technical cooperation) that are provided within the South for development purposes" when referring to SSC. This excludes non-concessional loans and commercial transactions in trade and investment even though in practice some of the major SSC contributors often combine these with resources provided under concessional terms (UN Secretary General, 2014)

4 GPEDC HLM2 Nairobi Outcome Document (2016): http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf

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BRICS and South-South Cooperation: Problems and Promises

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Using the recently formed economic and political formation, BRICS, this paper examines the contemporary resurgence of South–South cooperation, which has moved once again onto centre stage of world politics and economics, and has led to a renewed interest in its possibility of assisting the transformation of the current world order. This paper will focus on South-South Development Cooperation vis-à-vis the BRICS. It will examine some of the optimistic expectations of the potential of a Southern lead change in the manner in which development cooperation is formulated. The paper will also include the views of critics, who see this very success of the South as being subsumed within the existing global capitalist development paradigm.

Given that the New Development Bank is a young body that has only recently begun to roll out its projects, and that details of these are sketchy, the paper is limited to largely examining the engagement of BRICS with the international discourse on development cooperation and its statements on south-south development cooperation.

Brief introduction to BRICS

BRICS is an acronym for a political/economic coalition involving Brazil, Russia, India, China and South Africa. It is considered the new kid on the block in the current international system that is characterized by an upsurge in the number of security organizations, trading associations and economic blocs. As a grouping, it had its birth in a document prepared by Jim O'Neill of Goldman Sachs, who used the acronym BRIC (Brazil, Russia, India and China) as those with the most potential for growth in the first half of the twenty-first century.[1] South Africa joined this formation in 2010. BRICS moved from a mere grouping to a bloc that has developed considerable clout. Between 2009 and 2017, it has held yearly summits and has established themselves as a bloc in the international arena.

BRICS is considered a significant player as it covers around 40% of the world's population and about 25% of the world's landmass. Besides, the BRICS countries' growth rate has been formidable as they collectively account for 21% of the global GDP[2], and are increasingly playing important roles in the world economy[3]. It has gained importance on the international stage. Some authors emphasize the weight of China's economy in promoting the group as a whole[4]; other scholars prefer to see BRICS' emergence against the backdrop of the world international crisis and the relative economic power the bloc has gained at the expense of Europe and the USA[5]. There are other analysts who view it as an initiative of soft balancing to counter the hegemony of the USA[6]. The jury is still out on the implications of BRICs to a new world order, but what is undeniable is that BRICS is a player worth watching.

Within the realm of development cooperation, though these emerging donors remain themselves recipients of aid and struggle to effectively address a host of issues such as domestic poverty, sharp and growing inequalities, governance deficits and socio-political injustices, their aid has grown to be significant enough that it is now imperative to factor it in our understanding of the international aid architecture[7].

What has become evident is that global governance discourse has had to move out of its traditional notion on how emerging powers are to fit into the existing international order, to understand it as a "two-way process, where the emerging powers are shaped by, but are also shaping existing and new norms."[8]

These (re)emerging donors are re-entering the development scene and today we "see a new multipolarity in international development"[9] and growing sources of investment and aid "outside" of the western axis, that is also moving away from the standards and guidelines stipulated by the DAC. Among the donors that stand out are the BRICS, who have started to expand on their development cooperation programmes as part of their foreign policy strategies[10].

The New Development Bank

The New Development Bank is a BRICS-led multilateral bank that became operational in 2016. The constitution of the bank is recognised "as a landmark event that has the potential to alter the landscape of development finance."[11]

This was because it was founded by a group of emerging powers, and hence, was seen to have an impact on the arena of development finance. The NDB is also seen as a more equal institution, as unlike the World Bank, where the votes are determined on the basis of capital share, NDB follows the idea of 'one country, one vote', i.e., all members have equal votes; and no member has the veto power.

It was also agreed that each country will have equal share of capital (US$ 10 billion each currently), and no country can increase its share of capital without the approval of other four members of the bank. The NDB has approved 7 projects in all member-states to the tune of USD 1.5 million. The focus of these projects has largely been on energy and infrastructure (including transport).

Renewal of South-South Cooperation

It has now been 60 years since the historic Bandung Conference of 1955, which is regarded as a milestone in the formation of SSC as a global political movement. While Bandung and the NAM embodied the political dimensions of an emergent SSC, the Group of 77, named after the number of countries present at the founding of the United Nations Conference on Trade and Development (UNCTAD), called for the establishment of a New International Economic Order (NIEO). However, by the 1980s, it was evident that Third World Solidarity was in retreat and many had written off SSC during the late 1990s as a failed idea[12]. There is now a new call by a reinvigorated South for a re-intensification of South–South cooperation and for a multipolar world order[13].

This idea of a "new South" has provoked varied reactions. Some believe that the time is ripe for a coming together of Southern economies to forge a kind of contemporary neo-Third Worldism, while critics pointed out that this very success of the South is due to their adoption of the existing dominant neoliberal paradigm[14]. Irrespective of the position one takes, what has become evident is, the idea of SSC is once again drawing attention and that there is a renewed interest in its historic promise to transform the world order. The global financial and economic crisis, the rise of myriad new regional and global platforms and arrangements, as well as the rising economic and diplomatic power of several countries of the south, including the BRICS group, has given impetus to debates on the potentials and pitfalls of this new phase of global politics.

For feminists, the idea of a South-South coming together to demand agency and voice in dealing with the mainstream resonate with the claim women from around the world have made at various times – that is, not to be treated as passive patients, but to have their agency and contributions recognized[15].

BRICS Policy on South-South Cooperation

BRICS, as a strong coalition of emerging economies, has been seen as a forum that is questioning western dominance in international institutions of global governance[16]. BRICS has indeed operated as a "challenge function"[17] in the international arena and offers a change to move to a multipolar universe[18]. The very existence of the BRICS presents an implicit challenge to the US-led world order but without a direct confrontation. It has moved away from the way in which countries of the North and South have traditionally engaged with each other – and therefore, there is potential for another paradigm of "global governance" along with "new regionalisms"[19].

BRICS, as a bloc, has evolved, since its inception, as an important platform for dialogue on diverse issues of socio-economic and political concern to third world countries. South-South Cooperation, therefore, is an important issue for it to focus on.

BRICS-stated position on SSC is expressed as an attempt to build a link of solidarity and extend a hand to those who are excluded. It enunciated this position on SSC by saying:
"The international community needs to step up efforts to provide liquid financial resources for these countries. The international community should also strive to minimise the impact of the crisis on development and ensure the achievement of the Millennium Development Goals. Developed countries should fulfil their commitment of 0.7% of Gross National Income for the Official Development Assistance and make further efforts in increasing assistance, debt relief, market access and technology-transfer for developing countries.[20]"

BRICS has repeatedly positioned itself as a platform to promote South-South cooperation, a detail that was emphasised by Wang Xiaojun, deputy director for programs and operations of the UN Office for South-South Cooperation[21]. At the last BRICS Summit in 2017, Chinese president Xi Jinping underlined the importance of South South Cooperation and North-South Dialogue. He also pointed out that the BRICS nations, along with leaders of five countries from different regions will be discussing "global development cooperation and South-South cooperation as well as the implementation of the 2030 Agenda for Sustainable Development."[22]

One of BRICS' primary vehicle to further its SSC agenda is through the NDB. The NDB itself is seen as unique. It is both a product of, and is controlled by non-Western governments, and has international ambitions, and hence, its membership is open to all members of the UN. (Bank's Articles of Agreement specifies that all members of the United Nations could be members of the bank, however, the share of the BRICS nations can never be less than 55% of voting power[23])

The overall objective of SSC, as expounded by BRICS, includes the sharing of knowledge and experiences that are closer to, and more relevant for, the low-income countries to which they provide assistance in building and strengthening the global partnership[24].

The fact that SSC has become an important consideration for BRICS is evident from the fact that China has established a US$ 2 billion South-South Fund,[25] which is aimed at helping developing countries deal with challenges "such as natural disasters, refugees and climate change". China has also set up an institute for the Study of South-South cooperation alongside a Centre for New Structural Economics at Peking University[26].

BRICS nations view SSC as complementing, rather than conflicting with North-South Cooperation. They enunciated this position at the VII BRICS Summit, held in Ufa, Russia, (July 9, 2015) when they assert, "We are committed to further strengthening and supporting South-South cooperation, while stressing that South-South cooperation is not a substitute for, but rather a complement to North-South cooperation which remains the main channel of international development cooperation. We intend to strengthen partnerships for advancing international development and to begin interaction through dialogue, cooperation and exchange of experience in advancing international development of mutual interest to our countries."

BRICS Model of Development Cooperation

Flows of development financing from the BRICs to low income countries (LICs) have surged in recent years; even though it still remains significantly lower than the DAC countries. Estimates placed China as ahead with foreign aid spending in the broad range of $4 billion to $25 billion annually. According the Council on Foreign Relations, "This higher estimate would make China the second largest provider of aid after the United States." The rest of the BRICS trail behind. Estimates suggest India donates from $680 million to $2.2billion annually, Brazil $400 million to $1.2 billion, and Russia $500 million a year.[27] And the estimates for South Africa pegged at around US$70-94 million. Within the strict OECD definition, BRICS aid may appear to be insignificant compared to G7 but such statistics hide the considerable amount of official non-ODA financing that the emerging powers provide to developing countries.[28]

Besides the amount, the special significance of the BRICS' development cooperation is the nature of assistance. The BRICS countries position themselves as providers of a different kind of development assistance. Their model, they claim, is based on more equal partnerships between the countries and also encompasses not only technical and financial assistance, but also to strengthen trade and investment[29].

The BRICS (especially BICS) have made use of their extensive experience as donor and recipient of aid in crafting their practice. Their stated philosophies for development financing differ from those of "traditional donors" (OECD-DAC members) in three significant ways, according to Nkunde Mwase and Yongzheng Yang[30]. "BRICS engagement, with the exception of Russia, is founded on a model of mutual benefits. Most of the financing has been concentrated in the infrastructure sector to support productive activities. Russia, similar to traditional donors, has recently focused on social spending, seeing poverty reduction as the main objective of their ODA. China, has tended to provide non-cash financing for projects." They also point out that the aid provided by BRICS has fewer conditionalities as it construed this as an intrusion into the sovereignty of the country; whereas traditional donors often include issues of institution-building and governance.(ibid). Another point of departure is the manner in which debt sustainability is defined, with BRICS tending to focus on "micro-sustainability of individual projects" in contrast to traditional donors who are more focused on long-run debt sustainability[31]

Russia's development assistance, covers the traditional issues of health, education, and energy security, and now, food security has also become a special focus area. China and India are keen on providing technological training and transfers, and also making available concessionary loans, lines of credit, and resource equity swaps. South Africa's assistance is marked differently as it has played a lead role in security and peacekeeping efforts in Africa[32].

BRICS has subscribed to a broader view of development assistance (other than aid or concessional loans) and states that it encourages the "exploring of the possibilities of skills development cooperation through implementation of the international best practices, including relevant World Skills programmes".[33] The idea of mutuality and job creation are central to this initiative. These are in keeping with the principles of South-South Cooperation and the expanded idea that the partnership can take different forms.

These forms of assistance poses methodological challenges to measuring aid, as usually it is reduced to a single variable, i.e. the economic (usually itself reduced to trade, aid and investment figures), which is inappropriate[34]. "There is, therefore, an underestimation of the value and volume of development aid by non-DAC countries as it is often 'in kind'.[35] BRICS, therefore, are well-placed to challenge the traditional values and measures of what constitutes development assistance.

Relationship with traditional donors

Despite this underestimation of its contribution, the 'traditional' donor-community have started to grant more serious recognition of BRICS' potential power and influence. Though not recognised as aid contributions under the OECD's Development Assistance Committee (DAC) framework, they nevertheless represent an important contribution to regional development and stability.[36]

Over the last few years, official discourse offers nodding recognition of these 'new development partnerships'. These shifts are taking place even as traditional donors are also now focused on attempting to redefine their own role within a development landscape that is in a state of flux, and to coordinate with (or arguably co-opt) these 'new' actors[37]. This raise in non-traditional donors has been termed as a 'silent revolution [that] has turned into a noisy (and somewhat confused) process of evolution and change."[38]

The response from the 'traditional' aid and development community to this has been mixed. Some view it as an expansion of aid and enhancing the forms of development cooperation that is well-placed. However, others view them with suspicion and a threat to the future of developing countries as their non-conditionality approach to development cooperation could lead to the watering down of standards and a waste of resources on unproductive investments.[39] Others have criticised rising powers, such as China, as 'rogue donors' who are using aid to obtain rights for the extraction of resources. (ibid)

BRICS, for its part, has been wary of the traditional donors thwarting its ambitions. They have viewed some of the negotiations at the various development cooperation negotiations as backdoor ways for the traditional donors to dictate terms to them and impose standards that would serve to restrict BRICS.

The world of development cooperation has changed sustainably over the last decade. The Fourth High-Level Forum (HLF) on Aid Effectiveness in Busan 2011, where the Global Partnership was created, is thought of as the watershed. It provided a platform for regular engagement of DAC-member donor countries with a broader range of actors, including the governments from rising power countries such as the BRICS.[40] It was historic in that it shifted the notion of aid effectiveness and brought on board a far wider and more diverse set of development actors. As Atwood remarked, 'We are no longer a world of donors and recipients; we are a world of partners: that is what Busan is about.'[41] This resonates with BRICS' stated philosophy that development support should allow countries to follow their own path to development.

However, BRICS was also uncomfortable with some of the issues that were raised at Busan. One of these, that highlight the tensions and contradictions being played out, is around the issue of transparency.

Transparency, as an issue, gathered more momentum by 2008 at Accra when developed and developing countries came together and endorsed the Accra Agenda for Action (AAA). Transparency, in terms of aid delivery mechanisms, procurement procedures, the use of development resources and also being transparent to the public about the results of development cooperation, was highlighted in the document. The issue gathered steam in Busan. It became controversial because, although it was presented as an issue of governance and efficiency, the idea of setting international standards *(as attempted by the International Aid Transparency Initiative (IATI) and Open Aid Partnership, a World Bank Institute initiative that was launched in Busan) received a tepid welcome from BRICS. On one hand, the BRICS had pushed for greater transparency by DAC, but on the other hand, this issue was perceived as a stick that would be used to beat BRICS and help maintain the dominant position of DAC.[42] It would appear that the* Busan Partnership document did take into consideration the concerns of the new SSC providers, and therefore, the language around the monitoring frameworks stated that it would be voluntary rather than binding.[43]

The space for useful dialogues between the two groups, OECD and BRICS, has been limited. One that offers potential to bridge the gap is the 'China-DAC Study Group'. The China-DAC Study Group brings together national and international officials, experts, private sector and civil society participants and is aimed "at facilitating mutual learning between China and DAC members/observers on how to deliver quality aid to support more effective development and poverty reduction in developing countries."[44] Another method that developed countries have employed to engage with SSC is through 'triangular' cooperation".[45] Triangular cooperation are tripartite collaboration and partnerships between South-South-North countries. Traditional donors have used this to offer support through financial, technical or other means to new donors. However, there are questions whether this, in fact, can create an additional channel for developed countries to shape the development agenda.[46]

Responses to BRICS Development Cooperation

Civil society, too, had mixed responses to BRICS SSC programme. For some, emerging donor aid programmes are celebrated for their departure from the neoliberal norms of the OECD's Development Assistance Committee and as providing a mutually beneficial form of developmental assistance as an alternative to the dominant aid paradigm. Some observers see them as insignificant or as using aid in rather similar ways as other donors that they themselves received as BASIC countries – and therefore nothing to celebrate.[47] The agenda being pursued is merely "neo-liberalist with southern characteristics."[48] And that policy of non-interference by BRICS in the internal matters of sovereign states could become a way for dictatorial or corrupt regimes to continue "business as usual" and dilute democratic principles and weaken the future aid architecture.[49] Better Aid argued that there should be a clear accountability for the implementation of the entire Busan declaration especially on the particular status of countries that are both recipients and providers of aid.[50]

Critics also argue that BRICS deploys the discourse of South-South Cooperation (SSC) in Africa and this allows the group to dominate economically and push agendas politically while continuing to expand their legitimacy by masking these as solidarity support. Challenging them becomes more difficult as it is presented as a relationship of mutual benefit. Added to that is the fact that it is now harder to identity the domain of development cooperation as distinct from global business as the MNCs of BRICs are engaged and compete in developing countries of the south and new fields of modes of development cooperation have also simultaneously opened up.[51]

The policies of BRICS do not explicitly show a commitment to human rights, though it has in place an Environment and Social Framework and its foundation documents and summit declarations have emphasised poverty eradication. The absence of clear human rights frameworks to guide southern development cooperation on trade and investment is a matter of concern and a demand that civil society has articulated.[52]

Other concerns, that include the low levels of commitment of BRICS and NDB to issues of transparency, is low. For example, all documents and information regarding projects are still hard to come by. In its day to day working, the NDB stance on the issues is that sharing of information about the project should be in keeping with national level policies. While this may be seen as respecting of the countries' right to determine its own policies, this could also serve to severely water down the commitment to keep people in the know.[53] Therefore, holding it accountable regarding its commitment to development cooperation becomes more difficult.

Yet another contentious issue is that of sustainable development – which is one of the two main focus areas of the NDB (the other is infrastructure). NDB has an attempt to mobilise resources given the recognition that 'developing countries need additional resources for sustainable development'.[54] Therefore, the commitment to sustainable development is at its core. However, while the phrase "sustainable development" peppers many of its documents, the NDB treats it as self-explanatory and does not define the criteria by which a project will be considered "sustainable". In a critique of NDB's Environmental and Social Framework (ESF), civil society organizations have pointed out that there is a lack of clarity on NDB's stand, and that it has not developed sustainability-criteria by which projects will be screened. The ESF "also does not reflect NDB's sustainability mandate, allowing financing of activities contrary to that mission, such as unsustainable extractive industries, nuclear energy, coal, large-scale hydroelectric, etc."[55]

Women, too, are missing from BRICS in its declarations, forums and programs. Feminists have recognised the need to engage with BRICS and New Development Bank, given the growing might of these two organisaitons and that policy decisions of these organisations affect thousands of women.[56] They have also gone beyond to suggest that the contours of a potentially truly transformative model can emerge if the NDB should move from seeing women as a target group who need special ladders within a framework of economic development, to recognizing, supporting and enabling them to become economic and political agents who become the engine of growth.[57]

Some of the criticisms against South–South cooperation, like BRICs, has been that they are creating 'new dependencies' and that this actually heighten indebtedness of impoverished nations.[58] Current data is inadequate to arrive at any conclusion, but what must be also noted is that the dismissing of South- South Cooperation is often also "ideologically-driven propaganda"(ibid). This does not preclude a need to understand the unequal power relations and the long-term impacts of the relationship of BRICS with other countries. It reflects new needs both among the donors (access to resources and markets rather than geopolitical power) and among recipients (unilateral market access and debt cancellation).[59]

It is still unclear if the principles of SSC, such as equality, mutual benefit, etc., are upheld in the projects that BRICS support. However, an interesting view on this is that we should not underestimate the possible ways in which non-traditional donors' development cooperation with African economies helps that is beside the direct effects on these economies. This support also allows them to greater power to negotiate with traditional donors. Fantu Cheru offers us a more nuanced view of the relations between African countries and rising powers.[60] Cheru points out that Ethiopia successfully harnessed relations with emerging donors to push for greater space in negotiating with other donors. Ethiopia has benefitted through a wide range of aid and technical assistance programmes focused on capacity building, even though there is currently a trade deficit with India. Valid concerns around land grabs by India in Ethiopia have resulted in increased scrutiny of the activities of large investors in agriculture. Cheru concludes that, by being pragmatic, the Ethiopian government has been able to better craft its own development roadmap. While examining SSC, we should also be careful not to limit our analysis that is centred on state-led initiatives alone. There are growing forms of 'resistance from below' that is manifesting itself increasingly and globally. This challenge 'from below' is equally important in the present era as the actions of governments vis-à-vis each other. However, there has been little space for this engagement.[61] This is especially significant as BRICS has declined to register participants from non-governmental organizations. This lack of room for civil society presence is also due to a wide set of difficulties in civil society-state engagement in BRICS countries. The legal frameworks and policy contexts for such engagement are highly restrictive, with adverse political and regulatory environments.

Possible next steps

Policy: The first urgent task, of course, is for BRICS to develop a policy on development cooperation and establish a common framework for monitoring and evaluation of SSC.

They have the mandate for it following the Ufa declaration of 2012. The first meeting of BRICS senior officials responsible for international development cooperation took place only in December 2015. However, it has yet to formulate its own stand on the issue. It has to also moved away from viewing development cooperation as merely an extension of its geo-political ambition. While mutual benefit is a core principle of SSC, BRICS should ensure that there are no unfair clauses in the policies and practices (such as the requirement to purchase goods and services from the providing country, or the direct provision of experts, labour and materials).[62] Brazil highlight this approach in their development cooperation guidelines, where "provision of development assistance offers significant benefits in terms of building up international bureaucratic experience inside the country and helping national firms internationalise their market activities."[63] The operational guidelines that flow from the policy on SSDC programmes and projects should ensure that the principle of equality in partnerships is followed consistently at every level and stage of cooperation.

1. Coordination on the ground for better results: Right now, there are multiple agencies involved in development cooperation in each of the BRICS countries[64] and there is a lack of clarity on the type, extent and features of development cooperation. A clear policy coupled with an increase in information-sharing by BRICS would result in greater transparency and accountability. "All of the BRICS have agendas for making development cooperation more effective. So far, there is no attempt to pull together a BRICS development cooperation strategy. Indeed, it has been argued that the search for a narrative for Southern powers of development cooperation (i.e. emerging powers) is still a work in progress."[65]

2. Setting Standards: There is a role of development cooperation in ensuring standards and procedures related to an array of issues including environmental and social protection, procurement of goods and services, etc. that need to be observed above and beyond their own legislation and regulation. These standards and procedures have to be determined by BRICS to be in keeping with international standards and working to strengthen the national and sub-national systems. In the loan agreement between NDB and BNDES (Loan No. 16BR01 April 2017), for example, we see that disclosure is within the national framework that states "The borrower shall ensure compliance by the sub-projects within requirements of ESI framework prevailing in Brazil, taking into account the core principles in the NDB Environment and Social Framework."[66] The borrower shall notify NDB as soon as possible on non-compliance and applicable remedial actions are proposed. This gap could allow for institutions, as well as governments to wriggle out of their commitments.

3. Civil society activists have also suggested that there is a need to nuance BRICS' understanding of sustainability and take a holistic view of sustainability and "*move beyond 'doing no harm' to generate transformative positive impact.*"[67] BRICS should develop robust sustainability criteria that become part of its bench-marking process and it should build in incentives that ensure the compliance to these indicators. However, it cannot become an imposer over national laws as this raises questions of sovereignty and the ability of a country to define its own values and approach to development. The application of standards has also to recognize the significant variation in legal frameworks and enforcement capacity across different countries.

4. Working with the GPEDC: Recognising the large amount of negotiating time and political capital that went into striking the agreement that resulted in the Busan Partnership Document, BRICS members could play a more proactive role in the

GPEDC to help it succeed as a 'post-DAC' forum for global standard setting in the field of international development cooperation.

5. Support for the UN: It could also support the idea of an increased UN role on debates and decisions on global development cooperation principles and standards away. This role could be played by UN Development Cooperation Forum (UNDCF), which is part of the UN's Economic and Social Council (ECOSOC). BRICS can be a leader in a strengthened SSC coordination and develop mechanisms to facilitate that.

6. Greater Accountability: BRICS and the NDB should establish an effective independent accountability mechanism which can provide redress for individuals or communities who may be harmed or affected by NDB-financed activities. This includes building a transparent and participatory process to deal with the evaluation of projects and the development of remedies for both short and long-term. It includes developing, promoting and strengthening multiple accountability systems for women's rights and gender equality. This should include *suo moto* publishing of all relevant information in a timely manner and holding regular and open consultations with the most affected communities. While the NDB has a social and environmental framework, experts feel that these principles are more aspirational rather than concrete safeguards that could allow the monitoring of environmental and social performance standards of projects. Experts are also of the opinion that there are sufficient clauses within the existing NDB framework that could give room for the host country to waive off certain standards for certain projects. Further and importantly, based on a reading of its current policies, it does not appear that the bank has put in place adequate mechanisms that could address any adverse impacts of projects on host or local communities. In addition to the above, what is also a point of concern is that the policy formulation of the NDB has neither been transparent nor participatory. It seems to appear that the Bank did not have any public consultations with any set of stakeholders and particularly civil society groups while formulating its policies.[68]

7. Gender perspective: The development cooperation policy, along with the guidelines, have to be vetted from a gender perspective. *Gender Audits* should form part of the project review and feedback mechanism besides being at the end of the progammes. The loan agreement referred to earlier does not require any reporting on gender-based indicators.[69]

8. Civil Society engagement with BRICS should be stepped up:
   Civil Society organisations are pressing for a more structured and formal recognition by BRICS to allow fruitful civil society interaction with BRICS. The participation of political leaders and civil society organizations – including women's rights groups, social movements, farmers, indigenous women, amongst others – in these processes should be promoted, supported and adequately financed.

The roles that were suggested for civil society include monitoring the NDB projects to ensure that they uphold the commitments of BRICS to human rights, equality and sustainability. Besides, there are other tasks that civil society forum could take up like creating and disseminating knowledge as well as building capacities of community organisations and other stakeholders (including perhaps the NDB personnel). However, others see civil society's role as one that proposes and pushes alternative, transformative paradigms – rather than merely tweaking or monitoring progress around given indicators.[70]

Most transnational advocacy networks have tended to target global institutions and processes dominated by the West along a North–South axis, but should also consider other MDBs as they are playing an increasing significant role in the economies of their members and other countries.[71] There have been advances, especially with regard to indigenous and human rights, as well as women's rights, as evidenced by the BRICS Feminist Watch.

Ssewakiryanga (2011), a Ugandan CSO activist, asserts that, 'For civil society, [development effectiveness] is a concept that goes beyond efficient disbursement procedures (which is what aid effectiveness is) to focus on ensuring that human rights are at the core of the way in which aid is delivered'. The basic vision has to be of a world where aid is no longer necessary.[72]

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The Case of China's Development Co-operation in Infrastructural Development in Angola and Kenya

Vitalice Mejia
Reality of Aid - Africa Network (RoA Africa)

Introduction and Background

At the first Forum on China-Africa Cooperation (FOCAC) meeting in 2000, China announced a number of measures to enhance African development in various areas. It pledged doubling assistance by 2009 through the provision of US$3 billion of preferential loans and US$2 billion of preferential buyers' credits, the creation of US$5 billion Africa-China development fund, and cancellation of debt owed by the heavily indebted least-developed countries. (FOCAC 2006)

At the 2015 FOCAC, China and African heads of state agreed to take concrete measures and give priority to encourage Chinese businesses and financial institutions to expand investment in Africa through various means such as Public-Private Partnerships (PPP) and Build-Operate-Transfer (BOT) schemes to support African countries in their efforts to build railroad, highway, and other infrastructure projects. These include African flagship projects, in particular the Program for Infrastructure Development in Africa and the Presidential Infrastructure Championing Initiative (FOCAC 2015)

China committed to offer African countries US$35 billion of concessional loans and export credit line; create new financing models; optimize favorable credit terms and conditions; expand credit scales; and support infrastructure building in Africa among other things. It committed to expanding the China-Africa Development Fund from US$5 billion to US$10 billion. China has also established the Assistance Fund for South-South Cooperation to support African countries in implementing the 2030 Agenda for Sustainable Development.

Chinese South – South Development Co-operation in Context

China formulated its African Policy Paper on China-Africa bilateral cooperation in the context of its South-South Development Co-operation (SSDC). The policy paper is consistent with the "go abroad" policy of the Chinese government to promote an increase of Chinese investment in foreign countries, especially in Africa, as well as strengthen the collaboration between African countries and China. The policy paper covers the following pillars:

- Political pillar covering high-level visits, exchanges between legislative bodies, political parties and local governments, and cooperation in international affairs.
- Economic pillar covering trade, investment, finance, agriculture, infrastructure, natural resources, tourism, debt relief, investment and multilateral cooperation.
- Human resource development with a focus on education, science, culture, health, technology, media, administration, consular services, environment, disaster mitigation, humanitarian cooperation and people-to-people exchange.
- Peace and security with a focus on military affairs, conflict settlement/peacekeeping, judiciary and police. (FOCAC 2006)

Chinese instruments of development co-operation have thus been designed to support progress in the four pillars of development co-operation. In fact, over the years, Beijing has restructured its development co-operation policy and imposed more restrictions. Interest-free government loans have become discounted loans offered through Chinese banks and aid grants have been replaced by joint ventures and other forms of cooperation.

Chinese assistance, therefore, goes beyond the concept of ODA as defined by the Development Assistance Commitee (DAC) of the Organization for Economic Cooperation and Development (OECD). It includes various types of economic and political cooperation, such as grants, loans, export credits, trade and investments – some of it equivalent to the DAC's ODA concept while others are not. It is therefore difficult to separate instruments of Chinese development co-operation from other types of economic cooperation.

Management of Chinese South - South Development Co-operation

China's State Council, which is the highest executive organ of the state administration, is the oversight body that oversees all SSDC programs of the Chinese state. It decides on the portion of the national budget that is designated to SSDC at the beginning of the budgetary year. The Ministry of Finance is responsible for drawing up the Development Co-operation budget in consultation with the Ministry of Commerce.

The Ministry of Commerce, specifically the Department of Aid to Foreign Countries, coordinates China's foreign aid policy including inter-governmental agreements, and reviews requests from the Ministry of Foreign Affairs on foreign aid. Other relevant institutions are the respective ministries and local embassies in Africa that are tasked with monitoring implementation of aid that falls under their jurisdiction and expertise (Davis, Edinger, Tay and Naidu: 2008). A number of different bodies also play a role in the management of the various projects after the implementation begins. In addition to the local embassies, EXIM[1] bank loans are closely monitored by the Bank itself.

Criteria of Chinese aid

The Government of the People's Republic of China's basic criteria for funding a project through concessional loans is as follows:

- The project should be approved by both the Chinese Government and the Government of the borrowing country.
- The project should be technically feasible and can generate favourable economic returns.
- The project should be of good social benefit.
- Chinese enterprises should be selected as contractors/suppliers ahead of other countries.
- Equipment, materials, technology or services needed for the project should be procured from the People's Republic of China ahead of other countries.
- In principle, no less than 50% of the procurements come from the People's Republic of China.

The concessional loans availed by the Government of the People's Republic of China have the following terms:

- Management Fee is calculated on the basis of the total amount of the loan and paid in one lump sum before the first draw down;

- Commitment Fee is calculated on the basis of the withdrawn amount of the Loan and paid on interest collection dates; and
- Repayments are made semi-annually on 21 March and 21 September of every year after the grace period.

The Buyer's Credit Loans for developing countries have the following terms and conditions:

- The borrower should be a foreign importer, or the importer's bank, or Ministry of Finance or other authorized government institutions of the importing country, and should be acknowledged by Exim Bank of China. The borrower should also have reliable credit standing, and should be capable of paying all the principals and the accrued interests and related fees and charges of the loan as prescribed in the agreed repayment schedule.
- In the event that the borrower is not the Ministry of Finance, a government guarantee may be required if the balance sheet of the borrowing institution is not satisfactory.

Country Cases

Angola

Angola is Sub-Saharan Africa's second largest oil producer and the world's fourth largest producer of diamonds (6.3 million carats in 2003). There has been, however, limited progress toward social and economic normalization, and much more remains to be done to improve the transparency, accountability, and efficiency of government; increase effective social spending (especially in health and education); rehabilitate destroyed infrastructure; and rebuild national capacity devastated by decades of conflict. Corruption and mismanagement of public resources remains an obstacle to people's empowerment.

Nevertheless, strong economic growth, supported by political stability, stable inflation, financial security and rapid improvements in infrastructure realized over the last decade has distinguished Angola as one of the most vibrant economies on the continent (see table 1).

Table 1: Angola's Economic Outlook

Public Finances (percentage of GDP)	2010	2011	2012	2013	2014	2015
Total revenue and grants	43.5	48.8	45.8	42.5	38.4	36.2
Tax revenue	6.7	6.1	5.6	5.7	5.9	6
Oil revenue	36	40.2	38.5	35	30.8	28.5
Total expenditure and net lending (a)	34.9	38.6	37.1	40.1	43.4	43.1
Current expenditure	29.5	29.9	25.8	28	30.5	30.3
Excluding interest	27.3	29	24.9	26.5	29.6	29.6
Wages and salaries	10	9	8.5	8.4	8.1	7.7
Interest	2.2	1	1	1.5	0.8	0.7
Capital expenditure	5.5	8.6	11.2	12.1	13	12.8
Primary balance	11.4	11.2	9.7	3.9	-4.2	-6.2
Overall balance	9.2	10.2	8.7	2.4	-5	-6.9

Source: Government of Angola 2016

Angola is amongst the largest recipients of Chinese investment in Africa. Angola is strategically important to China for a number of reasons. First, its vast oil deposits make it attractive to China's national oil corporations which are aggressively pursuing oil assets and support China's search for energy security. Second, as an African west coast economy, Angola has great potential as a gateway to the region, especially to Central Africa, in particular, the DRC. Angola is also one of the most fertile agricultural regions in Africa offering great potential for commercial agricultural development. Angola is currently China's largest African trading partner, with bilateral trade amounting to US$ 25.3 billion in 2008, dwarfing even China's trade with South Africa at US$ 17.8 billion. Such strong trade figures are primarily on the back of previously high oil prices. Currently more than 30% of Angola's crude exports go to China. China has pledged to increase its oil imports from Angola, and it is hoped that an uptake in Chinese demand will mitigate flagging exports to other countries amid the global financial crisis.

The relations between the Peoples Republic of China and Angola date back to the fight for national independence through the first financial assistance and military training in the 1960s and '70s. From the year 2000, the two countries renewed their relations with Angola seeking to rebuild its economy and the infrastructure destroyed by 27-years of civil war, while China seeks oil and investment opportunities for its private and state-owned enterprises.

Development co-operation between China and Angola grew in late 2003, when a "framework agreement" for new economic and commercial cooperation was signed by the Angolan Ministry of Finance and the Chinese Ministry of Trade. The following year, the first $2-billion financing package in concessional loan for public investment projects was approved, payable over 12 years. At the time, project proposals identified as priorities by the respective Angolan ministries were put forward to the *Grupo de Trabalho Conjunto,* a joint committee of the Angolan Ministry of Finance and the Chinese Ministry for Foreign and Commercial Affairs for review and funding.

Coordination of Chinese development co-operation in Angola is under a special office under the Angolan Presidency. In 2005, The President formed Angola's Reconstruction Office, *Gabinete de Reconstrução Nacional* (GRN), which is exclusively accountable to him to manage large investment projects and ensure rapid infrastructure reconstruction. According to Campos and Vines (2008) and Corkin (2007), the GRN was also created on the assumption that the ministries would not have the organizational and technical capacity to manage the large inflows of money for reconstruction.

The bulk of Chinese financial assistance is reserved for key public investment projects in infrastructure, telecommunications, and agro-businesses under the Angolan government's National Reconstruction Program. The China Construction Bank (CCB) and China's Exim Bank provided the first funding for infrastructure development in 2002. Since the CCB and Exim Bank funding was provided directly to Chinese firms, the Angolan Ministry of Finance had little input in these arrangements (Campos and Vines 2008). The main Chinese development assistance instrument to Angola is in the form of commodity-secured loans. The guarantor of the loans is the National Bank of Angola. The guarantee is strengthened by a commitment to adjust the quantities in the oil supplied to China. The credits are directed to public investment projects. Intermediate goods are imported from the relevant companies in China.

China in Angola's Infrastructure

China's growing need for raw material resources has made the Chinese government one of the most important partners for development co-operation in the South. The Chinese government has succeeded in securing the supply of oil from Angola through a number of agreements. The agreements include a number of partnerships in infrastructure rehabilitation and development that are financed through oil-backed loans. China also ensures that the Angolan government has a number of Chinese construction firms to do the job required by the signed agreements. For example after making the selection of the necessary companies for a given infrastructure project, the Chinese government provides it to the Angolan government. The Angolan government is then supposed to use the Chinese loan to fund construction projects while considering the fact that around 70% of the construction companies involved in those projects have to be Chinese.

The China Construction Bank (CCB) and China's Exim Bank provided the initial funding for infrastructure development in the country in 2002. Chinese investment in the rehabilitation of infrastructure rose to more than USD 4.5 billion by 2003. Sino-Angolan cooperation has led to the rebuilding of national roads, the building of a new airport in the outskirts of Luanda and other major infrastructure projects in the country. Major infrastructural projects are implemented by Chinese companies. One of the largest projects is for the $59.4 million upgrade of a road in Lunda Sul Province, which will be handled by the China National Machinery Industry Corporation Group. Other key projects include rebuilding the roads from Caconda to Chicomba and Caconda to Rion Ngalo. These are carried out by the China Railway 20 Bureau Group Corporation, with the work costing an estimated $58.8 million.

Angola signed nine new cooperation agreements with China in 2004 as a result of a visit to Angola by the Chinese Vice Premier, ZengPeiyang (Corkin and Burke, 2006). These agreements, which are meant to support projects in the fields of agriculture, energy, water, education and mass media as well as infrastructure, were signed by the Angolan Ministry of Finance and the China EXIM Bank (Corkin and Burke, 2006). In January 2005, the China Exim Bank extended an oil-backed US$1 billion credit line to the Angolan government, later doubled and then further increased to US$ 3 billion in March 2006. This makes China the biggest player in Angola's post-war reconstruction process (Corkin and Burke, 2006). The loan – payable at 1.7 percent over 17 years – was intended to assist in the rebuilding of vital infrastructure. In exchange, Angola provided China with 10,000 barrels of oil per day. This agreement was significant, particularly because Angola had, at the time of the agreement's conclusion, been experiencing difficulties in securing capital from international financial institutions such as the Paris Club, IMF and the World Bank.

The most popular construction projects in Angola are road and bridge infrastructure, water infrastructure and railway rehabilitation (Corkin and Burke, 2006). For example, the rebuilding of road that was destroyed in the 1975-2002 civil war was undertaken by the China Road and Bridge Corporation (CRBC). The project involved building 10 new bridges and repair and construction of 200 aqueducts employing 3000 Angolan and Chinese workers for over two years. This project was funded from a US$ 211 million loan.

Most Chinese SSDC projects are implemented through state-owned or state-invested enterprises of the Chinese state. The Chinese state-owned enterprises (SOEs) receive great assistance from the Chinese government in terms of available information on the market tenders in Angola, and capital. The projects are supported by Chinese oil-backed loans which are included in the cooperation agreement between the Chinese and Angolan government. Chinese companies are able to overcome barriers to entry faced by other companies due to the capital provided by China as well as the lower interest rate provide by the EXIM bank.

The Angolan government also has to create enabling conditions for the co-operation to take effect. The government of Angola has allowed Chinese companies to pay their laborers lower wages while their competitors have to follow the labor policy in place. The government has also given Chinese companies tax allowances to import the raw materials for construction they need from China.

In the implementation of these projects, Chinese companies cite local barriers such as the poor quality of local inputs including labor and construction materials. They observe that the lack of African skilled employees as well as the lack of trust of Chinese employers towards local labor has resulted in only 8% of the labor requirements sourced locally while the rest are imported from China. The language barrier may also be one of the reasons Chinese companies prefer to hire Chinese workers. However, the institutional distance between the construction firms and the community poses a challenge for democratic ownership of the various development projects initiated by the Chinese state-owned firms.

Kenya

Since 1996, Kenya has attracted both public and private investments into the country's economic infrastructure sectors. Kenya's Vision 2030, the country's development blueprint, aspires to transform Kenya into a newly industrialized middle-income country, with high quality services and facilities. It gives high priority to investments in all infrastructure sectors.

Kenya's Africa Infrastructure Country Diagnostic (AICD) report estimates that the country's infrastructure deficit will require sustained expenditures of approximately $4 billion per year (around 20% of GDP) over the next decade. As of 2006, Kenya needed an additional $2.1 billion per year (11%of GDP) to meet that funding goal. The estimated requirements shot up considering the desire to meet the vision 2030 and remain the regional hub for East Africa and beyond.

The provision of adequate and high quality infrastructure services remains the biggest challenge to the development of Kenya. Currently, the Government of Kenya faces a growing gap between public investment needs and available resources to finance them. Indeed, the Government and traditional development partners have over the years been the main financiers of public infrastructure and services. However, this has been limited by the level of resources available.

In order to export produce from Kenya, the country needs effective transportation infrastructure. Current transport infrastructure in Kenya amounts to 177,500 KMs of roads, with 63,000 KMs making up classified (read major) roads and 114,500 KMs of unclassified (read rural) roads. Major investment is still required for approximately 40% of roads that need maintenance, mainly in the rural areas. Connecting these areas is clearly the key infrastructure task at hand for the Kenyan government. To its credit, it has actively tried to encourage such development, promoting itself as a stable and geographical "gateway" to Africa.

National Development Framework

Kenya has the Vision 2030 which sets forth the national objective of transforming Kenya into a globally competitive, middle-income country through substantially higher growth rates and more balanced development. The Kenya Vision 2030 recognizes the importance of developing infrastructure for socio-economic transformation. The Infrastructure Sector aspires for a country with modern metropolitan cities, municipalities and towns with infrastructural facilities that meet international standards to make Kenya a globally competitive and prosperous country. The strategies and measures to be pursued in the medium term include: supporting the development of infrastructure initiatives around flagship projects; strengthening the institutional framework for infrastructure development; raising the efficiency and quality of infrastructure as well as increasing the pace of infrastructure development.

The Vision 2030 seeks to realize average annual GDP growth rates of 10%, through investments in priority infrastructure sectors including specific national flagship development projects. These are to be financed and implemented through 3-year medium-term plans. Kenya is currently implementing the MTP II which runs up to 2017.

Kenya - China Relations

Kenya-China relations date back to 14 December 1963, two days after the formal establishment of Kenyan independence. China became the fourth country to open an embassy in Nairobi. The Sino-Kenyan relationship was centered on promoting trade between the two countries. China has its largest African embassy in Nairobi. China currently gives both monetary and non-monetary aid to Kenya covering loans and grants for a number of projects and concessional loans for construction of various roads in the country.

China's assistance to Kenya is exclusively project-based. It mainly supports investment in infrastructure, equipment and plants; academic training; technical training; human relief; and tariff exemptions. China has given Kenya grants and loans for infrastructure, plants and equipment. These are mainly in road construction projects; modernization of power distribution; rural electrification; water; renovation of the international sports centre; medical centers and drugs for fighting malaria; and construction of a malaria research centre. China has for a long time awarded scholarships to Kenyan students wishing to undertake their studies in China in diverse fields. *Table 1* shows the magnitude of China's support to Kenya's infrastructure.

Table 1. China Aid to Kenya on Infrastructure in Kenyan Shillings

	2015/2016					2015/2016				
	Draft Estimated (KES)					Draft Estimated (KES)				
	GoK	**Grant**		**Loan**		**GoK**	**Grant**		**Loan**	
	Amount	**AIA**	**Revenue**	**AIA**	**Revenue**	**Amount**	**AIA**	**Revenue**	**AIA**	**Revenue**
Ministry of Transport and Infrastructure										
Gambogi-Serem Road		0	0							
Nairobi Eastern and Northern Bypass Project	2 Billion									
Nairobi-Thika Highway Improvement Project (LOT 3)	2 Billion			500 Million	0					
Nairobi Southern Bypass Project	2.5 Billion			5.1 Billion	0				5.52 Billion	0
Standard Gauge Railway				3.88 Billion						

*100 Kes – 1 USD
Source: Compiled by the Author

In 2006, Kenya and China signed six agreements signaling closer economic and technical cooperation between the two countries. The signed agreements included the Economic and Technical Cooperation Agreement on the provision of concessional loan by China to Kenya; and the Air Services Agreement which grants Kenya Airways landing rights in several cities in China. Also signed were agreements on Radio Co-operation between the State Administration of Radio, Film and Television of China and the Ministry of Information and Communications of Kenya; and a collaborative agreement between the General Administration of Quality Supervision Inspection and Quarantine of China and Kenya's Bureau of Standards. This cordial relationship between the governments of Kenya and China has facilitated the award of the tender to improve various infrastructural projects to Chinese contractors. (Mugendi: 2011)

China on Kenya's Infrastructure

China has continued to develop major transport links to support its own economic interests both in Kenya and in the region covering Uganda, Rwanda and the DRC. There has been an increase in Chinese investment in Kenya particularly in the infrastructure sector. Chinese companies have been involved in the construction of major road networks in Kenya, for example, the Nairobi-Thika Highway, the Airport Road in Nairobi; the Kipsigak-Serem-Shamakhokho Road in Rift Valley; the Kima-Emusustwi Road and the Gambogi-Serem Road in Western Kenya. Chinese investment in Kenyan roads began in 2006 and has resulted in the rehabilitation or construction of approximately 905.4 kms of road at an estimated cost of €316 million over a four-year period.

The Chinese strategy for infrastructural construction has been marked by developing either extremely long stretches of motorway or concentrated networks within major cities. Chinese firms have, for example, sought to ease traffic congestion in cities such as Nairobi by completing by-passes in the north, east and south of the city, and by linking the Jomo Kenyatta International Airport to the city centre. Where motorways are concerned, the Chinese have invested approximately €200 million in the rehabilitation of the Nairobi-Mombasa road.

Table 2: Kenya's Project Management Process

The Project Process

The Government has an operating framework for assigning roles and responsibilities of key public entities in the preparation and implementation of PPP projects during their life cycle.

i) Project Identification, Selection and Prioritization: the first step in determining the technical profile, operations, service delivery targets, and future income and costs of the project, the Ministry, Department and Agency (MDAs) perform a needs analysis through a survey. For those PPP projects that require the collection of user fees directly from consumers, the policy proposes that there be a survey to confirm whether revenues paid by customers will be sufficient to make the project financially viable;

ii) Project Preparation and Appraisal: The conduct of a social cost benefit analysis, a full investment appraisal that determines the commercial sustainability of the project, project description, and any requirements for land acquisition or other Government support, the affordability of the project's proposed tariff path for users, the bankability of the project based on optimal risk sharing and consultations with stakeholders to ensure their interests are considered;

iii) Project Tendering: This shall be consistent with the PPP Act. As a general principle, projects should be tendered with a maximum of information provided to the potential bidders, including the level of Government support to be extended to the undertaking;

iv) Project Negotiation: Guidelines shall be developed to include guidance in preparing and organizing for the negotiations with first ranked bidders, and the approval procedures required from oversight state departments such as the state department responsible for treasury and/or the state department responsible for fiscal management;

Project approvals: The approval of PPP projects shall be done in accordance with the PPP Act.

vi) Project Monitoring and evaluation: this step involves development of a monitoring and evaluation plan aimed at reviewing PPP project performance to ensure compliance with the project agreement during implementation and operation period and to ensure that the transfer of assets at the expiration of the project agreement is consistent with the terms and conditions in the project agreement.

While the Kenyan and Chinese governments deal bilaterally on infrastructure development, Chinese firms carry-out the work while Kenya's role is limited to the identification and the processing of the project for Co-operation as well as providing an enabling environment and facilitation[2] for project implementation, as outlined in *table 2* above.

Project Cases: Thika Highway and Standard Gauge Railway

The Nairobi - Thika Highway Improvement Project

The Government of Kenya (GOK) solicited the financial assistance of the EXIM Bank for the rehabilitation and upgrading of the Nairobi-Thika highway. The Nairobi-Thika road is part of the classified international trunk road A2 which originates in downtown Nairobi and extends to Moyale at the Ethiopian border. The section operated beyond its capacity, accommodating more than 30,000 vehicles per day. In addition, its condition had deteriorated, hence, requiring rehabilitation. Three Chinese companies were involved in the substantial improvements to increase the road's capacity which entailed the construction of additional lanes and six interchanges. These included China Wu Yi (Kenya) Corporation, Sheng Li Construction Company and Sinohydro Company.

The Improvement Project in Kenya was intended to achieve the following three objectives: improve road transport services along the Nairobi-Thika corridor and reduce traffic congestion; develop a sustainable urban public transit system for the Nairobi Metropolitan Area; and boost private sector participation in the development of road infrastructures. The government notes the following benefits from the project, improved traffic flow into and out of the city; and reduction in fuel consumption, which translates into economic savings for vehicle owner. The benefits in the economic evaluation include vehicle operating cost savings, travel time savings for passenger and cargo, and road maintenance savings.

The Standard Gauge Railway

The Standard Gauge Railway (SGR) is a flagship project identified by the Government of Kenya as a transport component aimed at delivering Vision 2030 that would make Kenya a middle-income country by 2030. The SGR project is proposed to connect Mombasa to Malaba on the border with Uganda and continue onward to Kampala, Uganda's capital city. It will further run to Kigali in Rwanda with a branch line to Juba in South Sudan. Branch lines along the route will extend to Kisumu, Kasese and Pakwach. It seeks to simplify transport operations across the borders and reduce travel costs, apart from benefiting the economies of Kenya and the neighbouring countries. Construction of the 609km-long line began in October 2013 and is scheduled to be completed by December 2017. The Mombasa-Nairobi phase of the project cost KES327bn ($3.8bn). China Exim Bank provided 90% of the financing while the remaining 10% was contributed by the Kenyan Government. (KRC Website)

Analysis of the Findings from the two countries from HRBA Perspectives

It is important to note that Chinese co-operation with Angola and Kenya are largely driven by the funding instruments and support given by the government of China. Unfortunately, most of the instruments provided are marked with the desire to pursue economic interests of China, on the one hand, and the demand for physical infrastructure on the Angolan and the Kenyan side. Issues surrounding human rights and people's empowerment remain aspirations that are only alluded to but are not tackled directly by both sides of the co-operation.

Angola

Civil Society Organizations (CSOs) have a crucial role to play in ensuring that the boom in Angola's new trade with China is managed in a manner that contributes to the eradication of poverty as well as sustainable economic growth and development. However, the relationship between CSOs and the state is less than facilitative for this role. The institutional and legislative framework governing CSOs and the enforcement capacity of the state is designed to deter CSO input into the discourse on Chinese assistance. CSOs are dismissed as placing 'democracy' ahead of 'development' as well as being agents of the West. Some CSOs face blanket condemnation as groups that are anti-development and exploitation of natural resources by foreign companies. The Angolan government sees CSOs as hindrances to its attempts to encourage China's contributions to Angola's development. There are also no attempts by both Chinese and Angolan governments to support the growth and development of CSOs promoting accountability thereby greatly limiting the accountability to the people of China-Angola cooperation.

There are concerns over limited transparency in the use of Chinese funds. There are no sufficient public information concerning the process and the magnitude of Chinese investments especially from the government arm that manages many of the larger Chinese infrastructure projects. There are fundamental questions on the procurement procedures governing Chinese construction tenders in Angola and the over-riding authority of the Executive in aid management (Corkin, 2007; 3). Furthermore, Chinese companies flout local labor regulations especially for the expatriates working for their companies. Chinese companies are yet to establish social projects as part of their corporate social responsibility to support local communities where their projects are located.

Chinese projects do not expressly prioritize reduced unemployment as a development goal. Though public investment projects are aimed at improving infrastructure, which will eventually stimulate domestic and foreign direct investment, the Chinese contracts are not in themselves employment-generating. CSOs cite lack of evidence of technology transfer with most sub-contracted firms being Chinese. Most of the skilled labor are Chinese and foreign expatriates.

Only specific Government sectors are engaged in Chinese co-operation and citizen participation in these sectors are very limited or do not exist. The sectors are capital-intensive and heavy equipment-related. Furthermore, only a few individuals in the government are aware of the details of Chinese co-operation as these are managed from the President's office. Civil society has minimal if any awareness of Chinese co-operation and related issues. The few with an interest and understanding of the issues are most often influenced by the emerging discussion at the international level.

There is no involvement of citizens in any kind of activities related to Chinese development co-operation or projects in the country. Other analysts state that Chinese investments in Angola have been implicated in environmental protection offenses, and workers' rights violations. Generally, there is the feeling of weak surveillance within Government institutions of Chinese's projects in the country with regard to their development and empowering aspects.

Kenya

While the Kenyan government exercised leadership in identifying and approving the infrastructural projects, a study done by RoA Africa in 2014[3] revealed that citizen participation in the identification of priority projects was non-existent. It appears that outside the government, the exercise remained as closed to most stakeholders including the domestic private sector. This could be attributed to the technical nature of the process of identification of the projects as well as the lack of a clear framework and structure within which to facilitate public participation in the process.

This lack of public and stakeholder participation led to challenges during implementation as most of the projects identified required large tracks of land currently occupied by the population. Citizen involvement is paramount in such a process as they are not only beneficiaries of the infrastructural projects but also active players in the success of the projects. It must be noted, however, that the involvement of the cabinet in the approval of projects indicates a strong political buy-in from the government implying strong commitment from the government side.

The project seems to be supply-driven with little community participation and ownership of the construction of large installations. Government involvement is also limited to providing guarantees and creating an enabling environment for the investment to take place.

There is no support to community and civil society initiatives based in the areas where the projects have been initiated through the Community Development Trust Fund. There is no Community Environment Facility for NGOs/CBOs to facilitate the awareness and advocacy campaigns on land rights and access to land for pasture.

China EXIM bank has remained true to its objective of profit-making, and the project requirements reflect the same. This is seen in the context of the emphasis on the technical soundness of the investment in terms of returns. In the context of Kenya where the demand for infrastructure is, at this stage, needed for development purposes as opposed to merely securing profit, there is a need to address tradeoffs rather than stick to an unrealistic win- win rhetoric.

The requirements put emphasis on benefiting Chinese economic interests and Chinese companies but have little to do with people's empowerment and the development impact of the two projects enumerated above. It is heavily driven by the need to supply Chinese capital, companies and technology but there was no evidence of backward linkages with local companies and supply chains as well as partnership with local companies and communities.

The Chinese support requirements are weak on social and environmental impact assessment and focus more on the delivery of the project on a timely manner and at a cost-effective rate.

There is also the issue of endangering the livelihood of fishermen in the ocean during the construction of the Standard Gauge Railway. The fishermen have been affected because the project is going 150mtrs into the ocean from that 150meters is where the fish landing sites are. Their access routes to have their nets, boats, and move into the ocean have been closed. This has made their lives impossible and has caused untold suffering.

Recommendations

Based on the above findings, it is difficult to conclude that the avowed principles of Horizontal SSC is implemented in these cases of SSDC, although there are some elements that have been reflected in the context of country leadership as well as country ownership. However, a lot more would have to be done to bring the concept of Horizontal SSC to bear in the current co-operation arrangements. The recommendations in this section therefore focus on a few elements that could be addressed to support the Horizontal SSC agenda in Kenya, Angola and China.

China's engagement with both Angola and Kenya should promote inclusive partnerships. The current partnerships in infrastructure development are not inclusive. They involve only governmental structures and contracted Chinese private sector. Both governments would need to create structures that involve the participation of citizens who are impacted by them. Furthermore, infrastructure investment projects should also seek to involve local investors who in the current framework have been left out through deliberate financing instruments that currently only target international investors from China.

Make the Co-operation more Transparent and accountable. Horizontal South-South Co-operation is meant to empower and tackle poverty directly. Therefore, the use of Horizontal SSC resources in the context of China, Angola and Kenya in infrastructure development must show clear linkages to the above. Lumping together both concessional finances and investment funds to finance Chinese private sector investments in the current form fails the transparency and accountability of these resources in determining the direct impact of such investments.

Address the Human/ Project conflicts. The Standard Gauge Railway in this study shows conflict between the projects and the communities surrounding the projects. The main problems involve the people's right to fishing grounds, and poor compensation mechanisms. Furthermore, there appears to be neither proper legal representation of the communities surrounded by such projects, nor are there CSO groups to facilitate them to claim their rights. CSOs and human rights defenders need to help secure the rights of communities surrounded by these projects. There will also be a need for more analysis, information disclosure and transparency in Chinese development assistance in infrastructure and its impact on the countries involved.

Strengthen the South- South Co-operation Units. South-South Co-operation, as exemplified in this research, shows that it remains one of the most important instruments for financing development infrastructure in the countries under study. This is not only because of the finances this co-operation is attracting but also in terms of the complexity of instruments used for financing. The government of Kenya and Angola should consider creating SSC units in all the ministries to facilitate the growth and development of the partnership.

Create special standards pertaining to labour and employment conditions, tax regulations, environmental, and export standards. These would require increased collaboration between inter-governmental agencies (i.e. finance, planning, standards, procurement) to reduce incidences of corruption and improve implementation modalities in the Chinese's funded projects to better align them with Horizontal SSDC principles.

Angola and Kenya governments need to conduct research around China's engagement with their respective economies so that they can maximise their benefits. More information should be shared amongst the governments on their relations with China to facilitate beneficial relations. If well implemented, this would result in greater development impact from China's involvement in the countries involved.

Endnotes

1 In 1994, Beijing established the China Eximbank, which set up a fund for concessional loans to support industrial, infrastructure, and social welfare projects by Chinese enterprises.

2 These include land acquisition, tax reliefs, guarantees as well as clearing various regulatory hurdles for the project.

3 Private Sector and Development Finance in Kenya

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Unmasking the Dark Side of South-South Development Cooperation:
Exploring Hegemonies within South-South Development Cooperation that Undermine People's Voices in Energy Policy Choices in South Asia

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Coastal Development Partnership

Introduction

The current global attention, focused on a new set of Sustainable Development Goals (SDGs) that aim to transform the world, confirm that all the previous development approaches have been creating and maintaining inequality, instead of promoting people-oriented development. For the last five decades, the members of the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) have been setting the standards for aid and international development assistance. In recent years, the contributions of middle-income southern countries in international development cooperation have been on the rise. In particular, the emerging southern powers, China and India, have the potential to re-shape the South Asian economic and political landscape in the twenty-first century. However, research on their involvement in the regional development processes or their ways of seeking greater influence in the region is very limited.

This study is a part of the Reality of Aid Network's Policy Research on Operationalizing People-Oriented South-South Development Cooperation (SSDC) through a program of the CSO Partnership for Development Effectiveness (CPDE) under the European Commission. Qualitative tools (in-depth interviews, key informants interviews, public consultations and focus group discussions) have assisted this study to collect primary information. This study reviewed relevant documents from secondary sources to understand the nature, modalities, instruments and trends in energy-related SSDC projects in the South Asian region. This study has developed case studies based on primary and secondary data to depict the impact of SSDC-driven coal-based power projects on people and human rights in South Asia.

South-South Development Cooperation (SSDC) Policies and Practices in South Asia

South Asia is comprised of Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. The region constitutes only 4% of the world's total surface area but provide space for nearly 23% of the world's population. More than half (54%) of the world's multi-dimensional poor live in South Asia. The highest malnutrition and the lowest public health expenditure as a share of GDP in the world belongs to this region. The largest difference between male and female Human Development Index (HDI) value in the World is found in South Asia.

South Asia is one of the major recipients of Indian aid, even as India also receives aid from traditional donors. India has been the largest recipient of Japanese Official Development Assistance (ODA) in South Asia since 2003. In recent years, China has been overtaking traditional donors to South Asian countries. In contrast, India has been decreasing its overall bilateral allocation for grants and loans towards South Asian countries since 2014.

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South-South Cooperation (SSC) is a development cooperation framework for mutually supportive southern developing countries based on the principles of equality, solidarity, and mutual development. SSDC is a form of SSC that includes humanitarian assistance, technical cooperation and concessional financing for improving the socio-economic conditions of Southern partner countries according to their national development priorities. For comparative analysis, this study divides the SSDC cooperating countries into two categories, SSDC Provider (a southern middle-income country that provides aid, financial, technical or other demand-driven services to the recipient country) and SSDC Partner (a southern least-developed or developing country that receives financial, technical or other services as per their demand from another middle-income southern country). In this context, this study has identified China and India as the dominant SSDC providers in South Asia.

Perceptions of Southern CSOs about the differences between the ODA and SSDC	
Official Development Assistance (ODA)	**South-South Development Cooperation (SSDC)**
1. Aims to promote economic development and welfare of the recipient countries 2. Focuses on human rights, women's' empowerment, good governance and promotion of democracy 3. Aid is usually attached with political conditionality 4. Large portion of aid disbursed by cash transfer 5. Donor-Recipient perception guides the partnership 6. Follow the Debt Sustainability Framework 7. Provide assistance according to the perceived needs of the recipient country population	1. Aims to promote mutually beneficial economic cooperation for both the provider & recipient countries 2. Focuses on basic infrastructure construction 3. Aid is usually attached with procurement conditionality 4. Do not usually transfer cash, deliver completed projects 5. Equality and mutual benefit guides the partnership 6. Follow mutual guidelines of development sustainability 7. Provide assistance according to the requirements defined by the recipient country government

In South Asia, state-owned public utilities largely generate, transmit and distribute electricity and designated government agencies are responsible for export and import of electricity. Since 2001, the Asian Development Bank (ADB), in cooperation with the South Asian Association for Regional Cooperation (SAARC), has been fostering energy sector cooperation in the region.

Common Features of the SSDC Policies in South Asian countries	
✓ Aims to gradually reduce foreign aid dependency and build a self-reliant economy ✓ Seek ways to strengthen South-South cooperation ✓ Do not consider financial contributions from developing countries to other Southern countries as ODA	
SSDC Providers (China and India)	**SSDC Partners (Bangladesh, Nepal and Sri Lanka)**
1. Aims to bring direct and visible benefits to the SSDC partner country	1. SSDC shall follow development priorities, policies, strategies and planning system of the country

2. Fills the infrastructure development gap left by traditional donors 3. Draw lessons and experiences from the past and from SSDC countries 4. Foreign policy goals determine SSDC 5. Limited investment in monitoring and evaluation	2. Prefer long-term concessional loan for infrastructure and energy sector development 3. All SSDC data shall be publicly accessible. 4. Strongly discourages all forms of tied loans 5. Provision of Development Cooperation Forum for high-level dialogue among development partners

Case Studies on SSDC-driven Coal Power Projects in South Asia

Low access to energy, energy shortages and energy security concerns are driving SSDC in the power sector in South Asia. Since 2010, SSDC-driven coal power projects have been multiplying in South Asia. This study examines three SSDC-driven coal power projects (Bangladesh-India, Sri Lanka-India and Bangladesh-China) to unmask how hegemonic imperatives of SSDC-provider countries (India and China) undermine people's voices and people's rights.

Bangladesh India Friendship Power Company Limited (BIFPCL): The BIFPCL is a 50-50 joint venture of India's state-owned National Thermal Power Corporation (NTPC) and Bangladesh's state-owned Power Development Board (BPDB) which is executing the 1320-megawatt Maitree Super Thermal Power Project (popularly known as Rampal coal-fired power plant). This $2 billion Maitree coal powered-SSDC project is 14 kilometers away from the world's largest mangrove forest, the Sundarbans. Bangladesh (60%) and India (40%) jointly share the Sundarbans.

In January 2010, India and Bangladesh signed a Memorandum of Understanding (MoU) to initiate the SSDC in the power sector. In 2012, the BIFPCL materialized as a joint venture company. On July 2016, the BIFPCL signed the EPC (Engineering, Procurement, and Construction) contract with the Indian BHEL on a turnkey basis. On April 2017, the Indian Exim Bank agreed to finance the project.

According to the Prime Minister of Bangladesh, "The *Government is determined to meet the growing demands of electricity for the country's envisioned industrialization. Bangladesh-India Friendship Thermal Power Plant' at Rampal is one of those coal-based plants the government has decided to install in different parts of the country to meet the growing electricity demand. The government thinks coal is more suitable than petroleum, natural gas and other fuels in terms of availability and price*"[1]. According to the Finance Minister of Bangladesh,[2]"*the Sundarbans are surely going to suffer due to this power plant but the government will proceed with the project.*"

The United Nations Educational, Scientific and Cultural Organization (UNESCO) has made it clear at the 41st session of its World Heritage Committee that Bangladesh should not allow any large-scale industrial or infrastructural development near the Sundarbans before conducting a Strategic Environmental Assessment (SEA) for its south-west region. Yet a majority of the media are promoting the government's propaganda that UNESCO has given a green signal for the Rampal power plant's construction. The Bangladesh Government is spending money for promoting the project while the citizens are protesting against the location of the project. According to the CSOs, with few exceptions, both electronic and print media are not covering the people's resistance to the project. Many activists have criticized the UNESCO for not giving due attention in time. Although the first agreement for Rampal coal plant was in August 2010, UNESCO's monitoring mission evaluated the impacts only in 2015.

Through this SSDC project, Bangladesh and India are allowing a high volume of shipping, navigation and industrialization in and around the Sundarbans mangrove region. The Rampal coal-fired SSDC project will require 4.7 million tons of coal per year. The cost of electricity from the Rampal power plant could exceed Taka 9 per unit.

Trincomalee Power Company Limited (TPCL): The TPCL is a 50-50 joint venture between the Sri Lankan Ceylon Electricity Board (CEB) and the Indian NTPC for setting up 500 MW coal power plants in Sri Lanka. The Sri Lankan government, the CEB and the NTPC reached an Agreement in December 2006 to set-up TPCL and start generating power by 2011. The negotiation process for starting this SSDC project took a long time because it was the first foreign project of the NTPC. In 2008, differences arose between India and Sri Lanka over the issue of accepting sovereign guarantees by Sri Lanka. This delayed the formation of TPCL to 2011. In 2013, the TPCL signed the Power Purchase Agreement with the CEB but took another 4 years to complete construction before starting operations in late 2017. In 2014, the NTPC Consultancy Wing bagged the contract for providing Engineering Consultancy Services to TPCL. In February 2016, the Environmental Impact Assessment (EIA) for the SSDC project was granted conditional approval by the Central Environmental Authority (CEA) of Sri Lanka due to government pressure. The EIA report was prepared by M/s Mantec Consultants (Pvt.) Limited, a New Delhi-based company. On May 2016, the Environmental Foundation Limited (EFL) filed a rights petition against the project on the grounds that it was using coal for energy generation, deficiencies of the EIA, long-term environmental impacts, resultant health effects and flawed approval process. On November 1, 2016, Sri Lanka formally scrapped this SSDC project following concerns over the environmental impact and the country's decision to switch from coal to renewable energy sources. However, the government decision was limited to shifting away from using coal as a power-generating source, not the power plant itself. In May 2017, the Sri Lankan government asked the CEB and the NTPC to come up with a financial model for the proposed 500 MW LNG-fired power plant using TPCL.

Bangladesh-China Power Company Limited (BCPCL): The BCPCL is a 50:50 joint venture company of the China National Machinery Import and Export Corporation (CMC) and Bangladesh's North-West Power Generation Company Limited (NWPGCL). Since June 2014, this US$2.4 billion joint venture SSDC project has been building a 1320 MW coal power plant near the proposed Payra maritime port in the coastal district of Patuakhali, Bangladesh. The project expects to generate electricity by December 2019. In March 2016, the BCPCL, as the executing agency, signed an engineering, procurement and construction (EPC) contract with a consortium of two Chinese firms. China Exim Bank has agreed to provide $1.6 billion credit for this SSDC project with 2% interest, 15-year payback period and a four-year grace period. The Bangladesh government waived around US$72 million stamp duty for this SSDC project. The electricity generation cost per unit will be Taka 6 while Bangladesh will buy electricity at the rate of Taka 6.65 per unit. The coal will come from Australia, Indonesia or China at the rate of $100 per ton.

Analysis of the Case Studies on SSDC-driven coal power projects

These case studies are examples of Government-to-Government Joint Venture Companies (JVC) which have become the norm for SSDC-driven coal power projects in South Asia. The public companies that co-own the JVC typically provide 30% of the total investment and mobilize the remaining 70% from the export credit agencies of the SSDC provider countries.

The Bangladesh-India case study shows that SSDC projects may contradict with national priorities and policies. For example, the India-Bangladesh coal power SSDC project violates almost all the objectives of the Bangladesh Power System Master Plan (PSMP). By using outdated supercritical technology and using imported coal, this SSDC project violates the PSMP objective of moving towards a low-carbon economy. Ironically, the Indian government is supporting the development of this coal-fired SSDC project at a time when India itself is moving away from coal-based power generation. The case study also recognizes that the interest of the SSDC provider drives the implementation of the SSDC-driven coal power projects. For example, foreign banks have denied financing the Rampal SSDC project because it fails to comply with the minimum environmental and social norms established under the Equator Principles[3]. Nevertheless, the Indian government arranged a loan of US$1.6 Billion to finance the Rampal SSDC project through its state-owned EXIM Bank at a lower interest rate compared to Indian market rates.

The case studies have revealed that people's concerns, biodiversity and environmental factors have not received due consideration in the site selection of the SSDC projects both in Bangladesh and Sri Lanka. The approved EIA reports of the SSDC projects in both Bangladesh (Rampal) and Sri Lanka (Sampur) gives a go-signal to inflict environmental damage due to the construction of the coal power plant in biodiversity-rich locations.

The case studies have recognized that the SSDC-provider countries often take advantage of the weak regulation in SSDC-partner countries. For example, Indian state-owned companies are taking advantage of weak regulations in Bangladesh to implement SSDC-driven coal power projects. Indian regulations prohibit the implementation of any coal power plants within a 25km-radius of forests like the Sundarbans but Bangladesh has no similar regulation.

Human rights violations by SSDC-driven coal power projects

This study has observed that governments of both India and Bangladesh do not care much about the voices of the affected people or the technical recommendations of the experts. Rather, both governments are neglecting public opinion regarding the Rampal SSDC project. Over the past decade, at least 28 people have been killed in anti-coal protests or in violence against anti-coal organizers in India (20 people) and Bangladesh (eight people). While the coal power projects are willing to spend huge public money for imported coal, SSDC projects in both Bangladesh and Sri Lanka are not willing to provide adequate compensation for the affected communities.

The case studies on the SSDC-driven coal power projects provide evidence of common attitude among the SSDC cooperating governments: that it is acceptable to let a small segment of the population bear the burden of development if it benefits the majority of the population. SSDC partner country governments frequently spread propaganda that opposing SSDC projects is tantamount to blocking the road to national development. CSOs, NGOs and activists who are mobilizing affected communities and raising concerns about the negative impacts of SSDC projects often face threats, intimidation, attacks and legal harassment.

In the cases examined, public consultations fulfilled the formal EIA requirements even though many people remained silent or felt too timid to ask questions during these consultations because of the very technical presentations made by project proponents. The Rampal (Bangladesh) and Sampur (Sri Lanka) cases reveal that SSDC cooperating governments fail to fully disclose the cost-benefit analysis of the SSDC project to their citizens. It is common for people in the SSDC project areas to first learn about the coal power project only upon receiving the land acquisition notice. The local community living in the Rampal area are scared of speaking out about the India-Bangladesh SSDC coal power project especially because the local police declared a ban on public gatherings on at least 14 occasions.

CSO capacity in operationalizing people-oriented SSDC in South Asia

The case studies have revealed that activists, CSOs and social movements from Bangladesh, India and Sri Lanka have been protesting against the India-supported SSDC projects since inception. This study has not found any central coordinating agencies involving SSDC cooperating countries to manage and monitor SSDC-driven projects at country level. This creates challenges for both CSOs and citizens in exercising their right to make demands on their own governments. The study also found that the majority of the CSOs and NGOs in Bangladesh and Sri Lanka are not well aware of the Human Rights-Based Approach (HRBA) to SSDC and its potential for shifting the focus of development from economic growth towards people-oriented development. Nevertheless, CSOs can contribute to operationalizing people-oriented SSDC in the South Asia with proper capacity-building.

Unmasking the hegemony in Energy-related SSDC in South Asia

This study recognizes that hegemonic interests of the SSDC provider through project-specific conditionality undermines the win-win approach in SSDC projects. For example, in the Sampur SSDC project, Sri Lanka wanted a high efficiency plant to reduce the unit cost of power but India wanted to reduce the capital investment by building a low-efficiency plant. After long negotiations, Sri Lanka agreed to build a low-efficiency plant.

Based on the Rampal (Bangladesh) and Sampur (Sri Lanka) cases, this study points out that even if the governments of SSDC cooperating countries equally own the SSDC project, however, the SSDC partners (in this case Bangladesh and Sri Lanka) have to shoulder all the financial risks by accepting sovereign guarantee provisions, which ultimately makes investments of the SSDC provider (India) risk-free.

By definition, Bangladesh-India Friendship Power Company Limited (BIFPCL) is an SSDC project between India and Bangladesh, but in practice, it is all about Indian hegemony

The Rampal SSDC project has attracted intense local, national, and international criticism over its anticipated adverse effects on the Sundarbans mangrove forest. Activists have raised the concern that through the Rampal SSDC coal power project, India will sell low quality Indian coal to Bangladesh. Since 2016, Indian State-owned Coal India Limited (CIL) has been negotiating with Bangladesh to export coal for the BIFPCL project. The recent declaration from the Bangladesh government about abandoning the idea of leasing coal mines from Australia, South Africa and Indonesia also raises the possibility that the CIL will be the main supplier of the coal for the power plants in Bangladesh. On average, Bangladesh imports 4.5 million tons of coal every year, of which, around 1.5 million tons is from India through land ports. IL has over 80 million tons of coal stock as carry-over from the previous year's production and the current demand in India is not enough to consume the total production. The Indian government is considering changing its laws to allow shipping coal out of India, which the current export policy does not allow, if Bangladesh agrees to import coal from India for BIFPCL project. Even if that does not happen, the NTPC, on behalf of the BIFPCL can buy from Coal India through spot auction. On April 2017, the state-owned Indian company Bharat Heavy Electricals Limited (BHEL) secured the $1.5 billion export order from BIFPCL to build the Rampal Power Plant. As per initial bidding rules, BHEL was not eligible for bidding because BHEL did not have any overseas experience of constructing 500MW unit at the time of bidding. After the diplomatic intervention from India, BHEL won the bid for the project. The Indian government even changed laws to allow Exim Bank to offer concessional finance to Indian companies bidding for strategically important projects abroad.

This study also identified that SSDC providers like India often use energy-related national laws and directives to exercise hegemony over their SSDC partners. For instance, according to a recent Indian directive, "Guidelines on Cross Border Trade of Electricity", India would only buy electricity from Nepal, Bhutan, Bangladesh and Myanmar if Indian investments produce that electricity following Indian terms and conditions. To make matters worse, India buys electricity cheaply from Bhutan and then sells the same electricity to Bangladesh at double the price. Since 2015, Nepal buys power from India at high prices while it sells to India at low prices. Very recently, the Indian government imposed a new 4.5 percent service tax on ocean freight as a response to recent Chinese investment proposals on Nepali hydropower. This forces the Nepali people to pay 4.5% more for the imported products passing through Indian ports.

India is also using SSDC for easy access to cheap hydropower electricity from the landlocked country, Bhutan. Around 78 percent of India's aid to Bhutan during 2016-17 is budgeted for multiple hydropower projects. All the previous Indo-Bhutanese hydropower projects were inter-governmental and financed mostly through grants. However, for the upcoming India-Bhutan hydropower SSDC projects, the loan component of the financing is higher than the grant component, and joint ventures will replace the inter-governmental model. These few examples illustrate how India exercises hegemonic influence in the South Asian energy sector and why India prefers bilateral power deals.

Challenges for attaining energy security through Coal-based SSDC in South Asia

This study reveals that South Asian governments are trying to ensure uninterrupted electricity supply from multiple energy sources at affordable prices, even if this entails ignoring the impact on the environment or human rights. Most of the South Asian countries depend on a single source to provide more than 50% of total electricity generation including Bangladesh (natural gas-91%), India (coal-68%), Nepal (hydropower-99.9%), and Sri Lanka (oil-50%). This study considers that any single energy-source dependency is not conducive to sustaining energy security. The competition between China and India for securing SSDC-driven coal energy projects are likely to increase geo-political tensions in South Asian countries.

This study has identified that public financing through SSDC for the coal power generation is nurturing hegemony in the South Asian energy sector. Among the top 120 companies responsible for two thirds of the new coal power projects planned around the globe (https://coalexit.org/database), 20.8% (25 companies)are from China, 14.2% (17 companies)are from India and 3.3% (4 companies) are from Bangladesh, based on their company headquarters.

This data indicates that Chinese and Indian public finance for coal-based SSDC projects are increasing dependency on coal for maintaining energy security in South Asian countries. SSDC provider countries like India and China are promoting public finance for coal-based SSDC in South Asia to benefit their public and private companies. Export Credit Agencies (ECAs) such as Export-Import banks of the SSDC provider countries are providing public finance for risky overseas coal projects that might never kick-start otherwise. Historically, Chinese coal power financing in South Asia has predominantly flowed to India, Indonesia and Vietnam but now more is invested in Pakistan and Bangladesh.

This study also reveals that if coal power generation depends totally on imported coal, it may not be sustainable and may turn into stranded assets. For example, India's two largest coal power projects in Gujarat (Adani Powers and Tata Power) are no longer competitive because the price of coal imported from Indonesia has nearly doubled within a decade. Any investment in coal-fired power plants could turn into stranded assets as renewable energy sources achieve market dominance. In June 2017, Coal India announced its decision to close 37 mines in order to save $124 million before March 2018, as these mines are no longer economically viable due to increasing competition from renewable energy sources. In May 2017, India cancelled plans to build nearly 14 gigawatts of coal-fired power stations because solar has become cheaper than coal and the country will not build any more coal plants after 2022. Nevertheless, this does not mean that Indian public financing through SSDC will stop overseas coal projects.

The major SSDC provider countries (India and China) in South Asia have no road map for phasing out overseas coal investment. In contrast, International financial institutions like the World Bank and the Asian Development Bank have started to move away from coal-related investments. In 2015, OECD countries have agreed to restrict official export credits for the least efficient coal-fired power plants starting 1 January 2017. Ironically, these measures against coal-related financing may push for more coal-based SSDC projects. Knowing coal's negative impacts on the climate, health, and environment, public financing for coal through SSDC represents a misuse of valuable public funds of southern countries.

Opportunities for Energy-related SSDC to promote Low-Carbon Development

The current mode of carbon-intensive economic development is unsustainable and global warming has the potential to derail many social advances (MGI2013). Electric power production and distribution infrastructure can be highly vulnerable to the impacts of climate change (ADB 2012). At the same time, the world cannot afford to add more carbon-emitting electricity infrastructure to meet the goals (hold global warming well below 2°C) set in the Paris Agreement (Pfeiffer et. al., 2016). The International Energy Agency (IEA) pinpoints four policies (adopting specific energy efficiency measures, limiting the construction and use of the least efficient coal-fired power plants, minimizing emissions from oil and gas production, and phasing out fossil fuel subsidies) to keep the world on course for the 2-degree global warming target at no net economic cost (IEA, 2013). Between 1980 and 2010, more than one-third (36%) of global carbon emissions were driven by fossil fuel subsidies (Stefanski, 2014). Removing fossil fuel subsidies could be an essential precondition for low-carbon development. Nonetheless, the role of fossil fuel subsidies to dangerous climate change is still absent in the international climate negotiations and policy process. Climate activists are demanding that climate finance should exclude coal and other fossil fuels that are responsible for global warming and more financing should be going to solar and wind power projects.

The adoption of low-carbon developmental pathway is important to enhance long-term national energy security (Hultman, V.K. 2013). Moving toward a low-carbon society will shield national economies from the risk of future disruptions to the global fossil fuel supply (IPCIC, 2010). Renewable power generation can reduce fossil fuel import-dependency. Solar photovoltaicenergy has become competitive with conventional electricity generation in terms of cost (IEA,2014). The increased use of renewable energy may create nearly 2 million jobs in the power sector by2030 (European Renewable Energy Council and Greenpeace, 2009). Nevertheless, public finance for coal power-generation is undermining global action on climate change because coal accounts for 42% of global energy-related carbon emissions in 2014. Governments all over the world are subsidizing the fossil fuel industries six (6) times more than the renewable energy industries (Whitley, 2013). The implementation of energy efficiency measures could potentially reduce 70%of the projected global energy demand in 2035 (World Energy Outlook 2012). International co-operation will be needed to help developing countries initiate the energy switch and manage short-term trade-offs associated with a transition to low carbon.

Although experts consider South Asia as a unipolar system in which India is the de-facto hegemon (Stewart-Ingersoll and Frazier, 2010), this study considers bipolar system due to the ever-increasing competition between China and India for regional dominance. China and India, both SSDC providers, are reducing their domestic coal use but funding new overseas coal projects so that these emissions do not count towards their national carbon footprint. By investing public funds in coal-related SSDC projects, SSDC provider countries like China and India are exporting their highly polluting technologies to other southern developing countries and undermining global action on climate change.

Key Findings and Learnings about the South-South Development Cooperation (SSDC)

SSDC has been rising in South Asia due to geo-economic interests, strategic concerns and historical ties between southern countries. Energy-related SSDC projects are rising in South Asia fueled by China and India as they vie for regional hegemony. Although SSDC cooperating countries are supposed to respect national sovereignty, ownership and independence, the considerable power inequalities between SSDC provider and SSDC partner countries is re-orienting SSDC in line with the agenda of regional powers. The fear of energy insecurity and the lure of providing power for rapid industrial development to attain the middle-income country status among the SSDC partners is favouring the agenda of SSDC providers to exercise their hegemony.

The SSDC-driven coal power projects are rising in South Asia due to lack of government attention to the long-term outcomes and impacts as well as the lack of financing opportunity from the international financial institutions. Government-to-Government Joint Venture Power Company is the most common model for SSDC-driven coal power projects in South Asia.

SSDC-driven coal power projects in South Asia are not respecting the principle of prevention to avoid human rights violations. The decade-long people's movements against SSDC coal power projects in Bangladesh, India and Sri Lanka demonstrate that SSDC-driven coal power projects are not people-oriented.

SSDC focuses on government ownership without embracing the concept of people-oriented national ownership. SSDC-cooperating countries follow the principle of equality in terms of investment, not in the context of responsibility and accountability to the citizens. The requirement to purchase goods and services or provision of experts, labor and materials from the SSDC provider country is similar to tied aid from DAC donor countries. If any SSDC partner wants to adopt regulatory measures against an SSDC project, the SSDC provider country can accuse the SSDC partner of violating Bilateral Investment Treaty (BIT) obligations. Although the SAARC Inter-Governmental Framework Agreement for Energy Cooperation 2014 has potential for promoting multilateral SSDC in South Asia, the Agreement for Energy Cooperation remains unused due to lack of Indian interest.

As SSDC is typically restricted to government-to-government relations, there is little opportunity for people's and CSOs participation even though Southern people as taxpayers bear the economic burden of risky SSDC projects. The lack of people's active participation in designing and implementing SSDC indicates that human rights standards, principles and instruments are not guiding the SSDC process. The rights-holders in SSDC include people who may suffer from or vulnerable to discrimination, inequality and exclusion for a variety of reasons throughout the SSDC project cycle. Duty-Bearers of any SSDC project are the people who are required to work to respect, protect and fulfil the legal entitlements according to the national legal documents and international human rights treaties. SSDC projects in South Asia are ignoring civil society inclusion in planning, policy and decision-making processes. The current capacity of Southern CSOs to undertake outreach, advocacy and communication on SSDC policies and practices is very weak.

SSDC has adopted the principle of horizontality and equality in development cooperation, but there are no clear operational guidelines for applying these principles in SSDC projects.

Policy Recommendations for operationalizing people-oriented SSDC

Policy makers should consider integrating "People-oriented Sustainable Development (PSD)"as an inter-generational equity-driven Human Rights-Based Approach to operationalize people-oriented SSDC. Such operationalization requires a transparent and participatory process to reduce people's vulnerabilities and equip them with essential capabilities. To promote people-oriented SSDC, governments must ensure people's ownership in the development cooperation and include future generations as SSDC stakeholders. SSDC cooperating governments shall develop mechanisms and indicators to monitor people's active participation in SSDC projects. Any SSDC project should adopt a "do no harm principle" in each stage of the project to advance the quality of human lives for both present and future generations as well as to enlarge people's choices within an economy that focuses on people's needs.

Flexibility in revising the SSDC project to accommodate any public concern is required for operationalizing people-oriented SSDC. Governments shall devise mechanisms to hold private or public companies involved in any SSDC projects accountable for human rights violations. An appropriate definition of 'affected population' due to the SSDC projects is needed to avoid human rights violations. SSDC projects have to adopt information disclosure and accountability policies to protect the rights of affected communities. SSDC project shall comply with human rights principles and use the human rights framework in open dialogues to identify citizen needs. To ensure transparency and accountability, SSDC governments shall involve national parliaments to develop and monitor SSDC projects. At the same time, governments shall allow NGOs and CSOs to act as SSDC watchdogs and to assist people in formulating their demands in the SSDC project. Given the human rights violations, severe environmental and economic risks associated with coal projects, there should be no new public finance or tied aid for SSDC-driven coal power projects.

CSOs can disseminate and popularize information so that the public can make demands to improve SSDC project designs and hold governments accountable. CSOs with enhanced capacity can monitor the SSDC projects. Local CSOs can easily facilitate community mobilization for defining the demand-driven SSDC projects because of their connections at the grassroots level. New networks and partnerships among the CSOs and other actors of SSDC cooperating countries can create a common platform for doing fruitful advocacy to make SSDC more people-oriented.

The SSDC should adopt an energy principle, "The energy is for people; people are not for energy", to increase people's access to cost-effective, sustainable and climate-compatible energy services. Policy-makers should put more emphasis on SSDC-driven energy efficiency and renewable energy projects in order to enhance national energy security. Policy-makers shall consider energy efficiency opportunities as a "fifth fuel" because if the energy demand is lower, then the need for capital-intensive investment in new power supply will also be reduced. Regional power cooperation through SSDC can provide cheaper renewable power from power surplus countries to power deficit countries and SSDC-driven regional power exchange agreements may meet the seasonal variations in power demand. A High-level Forum of South-South Cooperation in Low-Carbon Development deserves more attention to accelerate the implementation of both the Paris Agreement and the 2030 Agenda for Sustainable Development.

Conclusion

This study has tried to analyze contemporary regional relations as played out in development cooperation in South Asia. Competition for regional dominance is creating unequal relationships between SSDC provider and SSDC partner countries in the same way that traditional foreign aid maintains the unequal relationship between donor and recipient countries. Unless SSDC contributes to locally own national strategy, then whatever short-term economic gains brought by specific SSDC endeavors in partner countries will remain elusive.

A predatory kind of SSDC prioritizes energy-related mega-projects to accelerate national economic growth, at the expense of human rights. Respect for national sovereignty in SSDC should not be an excuse to ignore human rights violations and environmental destruction. The ongoing development challenges (poverty, inequalities, energy and food insecurity, climate change impact and unemployment) require a Fifth Development Decade (2018–2027) for strengthening people-oriented South-South and Triangular Development Cooperation for leaving no one behind. Human rights in SSDC-driven energy cooperation calls for participatory and transparent political decision-making processes in the energy sector.

By unmasking the power relations and shadow interests of the countries involved in SSDC, this study opines that neo-colonialism may emerge through SSDC, if it is not people-oriented. If SSDC is not people-oriented, it may undermine people's voices over development choices. Besides, if accountability mechanisms are not robust, particular interest groups or local elites may manipulate SSDC projects. When governments undermine people's priorities, big business interests misuse public resources and mainstream media overlooks the people's concerns, the dark side of SSDC will remain hidden and gradually the drive to accumulate profits will engulf the potentials of SSDC for people-oriented development.

Endnotes

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3 The Equator Principles (EPs), launched in 2003, is a voluntary code of conduct and risk management framework for financial institutions use to determine, assess and manage environmental and social risks in projects, such as energy or infrastructure projects, http://www.equator-principles.com/

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CUT-Brazil and South-South Cooperation

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Background

The *Central Única de Trabalhadores* (CUT-Brazil) was founded in 1983 aiming to gather and represent workers organized in local unions in front of higher institutional spheres like state institutions and employers' entities. From the beginning, CUT could count on the political and financial solidarity of several unions from other countries, social movements and multilateral organizations such as the International Labor Organization (ILO). This international solidarity happened because the CUT represented something new by aiming to break the Brazilian labor legislation which prohibited horizontal trade union confederations. Social movements at that time also recognized that a national-level workers' organization was vital to the struggle against the military dictatorship[1] and its social and economic policies.

This international solidarity was not only political. It was also expressed through financial support. Many of CUT's structures, programs and projects have been funded with resources from the international trade union movement[2].

The CUT today stands as the main trade union confederation in Brazil, having been legally recognized in 2008. This was primarily the fruit of the struggles of Brazilian laborers. But international development cooperation certainly contributed significantly to achieve this result. The CUT's consolidation has allowed it to be financially self–sufficient and has enabled it to maintain its structure and promote its policies. The CUT has also been able to use its own resources to act in solidarity with unions in other countries that still face difficulties to operate.

CUT's Cooperation Policy: Concept and principles

The solidarity of the CUT is anchored on the concept that the working class is international and its struggle aims for the construction of a fair and egalitarian society (Preamble of CUT's Constitution, 1984). Its cooperation policy is carried out through the CUT Cooperation Institute (CUT–IC) which was founded in 2012 to advance the trade union and political struggle in different countries to combat poverty, social exclusion and any kind of discrimination. It also aims to promote development projects that ensure the centrality of labor in the generation of jobs and income in accordance with an inclusive development model that is economically, socially, politically, and environmentally sustainable. In the present era, the CUT considers the fight against neoliberalism and flexibilization of labor necessary and urgent everywhere.

CUT gives priority to South-South relations in its trade union cooperation, given that there are still many developing countries trying to establish their democratic rule of law. We believe that it's necessary and possible to build an innovative, strong and effective relationship that contributes to reducing historical inequalities between different regions of the world.

Although developed with CUT's own resources, our international cooperation is premised on joint projects and activities based on the needs and priorities of each labor confederation and each country. Due to geographic and historical proximity, our cooperation projects currently prioritize Latin America, the Caribbean and Africa.

Among several cooperation projects, four of them will be examined in this article: one from Latin America, one from the Caribbean and two from Africa. These presentations were chosen either because of the continuity of CUT's cooperation with these unions and/or due to the significant impacts of these actions.

Cooperation in Latin America

The CUT–Autentica of Paraguay (CUT–A)

The first trade union central supported by the CUT-Brazil was the *Confederación Unitaria de Trabajadores–Autentica* (Unitary Authentic Workers Central) of Paraguay, CUT–A[3]. Bordering Brazil, Paraguay is one of the poorest nations in South America, having lived through many decades under dictatorial regimes and several state coups as well. The Human Development Index (HDI) of the country was 0.693 in 2015, the lowest in South America (www.undp.org consulted on 2017, June, 15).

Paraguay's trade union movement is very fragmented. For an active economic population of roughly 4.5 million workers, where approximately 80% of them are in the informal market (https://www.cia.gov/library/publications/the-world-factbook/ consulted on 2017, June, 16), there co-exist six confederations of quite diverse political and ideological hues. The CUT-Brazil has been supporting CUT–A because of its historical and political-ideological affinity with it.

The first cooperation agreement was signed in 2010 and has been renewed up to the present. The general aim of the project has been to strengthen the CUT–A in its struggle capacity, pro-activism and autonomy as well as greater insertion as a protagonist in the region. For this purpose, it supported a campaign of member-recruitment and trade union organization as well as a trade union training program.

The organizing and recruitment of new members turned out to be very difficult particularly in the countryside of Paraguay. Therefore, in 2012, the partners decided to equip the CUT–A with a vehicle to allow its organizers to transit throughout the country in order to develop a Working Class Platform seeking to open negotiations with the public authorities. This process was conducted throughout 2013 even as a new challenge appeared regarding the development of a communication policy for the rank and file workers and for the general population as well.

The Platform became an issue of common action of the Confederations that organized a general strike on March 26, 2014 with the aim of opening negotiations with the government. Five Confederations joined the strike and this unity allowed them to achieve their objective.

The project for 2015 – 2016 was coherent with this scenario and therefore the CUT–A was supposed to use it to accumulate strength and become a significant actor in economic, social and political development as well as to promote the defense of human, labor and trade union rights of Paraguayan workers.

To achieve this goal, it was necessary to improve the CUT–A's leadership knowledge and skills through an intensive education program for cadres. This included courses to consolidate the communication capacity and the understanding of the causes of the country's situation. This was also meant to ensure that the proposals of the Confederation are grounded in a profound understanding of the contents and the means to overcome the current conditions in the country and build a Paraguay with Social Justice. The CUT–A notes that a "long-term vision" is needed to focus our present struggles on a solid perspective and to meet medium-term challenges. Therefore, three fundamental axes were defined: Organizing, Training, and Communication. CUT-Brazil participated in this formulation and supported it politically and financially.

The CUT-Brazil's assessment of these six years of cooperation indicates the strengthening and maturation of the CUT–A, which allowed it on many occasions to play a leading role at the national scene, despite the repressive nature and aversion to social dialogue of the neoliberal government led by President Horacio Cartes[4].

For the next period, we are jointly developing a new kind of partnership. It will be a joint project aiming to intervene in Brazilian companies that established *maquiladora* branches in Paraguay in the textile, metallurgical and chemical sectors. The prime focus will be the textile industry. The project details are still under discussion, although there is already agreement on the overall objectives.

Cooperation in the Caribbean

Haiti

The only Caribbean country where CUT-Brazil has contributed with its development cooperation is Haiti. Even before the present trade union cooperation started, the CUT had developed some humanitarian cooperation due to a natural disaster caused by an earthquake that destroyed much of the country in 2010.

Albeit Haiti was the first country in the Americas to abolish slavery as a result of the struggle of the slaves themselves, it is still the poorest country of the Americas according to the UNDP's Human Development Index (HDI) (www.undp.org consulted on 2017, June, 15).

Political violence has occurred regularly throughout the history of the country. Coups and dictatorships succeeded one after the other throughout the 19th and 20th centuries. The instability of governments and institutions still characterize Haiti today.

Aside from all the political turbulence, an earthquake of catastrophic proportions hit the country on 12 January 2010 and destroyed 80% of Port–au–Princes' buildings but the precise death toll remains unknown.

There is much evidence of the terrible conditions of life and labor of the Haitian people as shown below:

- 50% of the Haitian population is under 25 years old.
- 59% of the Haitian people (75% of them in rural areas) live with less than US$ 2.40 a day.
- 4.5% of employed workers are in the formal economy.
- 3.4% of employed workers are in the public sector.
- 92% of the active population work in the informal economy.
- 41% of young workers are unemployed.
- One child out of every ten is a domestic worker.
- Haiti ranks the 163 place in the HDI.

(https://www.cia.gov/library/publications/the-world-factbook/ consulted on 2017, June, 16).

It is in this context that the CUT-Brazil decided to start cooperating with the Haitian trade union movement in 2011. The first agreement was signed with the *Centrale Autonome des Travailleurs Haitién* (CATH) and provided for the reconstruction of its headquarters and training center destroyed by the earthquake and also encouraged the participation of its leaders in training activities.

However, these activities did not materialize in a satisfactory way and the CUT redefined its participation in 2012 when the International Trade Union Confederation (ITUC) and the Trade Union Confederation of the Americas (TUCA) started to enhance the many initiatives of the international trade union cooperation with Haiti. Nevertheless, it is noteworthy that the Haitian trade union movement is one of the most fragmented in the Americas – consisting of twelve organizations with the most divergent proposals and action plans possible.

These projects extended to 2017 but are still difficult to implement and continue to be coordinated by the ITUC and TUCA. The direct participation of CUT-Brazil takes place in international seminars or activities when we are called to engage in training courses or seminars, as well as in planning activities.

The project *"Strengthening the power of Haitian workers through recruitment of membership and common action"*, which started in 2012, is now in its fourth phase. It foresees "the monitoring of the trade union organizations in the process of reforming the country's labor code and the development of relevant training activities for trade union organizers" as part of the TUCA's trade union self-reform program.

Formerly, the second phase of this project introduced the issue of decent work and amplified the action scope by the inclusion of themes like social protection and gender as well as the *maquila* matter.

The project and its working plans continued through a third phase from June 2015 until December 2016. Significant difficulties still remained because of the paralysis of the tripartite committee responsible for elaborating on the Labor Code[5], one of the most important aims of trade union work.

Thus, inter-union spaces for coordination of the ITUC–TUCA affiliates were created as "rooms of information exchange and coordination around all the updated themes related to national and international trade unionism." These also serve as "spaces of inter-union coordination by affiliates and non-affiliates regarding themes and diverse actions with the constitution of unified trade union committees."

Moreover, the creation of support for labor representatives at the Governmental Wage Council and those of the Governing Body of the Social Protection Organs (CAOSS) was expected to happen as well.

The assessment of this process concluded that despite all the difficulties, there have been significant advances, such as the reflection about a new development model of Haiti and its society with social justice based on decent work. The increase in women's participation in trade union activities, organization and decision-making spaces was also significant. The room for construction of social dialogue is still fragile, but exists. The reform of the labor code, despite some backtracking, is moving forward and the inter-union committees that also contribute to the promotion of common action is increasing, among other issues.

The remaining challenges from these first phases are to be faced in the present action plan at least until 2018.Thus, the design of the project for the biennium 2017–2018 had to take them into account and the first issue to be observed was to restrict the participation of trade unions not committed to the labor struggle. So, from the former fifteen organizations, the project is now reduced to nine participants.

Therefore, the present cooperation is a continuity of the project started in 2012 as the work in Haiti has never been easy and the country's situation is very complex. Nevertheless, the action plan is being implemented and the CUT-Brazil continues to support it politically and financially.

However, anti–union practices are committed almost every day in Haiti especially by the owners of the *maquilas* who summarily sack workers, especially trade unionists, and do the best they can to close the trade unions.

Cooperation in Africa

As was mentioned in the introduction, CUT-Brazil prioritized, for historical reasons[6], its international cooperation with Latin America and Africa. In the latter region, Portuguese-speaking countries have been CUT-Brazil's priority.

Brazil was one of the last countries in the world to abolish slavery. The slaves of African origin were forced to work mainly in the sugar cane plantations in the northeast of Brazil where they were victims of all sorts of abuse and suffered all manner of violations. Beatings were commonplace, as was the sexual harassment of women. They lived in terrible conditions in slave quarters ("senzalas") to serve the lords of the sugar mills living in the "big houses". That's where the expression that today characterizes the huge social inequality in Brazil comes from. "Big House and Senzala" is the title of a book by Gilberto Freyre dealing with the social transformation of Brazil (2013).

Not all the slaves that arrived in Brazil came from the current Portuguese-speaking countries of Africa because the current geographical and political division of African states was only defined in the 20th century. Nevertheless, the authors chose to establish cooperation with Portuguese-speaking countries. These countries, like Brazil, lived under exploitative and violent conditions of Portuguese colonialism. Given the close language and common colonial history, there is a strong cultural proximity between Brazil and Portuguese-speaking countries of Africa (Russel – Wood, A. J. R., 2016).

Currently, CUT-Brazil cooperates with Cape Verde, Guinea Bissau, Sao Tome and Principe, and Mozambique but for this article we opted to focus only on trade union cooperation with the latter.

Mozambique

Since the year 1500, the presence of Portuguese in Mozambique was noted, especially on the coast, but their influence expanded gradually toward the interior of the territory.

The social, economic and political situation has always been weak throughout Mozambique's colonial history. During the period of struggle against Portugal, this situation was further complicated.

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Mozambique only became independent from Portugal in 1975 but soon after, the country was plagued by a long and violent civil war between the socialist-oriented Frente de Libertação de Moçambique (FRELIMO), and the conservative Resistência Nacional de Moçambique (RENAMO). This conflict, along with other issues, resulted in more and severe economic difficulties.

An estimated one million Mozambicans died during the civil war, about 1.7 million fled to neighboring countries, and several millions were internally-displaced due to the conflict. Because of this political situation, Mozambique's economy remains agrarian and underdeveloped, despite being endowed with rich and extensive natural resources.

Since 2001, the annual average rate of growth of the Mozambican GDP has been one of the highest in the world. However, the rates of GDP *per capita*, Human Development Index (HDI), income inequality and life expectancy in Mozambique are still among the lowest in the world. The United Nations (UN) still considers Mozambique as one of the least developed countries on the planet (www.undp.org consulted on 2017, June, 15).

The OTM – CS

Similar to what occurred in other countries that won independence from Portugal through struggles and liberation wars with strong influence of communist parties, the Organização de Trabalhadores de Moçambique – Central Sindical (OTM-CS) was born as the FRELIMO's arm in the workers movement. When Mozambique turned towards the market economy, the OTM turned into a trade union confederation bringing together trade unions and national professional associations as partners that freely affiliated to it, while defending the legitimate rights and interests of workers in the country and thereby contributing to welfare, social progress and the creation of a fairer society.

The CUT-Brazil has developed two cooperation projects with OTM – CS. The first was with the Association of Informal Economy of Mozambique – AEIMO, affiliated to the confederation and; the second was done directly with the OTM – CS through the Pan African (PANAF) Program of Trade Union Education.

The AEIMO project

The AEIMO got this designation at a conference held in 2015 to define its strategy, statutory changes as well as its direction. Before, it was known as the Association of Operators and Workers of the Informal Sector (ASSOTSI), which organized operators and workers of informal markets in Mozambique in exchange for food. The AEIMO expanded its trade union base to organize workers in other sectors of the informal economy.

The CUT-Brazil's cooperation activities started with the ASSOTSI. In the first year, it was a triangular design where the CUT established a partnership with the Solidarity Center (ACILS), the American AFL – CIO's Cooperation Institute. But the Solidarity Center was only involved in the partnership during the first year of the two-year project which ran until 2014. The CUT's assessment of this project noted its challenges and potentials so it decided to maintain the cooperation even without the AFL-CIO's participation.

The ongoing project aims to strengthen ASSOTSI as a trade union organization. The first activity was a participatory strategic planning exercise. Roughly thirty people participated in this process. They identified weaknesses, opportunities and challenges of the association and produced a plan of action with two strategic objectives: to strengthen the grassroots organization, and improve the organization and the internal operations of ASSOTSI.

Several proposed actions were executed and the CUT was responsible for the trade union training activities on topics such as gender issues, social protection and trade union management.

It's worth noting that in the twelve years of the ASSOTSI's existence, no assembly had been organized and its direction remained the same. One of the most important demands of ASSOTSI's rank and file was to change this reality and move toward a stronger and better organization with the creation of local coordination bodies in the provinces with defined goals for membership recruitment and training activities.

A new plan of action was approved for the biennium 2015-2016, though only with resources from CUT-Brazil. The priority issues identified were the following:

- The organization of the National Conference.
- A negotiation with the Social Security Institute of Mozambique (INSS) to ensure the inclusion of informal workers in the social security system.
- Negotiations with the Bank of Mozambique to ensure that the workers could have access to bank accounts.

The National Conference was held from 18 to 19 February and approved important statutory changes, including its name, to make AIEMO more democratic and to reaffirm the priorities of the action plan.

The negotiations with the INSS and the bank were also successful and the AEIMO members currently have the right to retirement benefits and to have a bank account.

On the organizational matters, the National Conference affirmed the commitment to expand membership, create market centers, and collect fees from members to maintain the AEIMO. The action plan is still in force and the cooperation of the CUT-Brazil is still continuing.

The OTM –CS and the PANAF Project

The Pan African Program (PANAF) on basic trade union education is an initiative of several trade union organizations including the General Federation of Labor of Belgium (FGTB), Swedish Trade Union Confederation (LO) and Swedish Confederation of Professional Employees (TCO), among others, since 2013. The CUT–Brazil joined the program in 2014. It is implemented in coordination with the International Trade Union Confederation – Africa (ITUC–Africa) and the Organization of African Trade Union Unity (OATUU).

The main objective of the PANAF is to promote trade union unity and to help strengthen the African trade unions through education.

The CUT was invited to be part of the program in recognition of its expertise in trade union education and, especially for its methodological approach based on the participatory pedagogy of Paulo Freire who also inspired CUT's pedagogy.

Before CUT-Brazil joined it, the PANAF operated in 15 African countries but had no activity in Portuguese-speaking countries. Since the CUT was already operating with a trade union in Mozambique, it was decided that it would seek to introduce this program to the OTM–CS as well. A seminar under the direction of OTM–CS was held where the program, its feasibility, structure and all aspects involved were discussed and decisions made by the OTM–CS in order to move ahead.

The activities of the CUT through the PANAF were held in Mozambique, but it also participates in the political and technical committees of the Program that meet twice a year to review all activities and to decide on the next steps.

As the program is based on a participatory pedagogy[7], several meetings were held involving the leadership, trainers of OTM–CS and national unions for decision-making on the format and content of the program.

One of the important components of the program is the development of a Trade Union Education Handbook to be used in study circles organized at the shop floors with a facilitator that structures and coordinates the work.

The drafting of the manual also serves as a diagnostic survey of the main training needs of unions and workers. It covers the history of the country and the trade union organization, local and international laws (ILO Conventions) on the rights of workers as well as their status in the country.

All these materials are prepared during seminars with the participation of all the people engaged in the work. The preparation of the Handbook is a complex task and requires much team work, especially for a Confederation that lacks technical staff. Therefore, it is only now that the study circles are entering the early stage of development in Mozambique but we already highlight the advances achieved by the tutors of the OTM–CS in terms of their knowledge of the historical reality of Mozambique and their capacity as trainers.

General considerations and lessons learned

The first lesson learned from the experiences described above is that cooperation between autonomous and independent confederations should be constructed and developed together by the partners. In the above cases, the CUT-Brazil does not determine the area of intervention or the thematic focus. When a confederation or a trade union seeks cooperation with the CUT, the latter visits its local, learns about the realities of the country and the trade union organization, and develops a first draft of the cooperation agreement through discussion with the local leadership. This is further improved by receiving suggestions from the local organization and also from the CUT through e-mail communication and/or video conferences when possible. This procedure facilitates the building of ties of solidarity instead of donor-recipient relations.

It is also important to highlight that the assessment of the projects are also made through joint meetings of the local leadership and the CUT representatives at the place where the project was developed using a participative process that assesses the results, the difficulties and the challenges with the purpose of pursuing its continuity or the elaboration of a new initiative.

Follow-up projects, like what is going on with the CUT–A, Haiti and Mozambique, are vital because it is only the continuation of a project and its unfolding that make it possible to achieve significant results for the workers, beyond strengthening the trade unions. They feed the recruitment of new members, empower the trade unions in the frontlines for collective bargaining and so open a virtuous circle.

In this regard, the cooperation experience with the CUT–A of Paraguay is significant because we managed to advance toward a project of partnership that will open the possibility of common action in the Brazilian *maquilas* in Paraguay. It aims to bargain collectively with the employers to assure the same labor conditions and level of wages for Paraguayan and Brazilian workers. This project involves several departments of CUT Brazil, particularly the Department of Labor Relations, and represents an active solidary project to be carried out by both confederations.

Financial audits are also important. These are conducted after each activity or after short periods of time to allow monitoring to be made both by the local leadership and by the CUT. A synthesis of the partial audits is usually conducted at the final evaluation seminars. This has been useful because they provide an opportunity to discuss and affirm procedures and priorities. Questions like, "Have the resources been well allocated? Did they assist adequately the projected aims and targets?" are very relevant.

Another lesson learned is about the obstacles to build trade union unity and common action in countries where the trade union representation is very fragmented. Common action is fundamental to face governments and employers, particularly those less democratic or not democratic at all. However, its construction is a slow process due to pre-existing disputes among the confederations. *(See the case of Haiti and Paraguay).*

Lastly, the preparation of this report has been very important for several reasons. First, it enabled us to systematize a set of dispersed information often only present in the cooperation team's memory. We have now the possibility of issuing a more organized discussion on CUT Brazil's South–South trade union cooperation. CUT's existing template for the presentation of projects is quite generic and therefore provides little guidance. As a result, each confederation partner chooses the focus and approach which is sometimes informative; in other times, more analytical. However, it demonstrates now that we must prepare a more detailed roadmap with questions for each item that facilitates the subsequent systematization of issues, priorities and procedures.

Endnotes

1 The military government was inaugurated in 1964 through a coup of state and only ended in 1985 with the election of the first civil president.

2 Some of the main donors at the very beginning were trade union confederations from Italy, the Netherlands, France, among others.

3 The CUT Paraguay was founded in 1989 and suffered a split in 2000 and an outcome was the formation of the CUT – A.

4 Cartes from the right wing Colorado Party was elected in 2013 and finishes his mandate in 2018.

5 The first labor code in Haiti was established very late in comparison with other countries in the region, only in the 1950s, but was totally erased by the François Duvalier "Papa – Doc" dictatorship in the 1960'ies.

6 More than 50% of the Brazilian population is composed by afro descendants according the statistics of the Brazilian Institute of Geography and Statistics (IBGE) (www.ibge.org consulted in 2017, June, 24)

7 The fundamental work to understand this methodology is the "Pedagogy of the Oppressed" by Paulo Freire published in English for the first time in 1970.

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South-South Land Grabs: A desk study on Chinese land concession projects as economic and investment cooperation with Laos and Cambodia

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Introduction

The Governments of Cambodia (GoC) and Lao People's Democratic Republic (GoL) implemented land concession programs in their respective countries with the goal of developing the industrial agricultural sector through private investments. Cambodia has the Economic Land Concession (ELC), a long-term lease that allows a concessionaire to clear land to develop industrial-scale agriculture[1], and Laos has State Land Leases and Concessions in which state land is rented to domestic and foreign investors at a yearly fee for various economic activities such as agricultural plantations, mining, and manufacturing.[2]Both programs also aim to establish economic and investment cooperation with foreign countries.

Since 1994, the GoC granted over 4.6 million hectares of land to Chinese companies, giving them control over about one-fourth of the country's agricultural and forested land. From this, almost a million ha are ELCs.[3]Meanwhile, as of 2011, the GoL granted a total of 1.1 million ha of land to investors through state land leases and concessions[4]with China having the most investment projects among the foreign investors with 299 deals, accounting to 18% of the total area of land deals.[5]

Coincidentally, China is the top non-traditional contributor of aid to both countries, accounting for more than 70% of the aid they receive.[6] China supposedly distinguishes itself from the West with its development assistance policies that follow the principle of equality and mutual benefit; however, criticisms on Chinese investment and aid have risen accusing it of having intensified corruption, human rights violations, and plunder of natural resources.[7] In the case of land concessions, the transfers of land from small farmers and indigenous groups to large-scale corporations were done without mutual consent and had hidden costs.

Objective

With these issues raised, it is significant to analyze the relationship of Cambodia and Laos' land concession policy implementation with Chinese investment and aid, as part of these countries' South-South Cooperation (SSC) strategies. Two Chinese land concession ventures in Laos and Cambodia shall be compared in terms of the benefits gained by the investor and the locals (i.e. the IP living in the concession site), with a focus on the IP's right to utilize and manage their ancestral lands[8]as a requisite of their right to self-determination.

This desk research specifically seeks to identify the actors in the projects, the relationships and interests which influence government decisions, and to ultimately derive appropriate actions that will promote the principles of SSC.[9]

Background

The Chinese government copes with rising consumer demand and limited local resources by outsourcing lands from other countries that either don't need it or needs the money more.

The latter applies in the cases of Cambodia and Laos, who are among Southeast Asia's least developed states; they welcome Chinese investments through land concession programs in the hopes that, aside from generating revenue, the lands will be more efficiently managed by private lessees and speed up development in the area by creating jobs and bringing in new infrastructure and technology.

On the other hand, Chinese businesses are encouraged to invest abroad through the Going Global[10]Policy. Chinese nationals migrating to Laos also reportedly receive expatriation bonuses of $100,000 per individual[11]. Furthermore, free trade agreements such as the Everything But Arms and the Regional Comprehensive Economic Partnership work as an advantage for business expansion in least developed countries as these allow goods to be freely exported without tariffs.

The following cases present the general impact of Chinese concessions on IP communities in Cambodia and Laos. The primary considerations in selecting these ventures were:

1. Data Availability. The research is not exhaustive and relies on available data online and in print. The analysis was based mainly on literature review and news reports.

2. Location. Projects that are located in IP's traditional territory are more likely to have occurrences of land-grabbing.

Case 1: Sugarcane Concessions in Preah Vihear, Cambodia

In 2011, Rui Feng International Company was granted 8,841 ha for a sugarcane plantation along with four other Chinese companies: Lan Feng (9,015 ha), Heng Yue (8,959 ha), Heng Rui (9,119 ha), and Heng Non (6,488 has).[12]Collectively, these sister companies under Hengfu Sugar Industry Group cover 42,422 has[13] of land in three of Preah Vihear's districts: Chhep, Chey Sen, and Tbeng Meanchey.

It is set to be Asia's largest sugar producing facility with a daily production capacity of 20,000 tons of sugarcane, equivalent to 2,000 tons of refined sugar. It was inaugurated in April 2016 despite land disputes and lack of consultations with the local villagers, some of whom are part of the indigenous group Kuoy; approximately 528 families of this group live in the affected districts.[14]

Case 2: Banana Plantations in Bokeo, Laos

The province of Bokeo is one of the major centers for Chinese banana plantations in Northern Laos as it offers affordable land with advantageous conditions which are lacking in China. In 2015, the northern part of the country alone was able to yield 100,000 tons of bananas.[15]
The locals have allowed the establishment of the plantations considering the economic incentives of renting out their land which is valued at US $90.58 – 211.35per Lai[16].[17] The farmers, mostly from the Hmong and Khmu indigenous groups, were motivated as well by the earnings ranging from $120 to $150 per month.[18]These rates allowed the farmers to feed their families and send their children to school, and so even with the company's harmful practice of using hazardous pesticides and herbicides such as Paraquat[19], they are pushed to accept the costs of this trade-off.

Whose Land?

Land rights are defined in the domestic laws of Cambodia and Laos; the former specifies the land rights of IP in the "Immovable Property of Indigenous Communities" section of the 2001 Land Law, while the latter positions that land titles are potentially available for everyone in the country – without particular recognition to IP.

In Preah Vihear, most of the Kuoy villagers had lived in the districts since after the Khmer Rouge Regime in 1979. Following the 2001 Land Law, the villagers are the land's legitimate owners, having lived continuously on it for more than five years.[20]They could even acquire a collective land title as an indigenous community - as opposed to individual land ownership - but the process is difficult and time-consuming[21] that only 14 indigenous communities nationwide have successfully completed the application.[22]

Obtaining land titles in Laos is relatively faster and ownership is allowed on a wider range of land types (e.g. forest areas) but as there are no special provisions for IP in their land law, it does not necessarily offer better security since the lands could still end up with corporations with interests that are in conflict with that of the IPs. Besides that, communal land titling is relatively new in the country, and there have only been 5 villages awarded in Vientiane as of 2012, and these were only temporary titles.[23]

Whose Ally?

More than simply providing land titles, the government is also to ensure the security of the title holders, especially of ethnic minorities who are easy targets for big business compradors; not to mention that China, Cambodia, and Laos are parties to the International Convention on the Elimination of All Forms of Racial Discrimination and voted in favor of the UN Declaration on the Rights of IP, which contains specific provisions on IP's rights to land.

Hengfu obtained the concession in Preah Vihear on the terms that its development plan should be supported by both local authorities and residents prior to clearing the concession land. The land parcels along the waterways and the forestation should also be maintained and operations are to be suspended while conflicts of ownership with local residents are unresolved.[24]

Despite these agreements, the company cut down resin trees, bulldozed rice fields, and filled in waterways such that it became unusable for the villagers. Forest products such as mushrooms, leaves, vines, and fruits have also gone dry.[25]The villagers have attempted to raise their concerns but were only met with intimidations, malicious languages and gestures, and death threats[26]while the "land developments" continued. The sugarcane plantation is already on its second year of operation yet no measures were reported to be taken regarding an environmental or social impact assessment.

On the other hand, the villagers of Bokeo consented to the establishment of the banana plantations as the rates they were offered were more than what they usually earn from traditional farming. But the excessive chemical use eventually caused the farmers and their families to get sick from polluted water sources, which the company did not take accountability for.[27]

The human rights violations were exacerbated by the involvement of the military. To clear the land concession in Preah Vihear, Hengfu enlisted the help of Cambodia's Military Police by having them moonlight as the company's security guards.[28] In Oudomxay, a Lao province where Chinese banana plantations also flourish, the farmers were forced to work in the contaminated plantations under the supervision of Chinese overseers armed with automatic rifles.[29]

Nonetheless, the villagers in Laos haven't conducted mass mobilizations like those in Preah Vihear as they believe that risky jobs are better than none. Protests rarely happen in Laos and the media is tightly state-controlled and so their peoples' struggles are not as known, even more so for the marginalized IP.

With these comes the question of what has been and what should be the government's role in resolving the issues that resulted from the land concession program. They have, despite their intentions, allowed the plunder of their country's best lands and the eviction of their own people for the commercial benefit of Chinese corporations.

In 2012, both the GoC and GoL announced a moratorium that prohibited new proposals in land concessions. Cambodia's Prime Minister Hun Sen also called for the review of existing ELC's and the cancellation of those non-compliant with the concession contract[30] while Laos' Ministry of Agriculture and Forestry ordered inspections at banana plantations in several provinces, including Bokeo. In early 2017, the GoL eventually decided to shut down the banana plantations in these provinces as soon as their contracts expire.

Even after these measures, loopholes have allowed land concessions that were already on the pipeline to still be issued. Just after seven months following the moratorium, 208,805 ha were still granted to concessionaires in Laos.[31] Local officials were also easily bribed with gifts from the Chinese firms. In Cambodia, high-ranking authorities are business partners in most concessions.[32]

The GoC and GoL have not put these abusive businesses on a full stop and ordinary citizens are denied satisfactory resolution of disputes despite the number of existing mechanisms. Due to government negligence, the communities took it upon themselves to claim back their land. One of the few means left for them to defend their land is through mass protests but this still often puts them on the losing end as the Chinese companies are granted impunity.

Whose Development?

At one end of these arrangements, the companies enjoy the revenues reaped from the concessions. For Hengfu, profits are expected to increase further as the sugar mill is just working on half its actual capacity.[33] The Chinese firms in Laos are also planning on working their way around the ban by growing other crops that requires less fertilizer and pest control.[34]

The concessions were foremost intended to be local job creators. According to Cambodian Prime Minister Hun Sen, Hengfu could employ up to 14,000 workers and bring in new infrastructure such as hospitals and schools. While it is true that jobs have been created, these have often gone to people from outside the local area. Moreover, one of Hengfu's subsidiaries, Lan Feng, is under investigation for employing child labor on its plantations.[35]Not only was the promise of employment unachieved, but the plantation's development also cost the locals their traditional sources of income when the forest and lakes were cleared, along with their homes, thereby evicting them. As most ethnic farmers have no education, they have few viable livelihood options outside their land.

In Laos, the land leases exceed the amount of land used for production of the country's staple food, rice, and yet most of the harvests are exported back to China, leaving little to none for the local markets. The Cavendish banana being grown is of a different variety from the native ones, and it requires heavier use various chemicals to ward off diseases and to preserve it for export. Ironically, it is the workers who got extremely sick from these chemicals. The benefits of their wages – which aren't constant - are immediately offset by the costs of recovering from the contracted diseases.

The Kuoy and Hmong also face challenges in preserving their culture with the seizure of local temples and sacred lands. The cultural impact extends to the locals' perception of leasing as a means of earning without having to work. The locals are renting out their lands, buildings, and general businesses to Chinese entrepreneurs, who are also encouraged by the Chinese government to pursue businesses abroad. The sustainability of this practice is questionable as it isn't aligned with the SSC principle which aims to develop nations that are independent of foreign aid.[36] Instead, it is doing the exact opposite by having the locals give up the control of their land to foreign investors, and in effect, displacing some indigenous communities.[37]The influx of FDI brought about by the land concession, combined with China's Going Global, eventually led to de facto Chinese territories inside Laos and Cambodia.

It would be unfair to assess the situation as merely an imbalance of benefits. The IP are under worse conditions after the implementation of the land concessions. What was ostensibly an economic cooperation turned out to be China's self-serving means of accessing cheap land and labor. These so-called industrialization programs, spearheaded by private Chinese companies, and enabled by their government, advances China's political aspirations which includes maintaining the transitional economies of Laos and Cambodia in a vicious cycle of poverty, continuously requiring substantial amounts of aid and investments which are never without strings.

The Role of Aid

The GoC and GoL's lax handling of the disputes are part of the de facto policy of favoring Chinese interests over other foreign investors in return for Chinese aid. Chinese aid provides these commercial interests with preferential access to Cambodian/Laotian land and resources while GoC and GoL also provide political support to China on issues such as its territorial claims in the South China Sea. China's influence prevents its policies from being strongly criticized despite the harsh environmental and social repercussions. Even for rights groups like ADHOC[38], there is an evident link between the top foreign recipients of ELCs and Cambodia's closest economic and political allies.[39]

There had been several cases across Cambodia of favored treatment for Chinese companies when it comes to land concession projects. Hengfu was not the only Chinese firm to be awarded land above the legal limits. Tianjin Union Development Group's resort and deep-water port in Koh Kong is a 45,000-ha land concession that is equivalent to more than 20% of Cambodia's total coastline.[40] The project, which was endorsed by Chinese military leaders and which signing ceremony was presided by a member of China's politburo,[41] was abandoned mid-construction in 2017 due to "poor planning and environmental hazards".[42]

China's main aid to Cambodia from the start of the 21st century onwards include concessional loans to build bridges and highways reaching 1,500-km and worth nearly one billion US dollars, as well as government office buildings, office equipment, transport cars, and fire trucks.[43]China has also provided significant military assistance in the form of construction materials, army vehicles, uniforms, and assistance in human resource training and in repairs of military equipment. In return, the GoC welcomed Chinese investments resulting to no less than 4 billion USD increase in Chinese FDI fixed asset approval between 1998 and 2008.[44]

The GoC's recent dismissal of Western aid in favor of preserving its relationship with China[45] further demonstrates this growing dominance. This may be also due to China's policy of "non-interference" (e.g. keeping silent on cases of corruption and human rights violations in Cambodia), unlike Western donors.

Similarly, Laos recompenses for Chinese support by backing programs and policies that allow Chinese access to Lao resources and transport links to the Southeast Asian region.[46]Copper, in his book entitled China's Foreign Aid and investment Diplomacy,[47] cited several contracts that Chinese enterprises have won in Laos as a condition of aid. There was the completion of the Van Vieng cement plant in 2002 -the same year Beijing promised to cancel much of Laos' debt; in 2003, there was the "marvel road" of Vientiane and the Sino-Lao Friendship Hospital, as well as another announcement of debt forgiveness; and in 2004, certain imports from Laos were exempt from Chinese tariffs.

The "deals" continued, the investments grew, and eventually went all out in the Golden Triangle Special Economic Zones (SEZ) which now dominates the provincial economy of Bokeo. The SEZ mostly caters to Chinese-owned casinos, tourist resorts, restaurants serving animal dishes, and some other illicit businesses.

Conclusion

The Chinese plantations in Preah Vihear and Bokeo present two different cases of how private firms dismiss the rights and take advantage of indigenous peoples through Laos' and Cambodia's land concession programs. One company demonstrates outright antagonism towards the IP by destroying their farmlands and beating up villagers, while the other entered a seemingly legal agreement with the villagers, but harmful practices manifested later during operations with severe consequences for the latter.

The land laws of Cambodia and Laos were established to avoid such abuses but the current process on land ownership is beyond the means of ordinary citizens given the time and money it requires. Cambodia's land laws, although is relatively more advanced than Laos' in terms of recognizing IP, has not done any better in upholding their land rights. The processing of land titles for the IP took time while ELC's were easily granted to the corporations. This proves how laws and documents can only do so much to provide security to the IP, especially when policies are subject to influences and conflicting interests within the bureaucracy (i.e. donor and government priorities). These concessions are of significant value to the governments of Laos and Cambodia as it is a sign of the economic and diplomatic ties with China, their biggest contributor of aid and investment.

Granting state land and forest areas to private companies caused the loss of access of local peoples - both IP and non-IP –to their natural resources. Privatization of communal land has been detrimental to indigenous communities' traditions and livelihoods. The favors attached to Chinese economic assistance go beyond overriding state decrees for the benefit of a Chinese investor as even the protests of dispossessed communities are deliberately subdued by the state. The export-oriented concession projects were equipped from the beginning to meet Chinese and foreign demand without assurance on its impact on the IP's way of living. Moreover, it causes divide between the Chinese workers and the locals in Laos and Cambodia by having them compete for the jobs.

In this light, land concession programs that are implemented within the framework of being a condition to aid, it will never meet its expected objectives and the concepts of partnership, development cooperation, and agri-development will be but empty rhetoric as long as Chinese firms and governments remain unaccountable to indigenous peoples and the rural poor of the region.

New recommendations on land policy and the role of aid:

- Approval processes of land concessions, aside from being transparent, should recognize indigenous peoples as the main actors in decision-making and consultations should be conducted in line with the principle of free, prior, and informed consent.

- Design concrete measures on administering firms that do not abide with the contract. The GoC's and GoL's call for a moratorium does not necessarily make up for the lost homes, livelihoods, and resources due to lack of accountability mechanisms. Investigations on human rights abuses against activists and community members should persist along with a comprehensive decommissioning plan where necessary.

- In line with the previous point, the Chinese government should also be held accountable as the enabler of Chinese private investments and supposed propagators of mutually beneficial development cooperation. Development is not genuine, inclusive, nor sustainable if it is at the expense of indigenous peoples and the environment. Just partnerships among nations value respect and protection of peoples' rights.

- Aid should not come with conditions, in any form, and should not be used to gain favors, much less private investments, guised as development cooperation projects that in the end only serves the interests of ruling elites and further ties the country to indebtedness. Aid should complement the recipient countries' own development projects and programs, i.e., it should answer to the peoples' genuine demands instead of being donor-driven.

- In the long run, genuine land reform is still the prime solution to agricultural development and to ensuring indigenous peoples' autonomy over their ancestral lands. Public-private partnership programs will always have repercussions on the poor and marginalized sectors due to its profit-orientation.

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The role that multi-stakeholder partnerships can play towards a more inclusive South-South Development Cooperaton agenda - the case of Zimbabwe and Zambia

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Introduction

South-South cooperation has been receiving increasing attention in recent times in the backdrop of the emergence of Southern economies as strong drivers of global growth. China has become a key donor in the continent of Africa especially in Zambia and Zimbabwe. In January 2006, China announced its desire to increase co-operation with African countries by issuing China's African Policy to guide relations with the continent based on the principles of political equality, and mutual trust, economic win-win cooperation and cultural exchanges. Such principles echoed in the Bandung Conference and China's Policy on Africa provide a strong basis for South to South Development Cooperation (SSDC) that is people-oriented in its framework and interventions, and the promotion of the Human Rights-based Approach principles such as participation, empowerment and equality.

The study examines how the underlying principles of South to South Cooperation such as respect for national sovereignty, national ownership and independence; equality and mutual benefit have been promoted by China as there is rising evidence pointing towards the exclusion of citizens, lack of accountability and transparency, and promotion of commercial interest under the guise of development assistance. Both countries are explored in the comparative study as recipients of Development Cooperation from China. The study focuses on current cooperation in the sectors of energy, agriculture and in infrastructure development in trying to unpack the cooperation with China. In addition, the comparative study explores the role that multi-stakeholder partnerships can play to strengthen the current model of South to South Cooperation in line with various human rights based principles to allow for a more people oriented model of cooperation in the countries under study. Policy recommendations focus on strengthening the gains made from the relations as well as proposing measures needed to strengthen the position of both countries.

Profiling China Relations with Zambia and Zimbabwe

The historical relations that China has enjoyed with both Zambia and Zimbabwe have played a key role in defining the forms of cooperation between the countries under study and frameworks for this, with both countries establishing diplomatic relations at independence.

Sino-Zambia relations have evolved over time dating back to pre-independence era when China provided active support to the Zambian government in its efforts to consolidate political independence and struggle against western colonialist control. Bilateral relations between the two countries have gradually evolved to modern times covering a wide spectrum of issues such as political, trade relations and economic and technical cooperation, as well as exchanges in the fields of culture, education and health. Cementing this relation has been the monumental construction of the Tanzania-Zambia Railway (TAZARA) with Chinese assistance, which has become a cornerstone of Sino-African Relations. In the past four decades-and especially in the past two, China's growing economy has caused it to take a greater interest in Zambia's economy. As Wu reports, "Zambia enjoys a unique position as the show-piece of the success of Sino-African relations as well as the 'experimental region' of new Chinese diplomatic policies in Africa."

China's contemporary interactions with Zimbabwe began with its support of Zimbabwe's liberation struggle against colonialism and racial oppression, when China helped the Zimbabwe African National Union (ZANU), one of the movements that fought for the liberation of Zimbabwe in the early 1960s. This laid the foundations for the current relationship between China and President Robert Mugabe's government. Since then, the China–Zimbabwe relationship has undergone three development phases which include the liberation struggle (1960s to 1980); the strong political ties (1980 to 2000) and consolidation of the relationship to encompass broader cooperation from year 2000 onwards. Zimbabwe was isolated from the international community after 2000, and the ZANU-PF government was criticised for flouting the tenets of democracy, rule of law, governance and human rights. Confronted with these challenges, the Zimbabwean government adopted its 'Look East' policy in 2003. Zimbabwe's LEP includes closer ties with Indonesia, India, Iran, Malaysia, North Korea, but China stands out as the major ally. The long standing relationship between China and Zimbabwe has been described in words such as "all weather friend", a relationship that has withstood the test of time.

It is in light of such an evolving and strengthening relationship that China represents Zimbabwe's biggest foreign investor after the African country's estrangement from the West. China has played a critical role in Zimbabwe's political crisis for three reasons: its veto power in the UN Security Council (UNSC); its own developing-country status; and its non-interference policy. There has been an increase in bi-lateral investments and trade during the period 2010-2016. During a two-day state visit to Zimbabwe in December 2015, Xi Jinping struck a series of mega deals in the energy, telecommunications and infrastructure sectors with Robert Mugabe (however, despite speaking glowingly about these deals, they are yet to materialise as to date). In a follow-up to the 2015 visit, there has been a steady rise in the bi-lateral trade between Harare and Beijing. For instance, in 2016, Xi upped the FDI to US$ 4 billion from a previous low of US$ 500 million in 2015 (Chung, 2016). In a context where there is little in terms of external support besides from China, this is seen as significant support that has kept the country afloat in the wake of a near economic collapse.

The Forum on China-Africa Cooperation (FOCAC)

In the recent past, current Sino-African Relations have been manifested in the Forum on China-Africa Cooperation (FOCAC) with the latest one held in South Africa, December of 2015. The Forum for China Africa Cooperation (FOCAC) is a cooperation mechanism to pursue collective consultation and dialogue among developing countries. It is a forum for South-South cooperation set up to address development issues of mutual concern between China and African countries. The Forum supports the advancement of the course and purposes of the African continent and China, especially in areas with political dimension, infrastructure development, utilization of available market and the business opportunities that could be harnessed by both sides.

Policy Frameworks

The countries under study exhibited similar policy frameworks for handling cooperation with China through a central authority. Given the strong bilateral relations of both countries with China, the cooperation seems to take different routes with the presidium playing a key role and other institutions rubber stamping deals that would have been agreed by the heads of state. Recent policy changes have been mostly on the part of Zimbabwe through its Indigenization laws and re-engagement of the West through the Lima process which have adversely affected cooperation.

The Zambian Development Agency (ZDA) is the lead government institution dealing with economic relations with China. The agency was established by the ministry of Commerce, Trade and Industry in order to create a better environment for Zambian businesses and to promote investment. It was intended to be the focal point of the government development strategies for trade and investment. Other Zambian institutions engaged with the Chinese government and Private Chinese investors are the Ministries of Foreign Affairs, Minerals and Mines, Commerce, Trade and Industry, Finance and Works and Supply. The ZDA receives investment delegations and issues licences. It also provides information on relevant rules, regulations and secondary permits such as immigration permits, manufacturing licences, environmental impact assessments and aftercare, including advice on taxation and land issues. The Private Sector Development Fund in Zambia has also been proposed as an additional mechanism for local commercial engagement with Chinese companies in Zambia (Burke, Corkin, and Tay: 2007). There is however little evidence on the ground showing coordination between and among the government agencies given the complexity and dynamics of Chinese assistance.

The Zimbabwe Investment Authority (ZIA) is the country's investment promotion body set up to promote and facilitate both foreign direct investment and local investment. Zimbabwe Investment Authority Act (Chapter 14:30) is the primary law that administers investment in the country. It provides various kinds of incentives depending on the amount of investment, location, national importance and contribution to the economy. It undertakes the approval of Foreign Direct Investment (FDI) in Zimbabwe under the existing law on investment and investment regulation and governs the implementation of projects financed under Chinese ODA in Zimbabwe. Infrastructure projects, especially public works, are decided and managed in the Ministry of Public Works. The planning, authorization and monitoring of extraction of natural resources is in the hands of Ministry of Mines & Mining Development.

In Zambia, development assistance is normally coordinated by the Ministry of Finance but sometimes government Ministries do it alone to negotiate for developmental assistance with the People's Republic of China, only involving the Ministry of Finance when payments are required. In this regard, the Ministry of Finance becomes overwhelmed by the down payments required before the contract is activated. Therefore, many projects fail to take-off as the Ministry of Finance is not able to raise the down payment as a result of shortages of foreign currency.

The Government of Zimbabwe gets developmental aid from the People's Republic of China through various processes and procedures which in most cases seem to bypass the normal procedures given the strong bilateral relations that China enjoys with Zimbabwe. The Government of Zimbabwe and the People's Republic of China have a Development Cooperation Framework Agreement spelling out areas of cooperation and the modalities of settling Zimbabwe's existing and future debts with export proceeds of tobacco, cotton and minerals. The Government of Zimbabwe and the People's Republic of China convene Joint Commission meetings bi-annually. The Joint Commission meetings normally focus on further strengthening economic cooperation between the two countries in areas such as Agriculture, Mining, Trade and Investment, Telecommunications, Dam Construction, Tourism and Human Resources Development. The cooperation may be in the form of FDI and Joint Ventures among others. The Zimbabwe's Minister of Foreign Affairs and the Minister of Commerce in the People's Republic of China are Co-Chairs of the Joint Commission meetings. It is important to note that, cooperation with Zimbabwe is entirely a government to government arrangement with senior arms of government involved, side-lining key arms like the Parliament that play an oversight role.

The prioritised projects and the proposed form of cooperation are considered by the Cabinet for approval. Another organ, the Zimbabwe/China Joint Investment Committee is comprised of members from both the Government of Zimbabwe and the People's Republic of China. The Joint Investment Committee closely works with the Embassies of the two countries in coordinating implementation of the projects. Finally, the Government of Zimbabwe facilitates Chinese investment through Public Private Partnerships (PPPs), Joint Ventures, Built Operate Transfer (BOT) and Built Own Operate Transfer (BOOT) as articulated in both its fiscal and monetary policies. In this regard, key infrastructure projects can be rehabilitated through strategic partnership with investors from the People's Republic of China. It is important to note that unlike in Zambia, the cooperation in Zimbabwe despite lacking a defined framework is bureaucratic.

Analysts point out that Chinese development assistance is interfering with the regulatory frameworks put in place by the Government of Zimbabwe and recently they have seen policy changes. The strong bilateral relations between the two countries have seen the introduction of preferential treatment to Chinese investors. Zimbabwe's Investment Authority Act clearly states that no foreign investor is allowed to enter into retail or transport business yet there are a number of Chinese retail shops in the country's major cities. In addition, the Government of Zimbabwe once introduced a quota to Chinese imports which was later repealed. The sudden enforcement of the indigenization law in March 2016 endangered the interests of all foreign investors, China in particular. Passed in 2008, the indigenization law stipulates that all "foreign and white-owned companies with assets of more than $500,000 should cede or sell a 51-percent stake to black nationals or the country's National Economic Empowerment Board." Following this pronouncement, the Zimbabwean government closed diamond mining companies owned by Chinese (Anjin and Jinan), Russians, South Africans, and Emiratis, as an effort to enforce the indigenization law.

Unfortunately, the trade and investment 'deals' between China and most African governments are opaque and on barter terms largely dictated by China. What is alarming is that the Transparency International's Bribe Payers Index[1] rates Chinese businesses as some of the most willing to give bribes. This further raises questions about the legitimacy of the contracts and tenders awarded to Chinese firms which have captured the lion's share of all construction projects in the case of Zambia.

Cooperation with China in sectors under study

Both countries under study have enjoyed considerable cooperation in the Agricultural sector with China. Zimbabwe over the period has benefited more on this front given its land reform program which has led to most land being owned by locals – the challenges of this particular program have positioned China strategically. It is important to note that apart from specific groups that are prioritized in each of the countries, China has assisted both countries in constructing Agricultural Technologies Demonstration Centres (ATDC). For instance, in Zambia the ATDC provides training to smallholders and small scale farmers so they can become self-reliant and be able to use the knowledge acquired to help theirs and others' livelihoods. Since its establishment, over 1,000 Zambian agricultural technicians have been trained at the centre by Chinese experts. In the case of Zimbabwe, the Chinese government funded the establishment of the Agricultural Technology Demonstration Centre (ATDC) at the Gwebi Agricultural College costing $30 million. The Zimbabwean agriculture industry has benefitted a great deal, particularly the tobacco farming sector following the entrance of Chinese firm Tian Ze at the backdrop of the controversial land reform program. Since inception, the company has injected 40 million dollars annually in interest free loans and subsidized inputs, in addition to free technical support, training and other services to its contracted farmers. Through its support, Zimbabwe's tobacco output has rebounded and reached 217 million kilograms in 2014, slightly short of peak production of 231 million kilograms in 2001.

The development of the Chambishi MFEZ was undertaken by China Non Ferrous Metal Mining Company Limited (CNMC) with a total investment outlay of more than US$ 800 million. It houses heavy and light industries, among them; copper smelting, copper cable and other copper related products, agro processing, manufacture of household appliances, manufacture of bars, wires, electric cables and motor parts. It is poised to accommodate fifty to sixty zone enterprises with an output volume exceeding US$ 1.5 billion of which more than US$600 million will be exported while employing more than 6,000 locals. Zimbabwe's construction sector has witnessed an increased presence of Chinese firms especially since the country's liquidity crunch. In August 2016, China pledged US$ 46 million towards the construction of a new Zimbabwean parliament (Ramani, 2016). The National Defence College, Long Cheng Plaza in Belvedere and the National Sports Stadium are among the major projects completed by Chinese companies (Zimbabwe Situation, 2013). The constructions, however, have been carried out with little to no local sector participation at all.

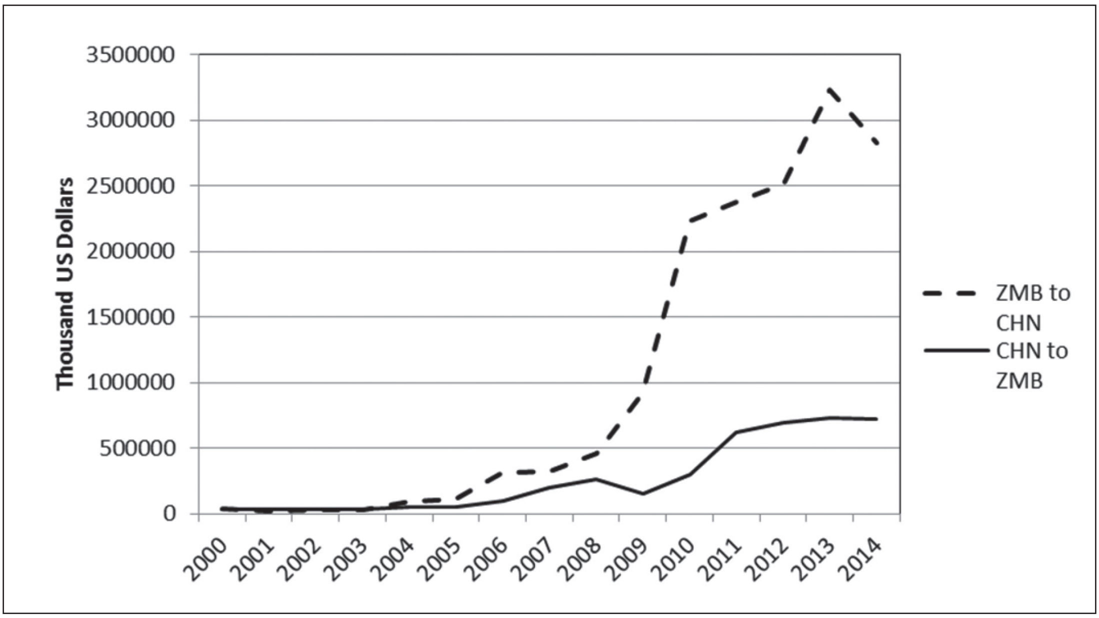
In the area of power generation, China's involvement in both countries has been extensive mostly focusing on generating electricity through hydro-power and coal. Zambia currently has an installed capacity of 1,948MW although it has a potential to produce approximately 6,000MW of hydro power. China's Sino Hydro Corporation Limited will build a 750 megawatts hydro-power station in Zambia, which will be the third largest power plant in the country when complete. In Zimbabwe, the country's existing power stations are currently generating less than 1000MW against peak demand of 2200MW. The government is focusing on upgrading its power plants and other key infrastructure to spur economic growth and China is expected to invest USD$4 billion in the sector - financing expansion of Hwange colliery, thermal power plant construction and a coal fired power station.

Large-scale Chinese investment in Zambia has indeed occurred. In 1997, the Bank of China opened a branch in Zambia, the first in the sub-Saharan region. In June 2001, the China Investment and Trade Developing Centre also opened for business. In 2014, China and Zambia signed an economic and trade zone co-operation agreement which established a SEZ in the Chambeshi mines, the first of five such facilities planned for Africa. With a projected total investment of over $800 million, it has created 6,000 jobs, developed infrastructure and increased development assistance.

In 2009, Chinese investment in Zambia stood at about $1 billion, making it by far the biggest investor in the country. In addition, as the Zambian minister of finance said, 'Chinese investment has helped to attract other investors into the country.' However, this is only worthwhile if Zambia is able to obtain appropriate rents from the Chinese and other investors exploiting the country's natural resources. More importantly, the country must be able to ensure that such revenue is invested in long-term industrial development.

Contrary to popular media and Sino-Africa discourse on China's trade with Africa, Zambia has been recording a trade surplus with China. Trade statistics from the UNCTAD indicate that beginning 2005, Zambia has had trade surpluses with China, having reached US$ 2,106,038.3 million in 2014. This trend has been growing until recently due to declining economic growth in China and decreasing Chinese demand for Zambian exports. Even then, the difference is still relatively high. Chinese exports to Zambia have also been steadily increasing, though not as fast as the growth of Zambian exports to China. However, as can be seen from the figure (4.5) below, by 2014, Zambian exports to China had plummeted while Chinese exports to Zambia maintained their level.

Figure 4.5. Sino-Zambia Bilateral Merchandise Trade (Expressed in thousand dollars)



Source: Author's based on UNCTAD Trade Statistics

Accountability and Ownership

Decisions regarding China's engagement are being taken at the executive level, without any input from the citizens of both countries under study either through civil society actors or parliamentarians. Given the secrecy which surrounds cooperation with China, CSOs have bemoaned a lack of information available on which to base analysis and advocacy work – there is no information regarding the details of the cooperation. The level of secrecy and non-transparency raises concern. This arouses suspicion that Chinese lending is not as 'cheap' as it seems, that there are potentially high levels of corruption. Traditionally, parliamentarians depend on CSOs for knowledge and understanding of such issues to enable them to debate issues thoroughly in Parliament. The lack of access to information by CSOs has adversely affected the over-sight role of Parliament. For example, the terms of the Sino-Zimbabwean joint-venture are protected from public scrutiny by a non-disclosure agreement. A report on Chinese investments in Zimbabwe by the Labour and Economic Development Research Institute, an arm of the Zimbabwe Congress of Trade Unions, notes that many Chinese companies in Zimbabwe are highly secretive and refuse to share any information as the deals are more on a government to government basis. Lastly, the fact that Chinese aid has less strings attached to governance measures means also that CSOs are not able to hold them accountable, and in this context, governments will silence any opposition to Chinese aid. This is the same in Zambia.

China's approach to aid is unconventional and, in many ways, appears to be outside the organised modalities that endeavour to make aid more effective, such as the Paris Declaration or the Accra Agenda for Action to which China is a signatory. Nevertheless, 'China has signed up to the Paris Declaration and is thereby committed to follow its five main principles … [But the difficulty is] China probably signed up in its capacity as a recipient rather than as a donor country'. Due to this lack of clarity, Zambia faces the challenge of holding China accountable to these standards.

Furthermore, unlike other donors in Zambia, China has not signed the Joint Assistance Strategy for Zambia (JASZ) – an instrument of harmonisation and division of labour in line with the principles of the Paris Declaration on aid effectiveness – that provides Zambia with some leverage in dealing with traditional Western donors.

More interesting is to look at China's 'no strings attached' policy in relation to African countries, which supposedly translates into a 'no attachment of conditions to aid provided'. One view is that, unlike with Western donors, this policy allows countries greater ownership of the aid resources accessed. However, the opposite view is that it undermines local efforts to increase good governance and international efforts at macroeconomic reform, of which traditional donors to Africa are strong advocates.

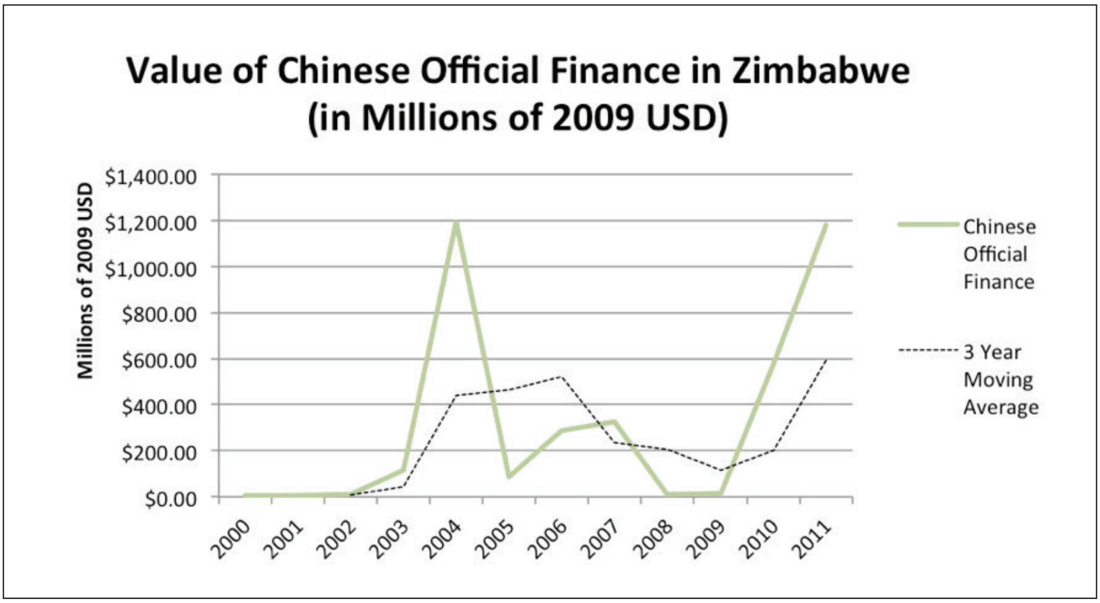
Zimbabwe, unlike Zambia, is yet to adopt a policy framework to coordinate aid with the Aid Coordination Policy (ACP)2 developed during the Government of National Unity (2009 to 2013).

Lastly, Zambian government policy on CSOs is not clear and lacks a governing regulatory framework for engagement. However, Parliamentary privileges allow the National Assembly through its Committees to engage with citizens. Still, Chinese development assistance to Zambia has in the main been a government-to-government affair pursued as a pure commercial undertaking. The same can be said of Zimbabwean CSOs despite the presence of a proper regulatory framework which is restrictive with laws curbing other key sectors like the media in covering cooperation with China.

Sustainable development outcomes

While over $3 billion dollars of official Chinese finance in this period were investments in agriculture, forestry, and fishing projects, the Chinese government also supported activities related to food security, military support, and humanitarian response. It is not obvious, however, that all of these activities were of benefit to the Zimbabwean people. Media reports indicate that Chinese financing has enabled the Mugabe regime to construct a new presidential mansion, purchase equipment to censor independent radio and television stations, as well as monitor the political activities of opponent politicians and their constituents in the 2005 presidential election. The graph below displays the amount of Chinese official finance given to Zimbabwe by sector, and shows that Communications receives significant support, receiving $107.03 million.

Chinese Official Finance* to Zimbabwe **2000-2011** (in millions 2009 USD)

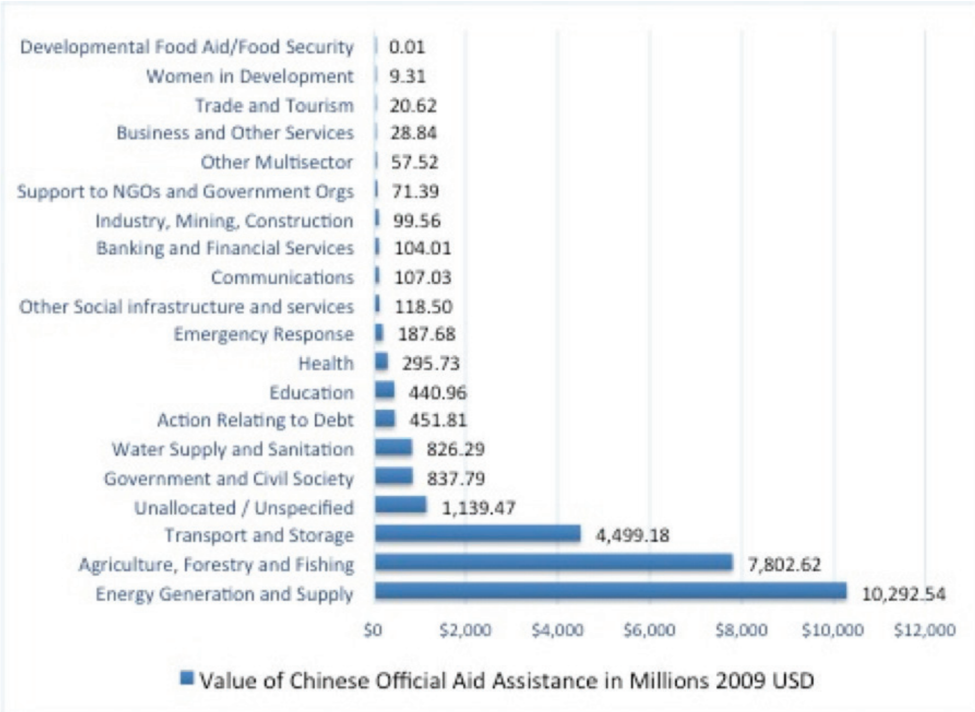


Projects related to energy generation and supply received the largest portion of Chinese official finance between 2000-2011 yet power remains a challenge in the country. Many of these Chinese-financed infrastructure projects require the use of Chinese private sector companies or state-owned enterprises, some of which have attracted criticism for their poor treatment of local Zimbabwean employees. Sino-Zambia relations have faced challenges from criticism. The often cited issue from critiques concerns the alleged ill-treatment of Zambian workers by Chinese managers and the disregard for local labour and safety issues.

Youth Inclusion and participation

There has been no youth inclusion and participation in the decisions that govern the Sino-Cooperation interventions in both countries under study especially in the sectors of energy, infrastructure and agriculture. The role and participation of youth has been as labourers in the few cooperation projects that have utilized local skills in the construction process. Most of the interventions have not addressed the key challenge faced by youth in both countries under study which is that of unemployment. Efforts were made within the study to gather figures from Trade Unions and the Chinese embassies on the exact numbers of youth employed from projects financed with cooperation, but given the secrecy that surrounds the figures, it was difficult. Cases of poor working conditions and compliance to labour regulations also means that the few employed youth have not received decent jobs. In a recent twist of events, the Chinese Association for Peace and Disarmament (CAPD) with an aim to promote mutual understanding and strengthen people to people relations and cooperation between Zimbabwean and Chinese NGOs, convened a high stake meeting under the auspices of NANGO. The meeting was officially requested by the CAPD, the largest nationwide non-governmental association in China. The deliberations centred on how to strengthen Civil Society in general, perceptions on China/China's Projects in Africa,

Chinese Official Finance to Zimbabwe by Sector Type, 2000-2011 (in 2009 USD)



the focus being on protection and promotion of rule of law and other fundamental human rights. Youth were part of the high stake meeting and through this platform aired their views concerning China-Zimbabwe relations. Key recommendations included the need to strengthen collaboration between Zimbabwean and Chinese CSOs; facilitation of exchange programs; working jointly to improve the CSO enabling environment in both countries and implementation of projects on Zimbabwe on accountability. Since the meeting, a delegation of Zimbabwean CSOs has travelled to China at which Zambian CSOs were also present.

Recommendations

- Participation of locals in decision making regarding Zambia and Zimbabwe's engagement with China could go a long way in helping local entrepreneurs benefit from the relationship. Apart from this broadening participation allows for people-oriented SSDC processes.
- Both countries under study need to craft adequate economic policies and regulatory mechanisms for Chinese Aid. Well-researched negotiation benchmarks based on the development plans and objectives, including poverty reduction strategies, in the recipient countries as well as priorities for knowledge and technological transfer to accelerate the private sector should be instituted.
- There is need for measures/policies that will promote a significant market presence for Zambian and Zimbabwean entrepreneurs in China, in order for the cooperation with China to be a win-win one that also benefits ordinary citizens.
- China has come in to fill the financing gap in Zimbabwe and in Zambia, but needs to

adhere to some minimum standards of governance. Hence, both governments must ensure that legal provisions to guide debt management are in place, authorised by the Zambian Constitution, giving oversight and watchdog institutions such as parliament, the auditor-general and the attorney-general clear mandatory authority over the borrowing process.

- Both countries guarantee access to information through their constitution. CSOs must lobby and advocate for Acts to guarantee this, to enable the Zambian and Zimbabwean public to exercise the right to question and access information about all borrowing, trade and investment agreements, as well as aid flow from both new and old partners, before and after the agreements are signed.
- Incorporation of Human Rights Based approach principles such as participation, empowerment and equality giving a human face to the forms of cooperation.
- Civil society in Zambia and Zimbabwe must intensify their engagement with their governments, their Parliaments, with civil society in China, and continue to lobby for the above recommendations.

Conclusion

China Cooperation with both Zambia and Zimbabwe has met some of the key developmental challenges especially in the sectors of energy, construction and agriculture albeit not translating to tangible developments on the part of the citizenry which still remains in poverty. The win-win concept and principles pursued by China such as national ownership, equality, mutual benefit and independence have been swept under the carpet as China sources raw materials and markets for its growing economy in the countries under study. The nature of the cooperation which has been mostly government to government with very limited role of other actors necessitates the need to change the paradigm to a more people oriented south to south development cooperation that fully embraces the human rights-based approach principles of participation, equality, empowerment and non-discrimination. China's cooperation with both recipient countries has to be augmented by a strong multi-stakeholder partnership which has the potential to balance the uneven cooperation which has mostly benefited China on many fronts.

Endnotes

1 Transparency International's Bribe Payers Index ranks the world's wealthiest countries by the propensity of their firms to bribe abroad and looks at which industrial sectors are the worst offenders. The 2011 Bribe Payers Index ranks 28 of the world's largest economies according to the perceived likelihood of companies from these countries to pay bribes abroad. It is based on the views of business executives from developing and developed countries as captured by Transparency International's 2011 Bribe Payers Survey. According to the Corruption Perception Index of 2016 China scored 40 out of 100 (www.transparency.org/cpi) while on the 2011 Bribe Payers Index it scored 6.5 out of 10 (Countries are scored on a scale of 0-10, where a maximum score of 10 corresponds with the view that companies from that country never bribe abroad and a 0 corresponds with the view that they always do)

2 The Zimbabwean Government launched the ACP in 2009 to provide a donor coordination framework for effective planning and engagement, based on the Paris Declaration on Aid Effectiveness of 2005. It contains guidelines, structures and objectives to support coherent interactions between government and partners. However, the ACP was not implemented and, following the 2013 elections that brought an end to the GNU, the government abandoned the Policy document.

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Green Right vs. Green Technology and Green Cities? A human rights-based approach to ASEAN-China environmental cooperation

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This paper seeks to present an assessment, from a people-oriented and human rights-based approach, of the ASEAN-China Strategy for Environmental Cooperation or ACSEC 2016-2020.

It takes as its focus the development cooperation program's impact on the right to a safe and healthy environment; it merely points to the program's impact on other basic human rights.

ACSEC 2016-2020 is a development program being undertaken by China on the one hand and the ten member-states of the Association of Southeast Asian Nations or ASEAN on the other, namely: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.

It traces its origin to 2003, when the heads of governments of China and ASEAN signed a joint declaration on "strategic partnership for peace and prosperity," one of the provisions of which state promoting "more exchanges" and enhancing "mutual cooperation mechanisms" in the field of the environment.

ACSEC 2016-2020 follows previous development cooperation programs on the environment between China and ASEAN. Under such programs, "various cooperation activities" have been carried out "including cooperation on high-level policy dialogues, ASEAN-China Green Envoys program, biodiversity and ecological conservation, environmental industry and technology [exchange], and joint research, etc."

The official document of ACSEC 2016-2020 states that the program will be funded through the following: (1) "ASEAN-China cooperation fund," (2) other funds from the government of China, (3) various forms of voluntary support from China and ASEAN member-states, (4) funds from international partners or other countries, and (5) funds from the private sector. No specific amount for the program is mentioned (China-ASEAN Environmental Cooperation Center and China Center for SCO Environmental Cooperation, no date).

Mr. Peng Bin (2016), introduced as "director for ASEAN-China cooperation at the China-ASEAN Environmental Cooperation Center," calls ACSEC 2016-2020 "a new paradigm for South-South environmental cooperation," although he merely enumerated the development cooperation program's features and did not differentiate it from other such programs.

What ACSEC 2016-2020 seeks to do

ACSEC 2016-2020's main document was released by the Ministry of Environmental Protection of China and the Environmental Authorities of ASEAN States (no date). It states the following areas of cooperation: policy dialogue and exchange, environmental data and information management, environmental impact assessment, biodiversity and ecological conservation, environmental industry and technology for green development, environmentally-sustainable cities, education and public awareness, institutional and human capability-building, and joint research.

Among these, (1) cooperation on environmental industry and technology for green development, (2) environmentally-sustainable cities, and (3) biodiversity and ecological conservation are the areas that are closest to having a concrete effect on the environment and therefore in affecting environmental rights. We examine these in detail in the following:

Green Industry and Green Technology

Plans for cooperation on the area of "environmental industry and technology" saw a boost in ACSEC 2016-2020 compared with the initial steps that were undertaken by China and ASEAN member-states prior to the development cooperation program.

China's Ministry of Environmental Protection (2014) calls this form of cooperation "the backbone of green development and an important driving force to realize green transition in the region." Efforts in this area are seen as part of China's "war on pollution," in which environmentally-sound technology and industry are supposed to contribute to "the harmonious development between man and nature" – and combat air, water and soil pollution.

While ACSEC 2016-2020 promises "technology transfer among enterprises," it talks more about fostering common understanding among governments and "other stakeholders," or private agencies on green technologies. At the same time, it talks concretely of promoting "demonstration bases, exploring appropriate equipment and cooperation methods."

At the center of this are "green technologies" that will reduce carbon dioxide emissions and expand the use of non-fossil fuels as sources of energy. At the forefront of this are electric vehicles (Rapoza 2015). A 2017 report that underscores that "big international corporations continue to have a monopoly over clean energy profits" says that Chinese companies lead the world in green technology. It reports the lead of Chinese companies in biofuels and battery storage, and in manufacturing wind turbines and solar grade polysilicon (Middlehurst 2017). China is seen as having taken the lead in renewable energy, a field seen as a missed opportunity for the US. It has supplied two-thirds of the world's solar panel and nearly half of the world's wind turbines. It continues to pledge huge funds for the promotion of solar, wind, hydro, and nuclear energy (Pham and Rivers 2017).

In a 2015 forum on China-ASEAN environmental cooperation, environmentally-sound technology and industry was presented as part of efforts to "move forward from capacity building workshops and seminars to a more concrete, long-term, on-the-ground, and high-impact projects with programmatic approach." The session on the topic "highlighted the Public-Private Partnership (PPP) experiences and policies in both China and ASEAN countries." The claim was made that while PPP "has different legal system and policy in different countries," it is "recognized for generating benefits such as reducing financial burdens of government and risk sharing between private and public sector, as well as gaining advantages from private sector expertise and innovation."

The final part of the forum was a visit to an "exhibition of environmentally-sound technology and industry of China and ASEAN." The article further claims that "The exhibition targeted the theme of 'promoting industrial cooperation, seeking green business opportunities under the Belt and Road Initiative.' It will provide more business opportunities for China and ASEAN countries to enlarge the China-ASEAN Free Trade Area and expand the Regional Comprehensive Economic Partnership or RCEP (Environment Division, 2015)." The said exhibition, the 12th China-ASEAN Expo, however, does not particularly prioritize the concern of defending the environment. Its own website states that the exhibit is "an asset to promote trade and investment and an engine of deepening bilateral cooperation on all fronts (China Daily 2015)."

From this, one can see ACSEC 2016-2020 as promoting knowledge about "green technology" as a means of paving the way for the sale of these to ASEAN member-states – specifically through PPPs between governments of ASEAN member-states and Chinese corporations.

Green Cities and Ecological Conservation

Cooperation on environmentally-sustainable cities was not an aspect of environmental cooperation between China and ASEAN member-states before ACSEC 2016-2020. The development cooperation program talks about urban ecological conservation, sustainable production and consumption, urban waste, climate change mitigation and adaptation, urban forestry and competition among cities.

While it explains the "ASEAN-China Environmental Protection Cooperation Strategy 2009-2015," a website devoted to "ASEAN-China Partnership for Ecologically-Friendly Urban Development" presents the ideas that may continue to guide ACSEC 2016-2020.

The website locates cooperation on environmentally-sustainable cities within the creation of the China-ASEAN Free Trade Area or CAFTA, the "One Belt and One Road" and the "Silk Road Economic Belt." It states that "urbanization is the only way for developing countries and emerging economies to achieve the goal to change and improve people's living standard" but this must be balanced with the need to protect the environment. It also states that "At national and local levels, the construction of eco-city in China is growing vigorously, solving the environment problems arising from urbanization and accumulating abundant experience (ASEAN-China Partnership for Ecologically-Friendly Urban Development, no date)."

A seminar on the topic yielded the following proposals: "to explore the establishment of China-ASEAN Eco-cities Alliance, to enhance capacity building for city-level environmental agencies, to share good experiences on eco-city development and management in China and ASEAN; to encourage ecosystem-based approaches to disaster risk reduction as one of the areas for cooperation as well as source of good practices that can be shared between the cities in China and ASEAN, to encourage exchange and joint study on laws, regulations, standards, index systems, incentive and financial mechanisms and good practices relating to eco-city, to strengthen the participation of enterprises in ecologically friendly urban development, and to enhance communication, cooperation and partnerships with relevant international partners, et al (ASEAN-China Partnership for Ecologically-Friendly Urban Development, 2015)."

It can be concluded that the development cooperation program seeks to harmonize understanding and policies with regard to green cities among countries, and not to undertake actual work in this area.

Biodiversity and ecological conservation was part of China-ASEAN cooperation on the environment prior to ACSEC 2016-2020 but plans for it got a boost in the latter. Aside from experience-sharing, demonstration projects, capacity-building, research on environment and policy, ACSEC 2016-2020 is clear with regard to cooperation on "priority biodiversity conservation areas" and on "marine environmental protection areas."

The latter is reiterated in the "Plan of Action to Implement the Joint Declaration on ASEAN-China Strategic Partnership for Peace and Prosperity (2016-2020)" released by ASEAN in 2015. The document talks about "priority biodiversity conservation areas such as ASEAN Heritage Parks." The latter refers to 38 areas in ASEAN member-states that "are known for their unique biodiversity and ecosystems, wilderness and outstanding values." The following countries have the most number of such parks: Philippines (8), Myanmar (7), Vietnam (6), Indonesia (6) (ASEAN Centre for Biodiversity, no date).

Funding ACSEC 2016-2020

The official documents of ACSEC 2016-2020 claim that funding for the development cooperation program comes primarily from the ASEAN-China Cooperation Fund. This fund, it turns out, is the "China-ASEAN Investment Cooperation Fund," private equity fund created by the Export-Import Bank of China and the Chinese government in 2010 to invest in infrastructure, new energy and natural resources projects in Southeast Asia (The Wall Street Journal, 2010).

From an initial funding of US$1 billion, it aims to raise some US$10 billion. It is seen as accompanying China's Belt and Road Initiative and while investments carried out through the fund yielded positive results for China, plans to further improve such investments are afoot (Xueqing 2015). Its vision, according to its website, is to "become the most reputable and best-performing equity investment fund in ASEAN countries (China-ASEAN Fund, no date).

ACSEC 2016-2020's source of funds makes it clear that it is closely related with China's investment, trade and overall economic plan in Southeast Asia. It shows that the development cooperation program should be evaluated in connection with the latter.

China-ASEAN Environmental Cooperation Center

ACSEC 2016-2020 presents the China-ASEAN Environmental Cooperation Center (CAECC) as a central mechanism for its implementation. It was launched in March 2010 by the Ministry of Environmental Protection of China with the approval of China's government. CAECC is described as "an open platform to promote environmental cooperation" among China and ASEAN member-states. It is given various tasks in relation to ACSEC 2016-2020 (Ministry of Environmental Protection of China and Environmental Authorities of ASEAN Member-States, no date).

CAECC's brochure, on the other hand, tells a more complex story and shows how the center itself sees its mandate. It says that CAECC's mandate is: fuel up sustainable development and South-South cooperation; implement environment-related actions within the frameworks of APEC, China-Africa, BRICS, China-Arab states, China-ASEAN, Shanghai Cooperation

Organization, China-Japan-Republic of Korea, Mekong; support the "One Belt One Road initiative" and support green silk roads, undertake policy research for China and its cooperation projects; enhance cooperation and exchange on green industry and technology; and support outreach and capacity-building activities (China-ASEAN Environmental Cooperation Center and China Center for SCO Environmental Cooperation, no date).

While CAECC's mandate shows its and ACSEC 2016-2020's thrust to uphold China's development cooperation plans, particularly on the area of environment, it also shows other aspects to ACSEC 2016-2020. The document indicates how CAECC and even ACSEC 2016-2020 are connected with China's policies on trade and investments and even security, with the Silk and Road Initiative, previously named "One Belt One Road," and with its promotion of green technology. This has many implications on ACSEC 2016-2020's impact on environmental rights.

ACSEC 2016-2020 and the right to a safe and healthy environment

Anton and Shelton (2011) trace the origins of the right to an environment "of a certain quality" often described as safe and healthy to the connections made between international human rights law and international environmental law in the late 1960s.

The connection was crystallized in 1972, in "the first major multilateral conference on the environment" held in Stockholm, the declaration of which states that "Man has the fundamental right to freedom, equality and adequate conditions of life, in an environment of a quality that permits a life of dignity and well-being and he bears a solemn responsibility to protect and improve the environment for present and future generations." This was eventually affirmed and echoed in "binding international agreements" such as the African Charter on Human Rights which was adopted in 1981 as well as in the American Human Rights Convention on Economic and Social Rights adopted in 1988 (118).

There is a widespread recognition that first, the enjoyment of all internationally-recognized basic human rights depends upon a healthy and safe environment. Second, the environment can be defended effectively through the exercise of human rights (131). In connection with the latter, Anton and Shelton talks about involving the public in making policies about the environment and was first undertaken by the 1992 Rio Conference on Environment and Development (356) and includes the following: (1) access to environmental information, (2) the right to public participation in decision-making, (3) the rights of access to justice and to a remedy for environmental harm.

Evaluating development cooperation programs therefore entail not only evaluating their impact on the environment, but also the public's participation in decision-making with regard to the environment. These points are helpful in evaluating ACSEC 2016-2020.

First, the official documents of ACSEC 2016-2020 do not reference human rights at all. They pose "environmental degradation" as "a big challenge" to "economic and social development" and then posit "sustainable development" as the solution, the "development strategy" favored by "the international community." Preventing "environmental degradation" and "enhancing environmental quality and conservation of natural ecosystem" are here in the service of sustainable development.

The official documents do not define "sustainable development," which could have led to definitions that reference human rights. They only use the phrase as a stepping stone to enumerate challenges to it: "inequitable development both within and among countries, environmental pollution and ecological degradation, lack of funds and technologies, and insufficient institutional and human capacity to address the environmental problems."

People's Participation

Second, ACSEC 2016-2020 is silent with regard to increasing public participation in crafting policies governing the environment. ACSEC 2016-2020 does not talk about involving people's organizations and non-governmental organizations from the grassroots in China and ASEAN member-states. This is consistent with previous development cooperation programs on the environment between the two parties.

Previous development cooperation programs claim to have "non-governmental organizations" as attendees, but the NGOs mentioned were "World Conservation Union, Fauna Flora International, World Wildlife Fund, etc." These are big international NGOs that are based in Switzerland, United Kingdom and Switzerland, respectively. Elliott (2011) states that ASEAN itself has recently shown "apparent willingness to work more closely with NGOs and civil society groups in a formally structured way" with regard to the environment.

On the other hand, the ASEAN Civil Society Conference (2006) condemned the "Drastic increases in human rights violations including the widespread extra-judicial killings, involuntarily disappearances, impunity, rape of women, torture and inhumane treatment" in the region. It also said that "Basic freedoms such as the rights to assembly, association and expression that are critical for genuine people's participation in policy-making continue to deteriorate in all ASEAN countries."

While Hirsch and Warren state that Southeast Asia's "bio-physical environment and resource base have undergone rapid degradation (1998, 1)," they also say that "in all cases" in the global region, "there are restrictions on expression of resistance and dissent" even as they note the "increasing spaces for social and political action (1998, 6)."

Global Witness (2017) reports that 32 land and environmental defenders in the region were killed in 2016: Philippines (28), Myanmar (2), Malaysia (1), Thailand (1), Vietnam (1). This amounts to 16 percent of the global total of 200.

In China, commentators observe that public participation has not been well institutionalized and the public's role in environmental management is limited. Calls for public participation in China's decision-making on the environment were being made as early as 2006 (Yue 2006). Chinese policy-makers and researchers currently face a dilemma wherein they must determine how to fully and effectively involve the public (Chen, Qian, Zhang 2014). Other commentators, while noting the enactment of many measures in order to encourage public participation in decision-making pertaining to the environment, claim that prospects are "not optimistic" given various problems, chief among which is the economy's overdependence on the environment (Ge, Bi, Wang, no date).

Environmental problems

Third, ACSEC 2016-2020 does not talk about directly addressing particular environmental problems at the level of localities, communities, or regions – whether within ASEAN member-states or within China – or of countries.

It is silent on the environmental problems affecting ASEAN member-states that were identified by Hershberger (2014): extinction of endangered species, air pollution, destruction of corral reefs, deforestation, lack of water security and increased urbanization.

Priebe and Steinle (2013) on the other hand, point to the following environmental problems specific to ASEAN member-states: (1) Palm oil monocultures in Indonesia, which is a result of the European Union's decision to subsidize biofuels, (2) Dam projects in Laos and other Mekong countries, (3) Ecotourism, (4) Haze pollution.

Tay (2015) reports that the last has been causing hazards to human and animal health and disruptions in agriculture and the economy in general. He clarifies, and Palatino (2015) agrees, that a significant portion of this is caused not by small-scale indigenous farmers, but by big plantation corporations.

On the other hand, Lallanilla (2013) enumerates the following as the biggest environmental issues facing China: air pollution, water pollution, desertification, drop in biodiversity, "cancer villages" due to pollution, and population growth.

Walker and Buck (2007) summarize the environmental effects of the extremely fast pace of China's capitalist development as follows: "appalling air pollution, massive toxic spills and deadly industrial hazards. It harks back to the horrors of the industrial revolution in Britain, as revealed by the Factory Reports or Mayhew's studies of the London poor."

Tianjie (2017) while generally agreeing with the dire picture of the environment in China, points to possible changes in the future, especially with regard to the use of coal plants and the reduction in different types of pollution as a result of slower economic growth. He also points to the factors being blamed for the state of the environment: the priority given to the economy over the environment, and the non-implementation of laws aimed at protecting the environment. He cites the Chinese government's renewed will to protect the environment.

What to expect from ACSEC 2016-2020

It appears that ACSEC 2016-2020's area of cooperation that is most concrete and will have the most direct effect on the right to a safe and healthy environment is its promotion of green technology. The plans that fall under this are robust – from creating a common understanding among governments, to harmonizing government policies, to creating physical infrastructure for demonstration. Furthermore, this area of cooperation cannot be divorced from China's leading role in the creation and promotion of green technology.

Second is ACSEC 2016-2020's biodiversity and ecological conservation. The plans under this are also robust and more importantly include actual conservation work in priority areas. Third is ACSEC 2016-2020's promotion of green cities. The plans under this are mostly about common understanding among governments, and not actual work, initiatives or projects.

So how does ACSEC 2016-2020's promotion of green technology, biodiversity and ecological conservation, and promotion of green cities impact on the right to a safe and healthy environment?

Green technology, when compared with the technologies that they seek to replace, could bring about reductions in the harm inflicted on the environment. They could cause a reduction in carbon dioxide emissions, for example, when compared with the business-as-usual status quo, and this is shown by China's experience with these technologies (Chiu 2017). ACSEC 2016-2020's promotion of green technology therefore does uphold the people's right to a safe and healthy environment – to an extent.

The use of green technology, however, is not enough to solve the immense environmental crisis being faced by the world today, including China and ASEAN member-states. Despite China's use of green technology, for example, it continues to use coal, a major source of carbon dioxide emissions. So while China's green technology represents an improvement compared with the technologies they directly replace, they have not replaced other main sources of carbon dioxide emissions.

What China's green technology can do is slow down the rate of carbon dioxide emissions. This is still miles away from the idea being considered by environmentalist intellectual and activist John Bellamy Foster (2017): the idea of "negative emissions" or "sucking carbon out of the atmosphere."

Settling for more modest measures, he says that "What is needed is a kind of contraction and convergence of carbon dioxide emissions, which must approach zero by 2050, but with the requirement that rich countries reduce their emissions drastically first, thereby taking on the primary burden for mitigating climate change. Needless to say, other big emitters in the Global South, with much lower per capita emissions but large aggregate emissions, such as China and India, need to be on board too if the world is to reach zero net carbon emissions by mid-century."

ACSEC 2016-2020's biodiversity and ecological conservation, particularly its actual conservation work in priority areas, will help strengthen the environment in fighting forces that are destructive to it. It does uphold the right to a safe and healthy environment, again to an extent. Still, this is different and distant from Foster's approach, which puts primacy on reducing the forces that are destructive to the environment over strengthening the environment against these forces – on reducing the negative factors rather than increasing the positive factors, as it were.

ACSEC 2016-2020's promotion of green cities remains at the level of promoting a common understanding among governments, and does not by design translate into concrete and actual actions. Should it translate into concrete and actual actions, it is within the realm of reducing the negative factors against the environment, though in a level far below the promotion of green technology – especially when seen within the framework of continuing to build cities in pursuit of development. In the latter context, it is a mere token gesture that does little to replace or compensate for the destruction to the environment caused by the construction of new cities, however green.

ACSEC 2016-2020 and its contexts

Human rights-based approaches to development cooperation projects demand that the latter's contexts be examined. Such an examination will help clarify the projects' actual and deeper impact on human rights. At the same time, the discussion above, especially of CAECC and ACSEC 2016-2020's funding, sharply point to nothing less than such an examination.

There are at least five (5) contexts that are relevant to ACSEC 2016-2020 and its impact on the right to a safe and healthy environment:

(1) China's rise as a global economic and political power. There is no dearth of writings discussing this. While still considered part of the Global South, China has increasingly shown its economic strength, forcing commentators to compare it with the US even as they say it still has not replaced the US (Petras 2012; Huang 2017). This has serious implications for its participation in South-South development cooperation, particularly in terms of the principles of solidarity and horizontality, which are valued in such forms of cooperation (Ibon International 2014).

(2) The changing narrative of China's record on the environment, from bad to good. From being well-known for being destructive towards the environment, China has in recent years changed, becoming more protective of the environment and even a world leader in this sphere. This is what one writer called "the changing narratives of China's environmental story" (Tianjie 2016). Even progressive environmentalist Foster (2015) agrees, tracing the change to the country's 2000 declaration of building an "ecological civilization." This development may augur well for its development cooperation projects on the environment. Or it may not, as many wealthy and powerful countries are known for protecting their environments at home while destroying the environment abroad.

(3) The close relations between China and ASEAN. ASEAN is China's third largest trading partner and can become its largest trading partner in the future if the free trade area between the two pushes through. It has "always been the premier stage for China's participation in multilateral diplomacy." Southeast Asia is considered important in the implementation of the Belt and Road Initiative. It is the target region for the construction of the "21st Century Maritime Silk Road" and the China-Indochina Corridor for International Economic Cooperation is one of the six biggest corridors to be built under the "Silk Road Economic Belt" (Li and Yongke, 2017).

(4) The Belt and Road Initiative. The Belt and Road Initiative has been described as "a vehicle for China to take a greater role on the international stage by funding and building global transport and trade links in more than 60 countries" (Goh and Ruwitch 2017). It will link "China with Africa, Asia and Europe through a network of ports, railways, roads and industrial parks" and has gathered more than $US 1 trillion in pledged funding (AFP News Agency 2017). First mentioned in 2013 by Chinese President Xi Jinping, it has been enshrined in the constitution of the Chinese Communist Party in 2017. Critics say that it is about China's exportation "of excess industrial capacity," has caused developing countries "to take on heavy debt," and needs improvement in the fields of "governance and transparency." (Goh and Ruwitch 2017).

(5) The dangers to the environment of ASEAN member-states being posed by China's Belt and Road Initiative. As far as Southeast Asia is concerned, McCann (2017) says that the Belt and Road Initiative is "an infrastructure bonanza like none the region has ever seen before

[that] looks set to fragment, dice up, and eat into some of the region's last great wild places, and the prospects for the region's natural heritage are grim." He enumerates the dangers being posed by the initiative on the forests, waters, and animal life in countries close to China – Thailand, Cambodia, Myanmar and Vietnam. He also says that the environment in the Philippines, Malaysia, Singapore and Indonesia is not safe. Priyandita and Wijaya (2017) adds to this list the destruction that threatens Indonesia and the Mekong.

Within such a context, it is more likely that ACSEC 2016-2020 will (1) promote green technology hand-in-hand with the actual sale of green technology, (2) promote green cities, and (3) carry out conservation work on priority areas.

These will most likely be used together with the supposed change in China's narrative on the environment to project China as a defender, even a champion, of the environment and environmental rights.

Such a projection is dangerous if it is done to cast aside the real dangers to the environment of Southeast Asia being posed by China's Belt and Road Initiative and other business endeavors. ACSEC 2016-2020 may be used to prettify the Belt and Road Initiative, a profit-making endeavor, even as it also promotes green technology, another profit-making endeavor. It may mean the use of rhetoric of green cities, actual conservation work, and even the promotion of green technology even as the Belt and Road Initiative clears forests and builds new cities that will supposedly be green.

Given ACSEC 2016-2020's strong connection with China's investment, trade and overall economic measures, it is also important to evaluate its impact, direct and indirect, on basic human rights that were not discussed in this study. For example, ACSEC 2016-2020 promotes green technology and even hints at the use of Public-Private Partnerships to actually spread green technology. While PPPs fall outside ACSEC 2016-2020, the latter in a way facilitates the use of PPPs for green technology.

PPPs connected with the Green Economy framework have been criticized for facilitating "the plunder of the world's remaining natural wealth and the privatization of critical services, technologies and products" (Silverio 2012). They have also been criticized for serving as means to fast track corporate takeovers and privatization of people's resources while transferring risks faced by transnational investors to client states and puppet governments (ILPS Commission No. 6, 2012).

Summary and Recommendations

ACSEC 2016-2020 does not reference human rights standards and does not involve people's organizations from the grassroots in China and ASEAN member-states. It does not seek to solve particular environmental problems at the level of localities, regions or countries within China or Southeast Asia.

What it sets out to do concretely is promote green technology, promote green cities, and carry out biodiversity and ecological conservation. The first will most likely go hand-in-hand with the sale and use of green technologies in ASEAN member-states, the second as planned will remain as rhetoric, and the third will materialize in actual conservation work in priority areas.
From the perspective of the right to a safe and healthy environment, these moves, if carried out, are positive but will accomplish only a minimal part of what needs to be done for the environment, in order to reduce carbon dioxide emissions and therefore global warming.

There is a threat that these moves, and ACSEC 2016-2020 as a whole, may cloud the dangers being posed on the environment of Southeast Asia by China's Belt and Road Initiative and other actions. There is also a danger that the actions that accompany ACSEC 2016-2020 – in particular, the promotion of green technology and green cities – will undermine human rights beyond environmental rights of the peoples of Southeast Asia.

Recommendations:

1. Development cooperation on the environment should take as starting point what needs to be done to reduce carbon dioxide emissions in order to save the environment, not what is available or possible for governments and private sectors, especially not what is profitable for the latter.
2. Development cooperation should also address concrete issues at the local, national, or global-regional levels. This is a concrete way that development cooperation could take in order to uphold the right to a safe and healthy environment. It is in these endeavors that it should encourage the participation of people's organizations at the grassroots.
3. People's organizations in Southeast Asia and China should be vigilant in exposing the limitations of green technology in advancing the right to a safe and healthy environment, in solving the problems of the environment and in fighting the negative effects on the environment of the Belt and Road Initiative.
4. People's organizations in Southeast Asia and China should be vigilant in fighting the negative effects on human rights in general of ACSEC 2016-2020's promotion of green technology and green cities, as well as the Belt and Road Initiative as a whole.
5. Strengthen movements in order to advance alternatives beyond what Foster (2017) calls the "perpetuation of the system of capital accumulation, and in particular the fossil fuel regime," and instead advance "attempts to protect the planet as a place of habitation for humanity." The latter, he says, involves the "only real alternative for countries in the Global South [which] is delinking as much as possible from the imperialist system and relinking in South-South systems of cooperation."

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India's South-South Development Cooperation

Peter Lanzet
Act Alliance

At rank 130 in the UNDP list of Human Development, it is by no means evident to see a country maintain its own development cooperation. A practice grown out of anti-colonial solidarity, providing aid to other countries for India may seem paradoxical. But its development cooperation also serves the country's geopolitical and economic interest. Like all aid, so does India's aid bring about structural changes for affected people, especially in rural contexts and transforms traditional forms of livelihood. Indian Civil Society has a yeoman task to make its Government accountable for its aid. Transparency and opportunities for participation are yet to reach levels adequate for the largest global democracy.

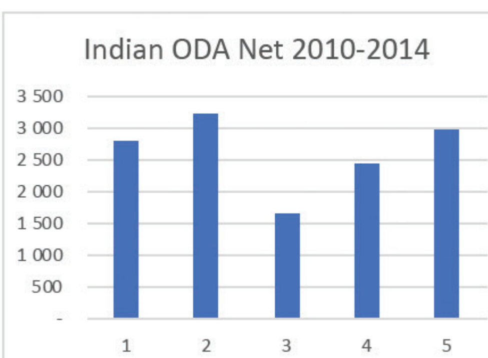
A development paradox that is India

Probably in 2019, India will take over the G20-presidency - an important step on its path to realizing the political heavyweight it is. But India is a development paradox. It has 153 dollar millionaires[1], spends 56 Billion US Dollars on defence in 2017/18[2], is a nuclear power and maintains a 1.2 Billion/year space program[3]. Its GDP is around 2 Trillion US Dollars while the country enjoys very high growth rates (2015: 7.9%)[4].

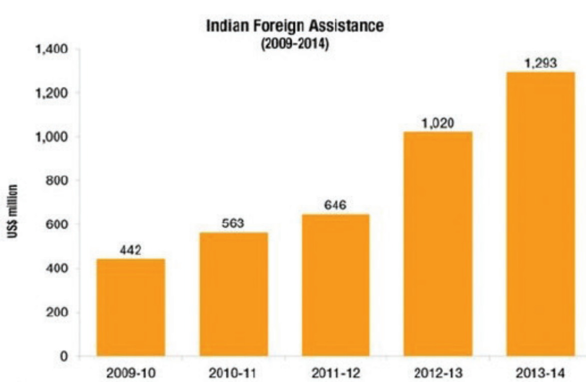
Meanwhile, for India's growth and development, aid is no more relevant. Nevertheless, India continues to be a recipient country for development cooperation: in 2014 India received net aid of 2.984 Billion US-Dollar, about 1 percent of its revenue (see DAC tables below). India is classified by the World Bank as a lower Middle Income Country, with a PPP per capita income of 5,700 US Dollars. However, a 2015 census points out that 75 percent of the Indian population continue to subsist below the national poverty ceiling of 2.40 US Dollars/day[5]. At the same time, it invests about 1.2 Billion US Dollars for its own South-South Cooperation program [6].

Formation of India's South-South Development Cooperation (SSDC)

The size and nature of India's SSDC are a function of its geopolitical and economic interests[7]. Other emerging economies like Mexico, Argentina or South Africa invest less. Judging from the totals, India plays in the league of China or Turkey, despite very different economic basics.



Source: OECD/DAC Table 25.[8]



Source: Quora[9]

India's development cooperation began in the 50s. In 1951, it partnered in the Colombo Plan, which later on became a regional development cooperation organization with members from Afghanistan to Australia. The Colombo Plan still exists and promotes particularly exchange for capacity formation. For its take off, the famous Bandung Conference in 1955 and its call for solidarity to overcome colonialism was an important milestone for India's development cooperation.

Selected emerging economies and their development cooperation			
Country	**%**	**US -Dollar**	**Year**
China	0,05	4,350 Mrd.	2012
Brasilien	0,04	900 Mio.	2010
Mexiko	0,002	19 Mio.	2009
Venezuela	1,37	2,500 Mrd.	2006
Thailand	0,04	74 Mio.	2006
Kolumbien	0,002	8 Mio.	2012
Südafrika	0,08	194 Mio.	2006

Source: VANI[10]

At that time, 29 African and Asian countries agreed on trade, cultural and political cooperation. In the 60s, from it sprang the *Indian Technical & Economic Cooperation* (ITEC) – instituted in 1964, which until 1972 organized India's cooperation with about 50 countries. Even today, ITEC is one of the pillars of India's development cooperation. In 2013-14, it allocated about 8,500 bursaries (see below).

Initial projects of technical and financial cooperation in the 50s were taken up with Nepal, Bhutan, and Burma, like the construction of 128 km of road and a hospital in Nepal, or the provision of budget grants for Bhutan. While in the 60s and 70s cooperation was often determined by practical needs in a win-win situation (Hydroelectricity for Bhutan and Nepal), the idea was also to build a buffer between China and India and to acquire the prestige[11] to be seen as an actor at the international level[12].

India also took part in the HIPC-Initiative for the debt relief of the poorest and most highly indebted countries. It cancelled 20 Million US Dollars worth of debt of 7 countries (Mozambique, Tanzania, Zambia, Guyana, Nicaragua, Ghana and Uganda), in order to strengthen and promote its external strategic and economic interests[13].

India's quest for a larger role

In the middle of the 90s, India began to open its markets. It slowly but steadily changed from a secluded import substitution economy with a large public sector towards a more liberal capitalism open for globalization. Consumer production strived and the middle class benefitted at the expense of the more traditional modes of production of the poorer classes who nevertheless subsisted on them. Due to exports, the financial reserves of the state grew. This country of now 1.2 billion people from then on was determined to play a larger international role. For example, it insists on its own permanent seat at the security council of the UN. Regarding development cooperation, the G77's (now 134 countries) and China's critical view of the "West" led to an emphasis on South-South–Cooperation. Time-wise, India's determination for a larger international role coincides with the expansion of its own development cooperation.

Development Partnership Administration (DPA)

In the middle of the 90s, the DPA is established as a department of the Ministry of External Affairs (MEA). In 2003, Finance Minister Jashwant Singh announced plans to establish an

Indian Aid Agency but only in 2007 Finance Minister Chidambaram[14] created the new DPA, which today coordinates the already existing SSDC-actors like the ITEC for technical education and the EXIM bank for the provision of Lines of Credit (LOCs). The DPA's tasks are[15]:

- To extend loans with a duration of up to 25 years and with a grant element of up to 37.48 percent
- To ensure that partners procure up to 75% of the capital investment supported by the LOCs in India (tied aid)
- Finance projects in Africa, Asia and Latin America through grants, loans and debt relief
- To allocate up to 8,500 civil and 1,500 military education bursaries coordinated by ITEC (relating to the Colombo Plan with 161 partner countries) and with 47 institutions implementing about 280 ITEC courses per annum
- To provide Humanitarian Aid

In 2016/7, India's budget outlay for grants and loans in concessional development finance amounted to 1.17 Billion US Dollars. India's priority countries are its neighbouring countries - above all Bhutan, receiving 66 percent of all bilateral aid, followed by Afghanistan, Sri Lanka, Nepal, Bangladesh, Myanmar and the Maldives. Hydroelectricity, health, education and information technology were the subject of this cooperation.

India's SSDC to neighbouring countries

The Indian Union´s geo-political security needs find their expression in the allocations of the SSDC with its neighbors. With Bhutan and Nepal, the win-win situations of large-scale hydro-electric power dams since the 60s were subject to the cooperation. From Bhutan, India presently imports 1.5 gigawatts of electricity. The compensation of 2 Rupees per kilowatt amount to 40 percent of Bhutan's total national revenues and 20 percent of its GDP[16].

Even more compelling is the security aspect of this cooperation. China's claim over the Doklam Plateau overlooking the Eastern Part of Bhutan, from where the Siliguri corridor towards North East India can be controlled militarily is "of grave concern to India"[17]. Nepal, similarly was always regarded as part of India's northern security system. Apart from sizable hydro-electric projects in the southern foot hills of the Himalaya, the Terai, also many Small Development Projects on Health, Women, Agriculture, Energy, Marketing, etc.) were implemented everywhere in the country (230 projects in 2013/14). Apart from their socio-economic dimension, they were also meant to prevent the influx of the Maoist insurgency groups from Nepal to India (ibid).

Grants for Asia, loans for Africa

While these countries mainly received grants, only 3 percent were grants in the growing cooperation with Africa. African partner countries mainly receive Lines of Credit (LOC) through the Exim Bank.

India's SSDC in Africa

The cooperation with Africa increased further in 2014. In November 2015, the Central Government in New Delhi invited African states for the Third India/Africa Summit. Prime

Aid to Neighboring Countries (BE 2016-17)

Source: Outcome Budget 2016-2017, Government of India Ministry of External Affairs New Delhi

Minister Modi announced new concessional loans to the tune of 10 billion USD over the following five years. 600 million USD are to be made available for development cooperation grants which include 100 million for the *India Africa Development Fund* and the *India Africa Health Fund*[19].

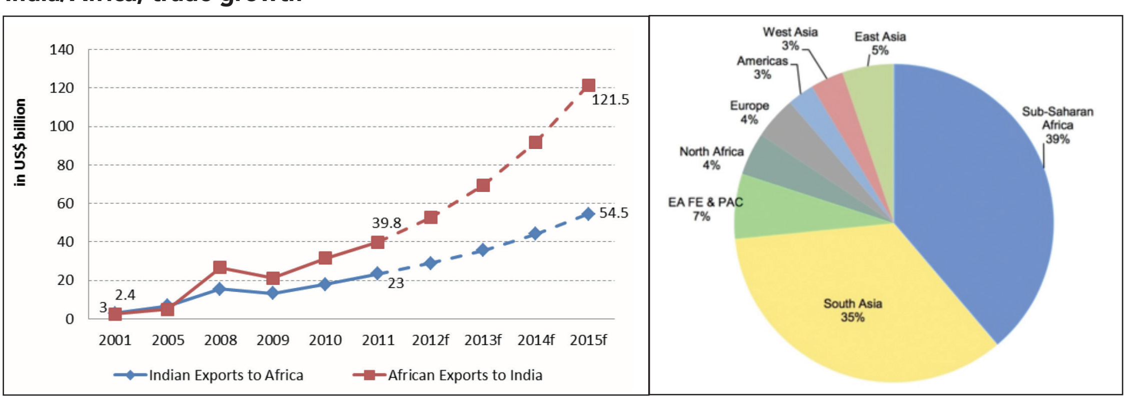
These cooperation efforts also have an inward impact purpose. They are also meant to reduce the scarcity of capital of India's large public sector companies in their cooperation with public sector companies in Africa. Export credits to the tune of 88.89 million USD for

Annual approvals in Mio.US Dollar of Aid and Lines of Credit (LOC) to African countries

Aid and Loan to South Asian Countries	Budget 2016-17 in Mio.Euro (1 € = 70 Rupees)*
Bhutan	784
Afghanistan	74.2
Nepal	42.8
Sri Lanka	32.9
Myanmar	57.1
Bangladesh	21.4
Maldives	5.7
South Asia	**1059.5**
To other countries	
African Countries	41.4
Mongolia	0.7
Eurasian Countries	2.8
Latin American Countries	2.1
Others	64
All countries	1,129.1

* rate as of 8.5.2017
(Source: WTO/CII 2013[18]*)*

India/Africa, trade growth



Quelle: WTO/ CII[XVIII]

2015-2016[21], moreover, are meant to help overcome the inhibition of Indian investors to deal with the entrepreneurial risks in Africa[22].

In Africa, India sees China as a rival

Prime Minister Modi's "Make in India" export drive depends partly on successfully connecting to the new African middle class and its purchasing power. India's trade with Africa in 2014 amounted to 72 billion USD, double from 2007. China's trade with Africa, however, is at least three times this size. With its *India/Africa Duty-Free Tariff Preference*-Trade Agreement[23] and the mentioned cooperation offers, India wants to make use of the "China- fatigue" in Africa to increase its own business. "China fatigue" in Africa is the result of the Chinese economic crisis of 2014/2015 and the African perception that China's presence in Africa is already too massive[24].

Concerns due to lack of accountability and transparency

As the following table shows, India belongs to the largest land grabbers among the BRIC-countries, mainly to improve food security in India itself. For the next 15 to 20 years, India would like to produce 2 million tons of cereals and 5 million tons of food oils in Africa. For the furtherance of this objective, the Government of India cooperates with the private sector and negotiated bilateral trade agreements for the protection of investment with 13 African states[25].

Table: Land grabbing of some BRIC- countries

Country	Regional Areas and Total Land (ha)	Target Countries
Brazil	East Africa 28,000 Total 28,000	Mozambique, Ethiopia
India	Central Africa: 15,000 East Africa: 1,761,800 North Africa: 8,020 South East Asia: 139,689 Total 1,924,509	Cambodia, Indonesia, Lao, Philippines, Cameroon, Ethiopia, Madagascar, Mozambique, Sudan
China	Central Africa: 10,000 East Africa: 126,171 South America: 348,972 South-East Asia: 628,139 West Africa: 26,000 Total 1,139,282	Cambodia, Sudan, Lao, Philippines, India, Bolivia, Peru, Argentina, Benin, Cameroon, Ethiopia, Mali, Democratic Republic of Congo (DRC), Uganda, Zimbabwe
South Africa	Central Africa 340,000 East Africa: 367,174 South America 55,794 West Africa 650,000 Total 1,412,968	Colombia; Angola; Benin; Ethiopia, DRC, Mozambique; Madagascar

Source: Land Matrix Initiative[26]

The following table about the type and size of concessionary Indian loans (Lines of Credit) for investments in Africa shows that a good part of them gets invested into rural resource mobilisation.

Lines of Credit for selected African countries 2011-2012

Partner country	Amount in US Dollar Mio.	Project
Gabon	67,2	Broadcasting equipment
DR Congo	70	Rural Electrification
Mozambique	13	Production of photo voltaic solar panels
Central African Republic	20+39,7	Limestone mining and energy production
Chad	40,3	Various projects
Tanzania	35	Biodiesel Project
Ethiopia	47	Development of Sugar industry (213 US $ over 20 years)
Zambia	50	Establishing pre-produced health posts
Cameroun	42	Cassava farms
Zwasiland	37,9	Agricultural Project
Mali	100	Transportation of Energy- Project
Africa Total	562,1	All Projects

Source: Ministry of External Affairs, annual report 2011/2012

Even with constructive and humanitarian intent, such projects intervene into existing livelihood structures of local communities. They also need close monitoring as they do not always have the desired effect and have the capacity to damage livelihoods of people depending on land, water and forest[27]. It is in this realm of investment and cooperation where gaps in accountability and monitoring in India's SSDC, especially keeping Civil Society and the critical public out of the picture, might have the most severe consequences for the people in project areas by affecting their livelihood structures.

Human Rights guidelines and safeguards:

This is not to say that there is a disregard for Human Rights. The Exim Bank, for example, has an anti-slavery policy, targeting particularly Human Trafficking. It says, "The Bank shall, under no circumstances, tolerate forced labour and breach of fundamental human rights."[28] Unfortunately, its grievance redress system is designed in such a way that it would consider the complaints of investors and co-financers. The target groups of projects, or the population affected by an infrastructure measure, etc., cannot turn to the Exim Bank and apply for redress. The Development Partnership Administration, the organisation implementing the Indian SSDC programme for the Ministry of External Affairs does not show any social, ecological or human rights standard on its one page website. Even its system for research and information (see: www.ris.org.in) – a very vibrant and dynamic research and dialogue organisation – does not have social, ecological or human rights-based guidelines and standards on its internet presentation. It is therefore not possible at the moment to assess if such guidelines do exist and to what extent they are applied. Here is a lacuna in communication and transparency which better accountability would seek to avoid.

Effective Development and South-South Cooperation:

India sees its development cooperation as a contribution to South-South Cooperation. The 2nd High Level Meeting of the Global Partnership on Aid Effectiveness in Nairobi says in its Nairobi Outcome Document on 1st of December 2016 on the subject of South-South Cooperation: "The Partners in South-South Cooperation appreciate the principles of national sovereignty, of national ownership and independence, of equality, of freedom from conditionality, need-based support, non-interference in national affairs and the mutual results of cooperation"[29]. The Indian development cooperation supports this understanding of South-South Cooperation as it can be found in the concept of the "Development Compact" (see below).

All other actors of the Global Partnership on Effective Development Cooperation (GPEDC) also hold the mentioned principles in high esteem, as the study of the Nairobi Outcome Document reveals. But they also value a few more principles, chiefly among them are human rights, democratic ownership and multi-stakeholder cooperation with all actors, as well as with the civil society.

Development Compact

The development compact can be seen as the expression of the concept of India's South-South Development Cooperation. This concept connects the principle of condition-free development cooperation between developing countries with a given common development and geopolitical field of action. Other elements of this concept's understanding of development cooperation are mutual benefit, non-interference, working towards qualitative economic growth, particularly increasing the per-capita income as well as capacity building and the strengthening of institutions[30]. The compact takes on the form of a cooperation agreement based on the expression of needs by the partner Government and accordingly is composed of elements like capacity formation, trade and investment, lines of credit, grants, debt relief and technical cooperation[31].

The development compact basically targets mutual benefit and growth. When comparing it to the development concepts of the "traditional donors", the missing commitments to results orientation, accountability, democracy, participation, transparency, human rights, preservation of the environment and the fight against climate change are conspicuous by absence.

Role of Civil Society

The socio-cultural and economic development in India itself is unimaginable without the toil and labour of thousands of NGOs. Many are organized at the level of districts or states or are part of national networks. Those receiving foreign grants for their projects in India are narrowly guided by the leash of the "Foreign Contributions Regulations Act". Every grant needs to be approved by the authorities and its utilization documented by the NGOs. The Government authorities interfere at any given point of time during the implementation of the project, if deemed necessary. Indian Civil Society protests its steadily narrowing political and operational space and pleads with the courts of law to undo unlawful Government actions. Civil Society Organisations working, for example, in the context of the exploitation of natural resources, ethnic and cultural minorities, land and forest and environment destructions, face so many administrative and legal difficulties, that their existence is at stake, as can be seen from the case of Green Peace in India[32].

Faith Based Organizations other than Hindu Organisations, especially if they have a democratic and critical approach to the politics of the day, see their funding lines curtailed and even their social service operations stifled. The nationalist Government of Prime Minister Modi is concerned about "foreign hands" influencing Indian polity and its supportive Hindu fundamentalist movements do not like to see Faith Based Organisations other than Hindus to be supported from foreign countries. They do not expect Christian and Muslim organisations to provide a service to society. They expect first and foremost conversion which they want to prevent.

The use of effectiveness principles in India's SSDC is the music of the future

The important actor for aid effectiveness concerns of the Indian SSDC is the Indian Union Government's Ministry of External Affairs (MEA), the anchor of all external development efforts of the country. It not only controls all administrative aspects of India's SSDC through the Development Partnership Administration, but also, among others, its accompanying research institution "Research and Information System" known as RIS. RIS also maintains a "Forum for Indian Development Cooperation" (FIDC) that enlists the cooperation of Civil Society, represented by two heads of a well-known civil society research institute (Participatory Research in Asia, PRIA) and the NGO platform Voluntary Action Network of India (VANI). These are hopeful signs of a growing conviction at the level of the MEA/ Government that the cooperation of Civil Society in India's SSDC could be very helpful. After all, the country has some of the most resourceful and competent non-governmental global development actors. Cooperation at this level is, however, scant and non-systematic. The Centre for Science and Environment in New Delhi (CSE), for instance, cooperated outside India on Indian Government-funded solar projects. Indian CSOs are active as partners of SSDC, mostly in so called C2C or P2P (civil society and people-led efforts) and do play a role in India's official SSDC, for which the Ministry of External Affairs has issued guidelines. The CSO PRIA in Delhi has in 2016 published a compilation of nine case studies of C2C/P2P projects (ref: PRIA, Engagement of Indian CSOs in South-South Cooperation, Delhi 2016). Unfortunately, no overview data are available on this sector of SSDC. No information at all is available on the cooperation of Indian CSOs in India's official SSDC.

Ineffective processes

India's cooperation happens at the level of Governments and public or private sector corporations. The project develops in the context of the interaction of different levels of Government or by way of requests directed to the EXIM-Bank for concessionary loans of Indian companies investing outside India as well as beneficiary countries. Project financing, implementation and monitoring agreements are agreed upon and carried out at this level. The principles of alignment and harmonisation with the national development efforts and processes are adhered to. At the same time, arriving at a data-based understanding of the effects and the results of the Indian development cooperation is difficult because India maintains very little implementation and monitoring capacity itself. Regarding stewardship and accountability it relies mostly on the recipients of its credit lines and its grants[33].

Beyond the needs expression of the partner Government or company, there are no requirements towards the depth and sharing of ownership of the projects. Approaches to multi-stakeholder ownership and shared implementation of a project may exist in the private and public sector cooperation. But these actors do seldom venture out to involve specialised Government authorities and institutions, civil society, local government, international NGOs or beneficiary associations. The Ministry of External Affairs, the Development Partnership Administration as well as the Exim Bank require sincere efforts to be held accountable by the public, among others by providing information about the cooperation's effects. At this point in time, evaluations and fact-finding about results and impacts of India's SSDC are not in the public domain.

The development effectiveness principles of inclusive ownership, multi-stakeholder partnership, the development of accountability systems and transparency processes are not a systematic part of operations so far. Civil society is not part of strategy formulation, planning, decision-making, neither in monitoring India's cooperation nor at the level of the Development Partnership Administration nor at the EXIM bank. Studying these Government institutions´ websites shows that both make an attempt to present their work transparently but do not use the standards of the International Aid Transparency Initiative. About a particular cooperation for instance, mostly the following details are available on the websites: "purpose", "sector", "country", "dedicated amounts" "grants", "loans", etc. paid out and the company or the actual partner[34]. Data required for accountability and transparency are not in the public domain, thus, not satisfying the requirements to build legitimacy for these public-sector activities on the basis of accountability, transparency and result information.

Accountability needs transparency and participation

In a paper about India's SSDC, the Indian NGO platform Voluntary Action Network India (VANI) requires Indian NGOs to involve and engage themselves particularly in the monitoring of activities of the Indian Government[35]. In India itself, social justice, democracy and human rights, environmental protection and global warming play a central role in the orientation and practice of the work of Indian NGOs. They avail of and offer invaluable experiences in all sectors of development. For them to be able to contribute their capacities to India's SSDC, a much higher level of transparency and many more opportunities and structured processes for meaningful participation are required.

At the same time, Indian civil society, because of the paucity of data on India's SSDC, is unable to monitor and provide a critical measure of accountability for it. The Government provides accountability for its SSDC in a rather superficial way, mainly by underlining its economic and geopolitical benefit. Based on the available information and despite the "freedom of information law" existing in the country, civil society is not in a position, based on own studies and research, to demand accountability from the Government about the use of finances and its effects on people, society, culture, economy and environment. That this would be helpful and relevant for development effectiveness is not yet a common understanding among the decision-makers in the Indian development cooperation.

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People-driven implementation of South-South Development Cooperation in the Central American Region (Brazil, Guatemala, Honduras and Nicaragua)

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Introduction

This study by the Coordinadora Civil for the CSO Partnership for Development Effectiveness (Working Group on South-South Cooperation) examines South-South Development Cooperation (SSDC) in the Central American Region, specifically focusing on the experience of Guatemala, Honduras and Nicaragua as program countries and Brazil as a provider country. Central America covers 523,780 sq. km, with around 45.7 million inhabitants. Guatemala and Honduras are the two countries with the highest population growth in the last years at 39% and 34.10% respectively from 2000 to 2012. Nicaragua, where 15 million have no access to drinking water and sanitation systems, experienced growth under 30%.

Coordinadora Civil sees the need to review SSDC in the region to determine whether a human rights based approach (HRBA) has been implemented. It evaluates the right to participation, respect for people's identity, respect for the environment, equality and equity, respect for national sovereignty, as well as legal, political and financial coherence with national and international legislation entered into by these countries.

The objective of this research is to formulate policy recommendations to improve the implementation of the HRBA in SSDC between countries. In particular, the CDSS is interested in examining how SSDC impacts on people's access to water for human consumption in the Central American region.

The method for this research involved examining the extent to which Brazil's cooperation agency and national bodies honored their commitments and contributed to the holistic development of peoples, especially those in vulnerable situations living in communities where SSDC projects or programs are implemented.

It also analyzed whether cooperation projects included some basic conditions that would ensure local governments and local communities are provided with the necessary legal and social capacities to exercise their rights.

In reports by countries from 2012-2016 it is stated that there is an exchange relationship and that SSDC is regulated under a legal framework. This is not, however, coherent with other social policies. Such is the case with some hydroelectric development projects since they have operated wrongly from the outset creating negative impacts in communities and generating social instability. Among these cases are hydroelectric energy projects in Nicaragua and Honduras, Tumarin and Agua Zarca, the latter taking the lives of some Lenca female indigenous leaders, such as Berta Caceres.

It was taken into consideration whether these agreements included accountability frameworks and social priority levels for the nation; whether they respect legal frameworks, norms and principles; and how they encourage accountability among duty bearers and offer effective remedy mechanisms for actors suffering impacts generated by these partnerships. The United Nations has urged countries to respect ancestral rights of indigenous peoples, but hundreds of recommendations by the UN remain unaddressed.

While SSDC projects comply with legal frameworks, they often violate people's right to water, particularly those of vulnerable people such as rural women and communities and indigenous people. SSDC projects intended to promote "development" do not reflect communities' priorities. This is particularly true in cases involving invasions of ancestral lands, since such projects are contrary to indigenous peoples' will and their ancestral culture as well as their use and preservation of the environment and water resources.

All of the countries covered in this study have rich water resources but the SSDC projects do not play a key role in the development of indigenous communities and other sectors in these countries.

Both Honduras and Nicaragua have open-cast mining concessions and extensive farming, both contravening SSDC's objectives, principles, philosophy and purposes. They jeopardize fresh water reservoirs and forests, some of them listed as National Heritage sites.

The majority of water resources in all the countries studied are highly polluted. Finally, both recipient countries and Brazilian cooperation bodies are violating human and environmental rights since they do not ensure fresh water for human consumption.

Background

South-South Development Cooperation (SSDC) is defined as "actions taken between countries with similar development levels, including a wide range of policy-related, technical or financial collaborations between developing countries. Horizontal approach, consensus and equity are some of its principles", as stated by the Secretariat for Presidential Planning and Programming in Guatemala (SEGEPLAN-2013).

The Cooperation Office of Brazil was introduced to promote SSDC in Central America after World War II, at a time when each country in the region was undergoing unbalanced geopolitical and economic development due to diverse factors including: efforts to consolidate new democracies in post-colonial states; promotion of economic and political self-sufficiency; integration of numerous migrants from Europe seeking a safe home and; implementation of new financial systems based on local experiences.

SSDC has been implemented in numerous forms and combinations including trade, foreign investment, financial integration, formation of negotiating blocks within multilateral institutions, cultural exchanges and security partnerships. Cooperation relationships have been at both the governmental and agency level, as well as between private companies. But little stress has been put on holistic development of impoverished communities.

Contexts

Enabler

South-South Cooperation has been a growing phenomenon happening in Central America since 2006, with 38 initiatives involving Nicaragua and Honduras as recipient countries. All of them were low-budget and low-social impact projects.

From a judicial and legal positivist[1] perspective, countries which are signatories to International Human Rights Covenants such as the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, are obliged to comply with them. Guatemala, Honduras and Nicaragua have signed these international covenants and, therefore, should ensure the promotion and fulfillment of these international agreements.

One of the biggest challenges in Central America is the threat posed by mining and other foreign investment activities to the region's water resources. While countries in the region have the legal framework to address the issue, they lack the political will. Civil society needs to turn the right to water into a key priority, and pressure governments to comply with internationally agreed obligations.

Obstacles

The true political will of States is reflected in the established legal framework and compliance with the law. Nevertheless, when comparing the existence of legal tools and the compliance or impact of these on the people, a lack of coherence is noted. Guatemala, Honduras and Nicaragua recognized the right to water as a human right.

Except for Guatemala, which has an environmental and gender policy in place, none of the countries in this study highlight women and children as a priority. They fail to recognize children as directly affected by contaminated water despite the fact that 27-30 out of 1,000 die every year in Guatemala, Honduras, Nicaragua due to pollution and water-borne diseases according to the Cooperation for Water and Sanitation Fund (CWSF).

Central American countries face some limitations in terms of forging a common regional agenda with long-term SSC and triangular cooperation instruments to achieve the new 2030 Sustainable Development Agenda. These include inequalities, border disputes, customs and migration issues, etc.

Results

General

Guatemala, Honduras and Nicaragua recognize that water is a social good and a human right. However, this contradicts current inequalities and the lack of water policies facilitating its access, use and preservation as well as lack of drinking water, particularly for the most impoverished and vulnerable rural and urban communities in Costa Caribe – indigenous peoples, rural women and the poorest sectors of society.

We must recognize that SSDC improved infrastructure to give access to water in rural areas. However, funds were insufficient and projects so they proved unsustainable. Moreover, they did not allow for citizen participation, a key aspect in development issues.

SSDC incorporates new and vital elements in the development cooperation arena. Some of them have to do with their horizontal approach; more ability to generate ownership on the part of recipients, with double dividend, both for the recipient and the donor. They also improve technical capacity and enhance the sense of shared responsibilities.

1 Legal positivism is a current of legal thought, whose main thesis is the conceptual separation of moral and law.

Greater efforts in the region are needed to link SSDC with a wider, multifaceted development approach, so as to improve living standards but also to achieve sustainable and inclusive growth to tackle social and productive inequalities that are so characteristic of Central American countries.

Guatemala, Honduras and Nicaragua have a political framework with proposals and strategies that theoretically recognize that access to water resources is a human right. However, this does not translate into political will. This can be seen in the lack of inclusion of this matter in general budgets and a generalized non-compliance with relevant legal instruments.
From a regional perspective, there are some regional agreements with other countries outside these three which do not comply with the law.

Central American mechanisms such as PARLACEN (Central American Parliament) do not give priority to environmental issues and even less to water resources.

While these countries should actively incorporate the SDG in their national development plans, it will not be possible to achieve the 2030 Agenda with a simple account of national initiatives. A global governance architecture and new partnerships engaging governments, citizens, CSOs and private sector are required, hence SSDC could play a vital role.

Guatemala, Honduras and Nicaragua are considered by bilateral, multilateral, South-South and triangular cooperation actors as pilot countries. However, the economic model of these countries favors mega projects of transnational companies, many of which are extractive firms that exploit and pollute natural resources, especially water, leaving a great number of people with no clean water in Central America.

Specificities

Republic of Guatemala

Political Framework

Current legislation on SSDC in Guatemala establishes that SEGEPLAN, in coordination with public institutions, has the mandate to set cooperation policies and programs; to lead the management, negotiation, administration and procurement of non-refundable financial cooperation from international bodies and foreign governments for projects of common interest.

There is an international cooperation policy 2014-2022 in place which aims to improve development results through non-refundable cooperation to better articulate, align and coordinate with development policies and sectoral and territorial plans within the National Development Plan.
Guatemala's National Development Plan (2032) is aligned with the Government General Policy 2016-2020, working in dialogue and seeking consensus with several sectors, in coherence with SDGs and nationally-defined priorities.

Ownership

There is a catalogue, which is an instrument to get to know the institutional strengths of Guatemala and offer capacities that are available to foster exchanges and knowledge-sharing as well as strengthening international relations.

A cooperation policy that allows us to: manage, execute, register and evaluate donations, such as biannual reports with institutionalized, more developed and long-standing experiences.

Accountability

SEGEPLAN does not have specific financing sources for SSDC projects. Funds for such projects come from each sectoral entity's budget.

Guatemala does not have information and registry systems that can help in the monitoring of SSDC initiatives and other non-refundable international cooperation modalities.

Work has been done regarding institutional and territorial follow-up and monitoring as well as selection of indicators related to a better quality of life for people.

Sustainable development results

According to SEGEPLAN, seven projects for 2016 were approved dealing with decent employment, justice, security, health, social development, food production and natural resources during the 3rd Meeting of the Working Group on Technical Cooperation Brazil-Guatemala. Technical institutional capacities will be consolidated for landscape restoration in forest lands of the western highlands.

All these projects are linked to priorities under the National Development Plan of K'atun - our Guatemala 2032 - the Government General Policy 2016-2020 and the SDG 2030 Agenda.

According to SEGEPLAN, during the 2008-2012 period, ODA was reduced to 0.5% of GNP, which also reduced the national budget from US$352 million to US$261 million, breaching commitments under the Paris Declaration and other High-Level Forums.

The Federal Republic of Brazil will invest Q5.8 million in the Cultivando Agua Buena program (CAB) to contribute to the rescue of the water basins of River Canclich, in Álta Verapaz, and the mining project El Escobal in San Rafael Las Flores, Santa Rosa.

Republic of Honduras

Political Framework

SSDC is institutionalized through the Ley para el Establecimiento de una Visión de País, the adoption of a National Plan and Decree 266-2013, "Ley para Optimizar la Administración Pública, Mejorar los Servicios a la Ciudadanía y Fortalecimiento de la Transparencia en el Gobierno".

Subsequently, in 2014 cooperation management duties, previously led by the Technical Secretariat for Planning and External Cooperation (SEGEPLAN), was transferred to the Ministry of External Relations and International Cooperation. International Cooperation Management (DCI, in Spanish) was integrated into the Cooperation and External Relations Undersecretariat.

The SSDC and Triangular Cooperation Unit was then created within the DCI, as a space to manage SSDC and to assist cooperation projects of relevant countries.

The Framework Paper on International Development Cooperation Policies in Honduras complements development policies envisaged in Vision de Pais and National Plans. It serves as regulatory framework for the government's and development partners' actions. It encourages transparency and achievement of results in external development cooperation and high-quality and efficient impacts.

International Cooperation Access Manual includes the profiles of all cooperation partners in Honduras, including case-by-case procedures and instruments to define, prioritize and approve cooperation projects.

SSDC is considered an instrument that allows national capacity building through resource and knowledge-sharing between States, central and local governments, CSOs, universities, companies, unions, and people from developing countries.

Ownership

There is a catalogue collecting knowledge by diverse Honduran institutions where successful experiences and solid knowledge are shared to support other countries through knowledge-sharing, technical assistance and capacity development.

One of the main traits of SSDC in Honduras is the implementation of Accra principles to improve results in their own development policies and plans with donor countries so as to achieve real impact and achieve results in line with development goals.

Accountability

SSDC funding is achieved through financial and technical resources from public and private entities.

Honduras has a platform which allows users and the general public to access documents and more detailed information about international cooperation received by Honduras in different modalities, facilitating transparency and accountability in resource management and use; as well as coordination and work support between relevant actors.

As a concrete accountability mechanism with the objective of making Honduran SSDC Program more transparent, all projects, results, donor and partner countries will be registered in the Aid Management Platform (PGA) of the Technical Secretariat for Planning and External Cooperation in Honduras.

Sustainable Development Results

The SSDC Program has a Capacity Development Plan designed and implemented by public institutions specializing in SSDC that is key to ensuring an efficient, high-impact SSDC. Supporting Honduran actors' capacities is a key investment to ensure the quality, impact and sustainability of the SSDC, particularly by documenting good practices and lessons learned.

Through Brazilian cooperation, over U$ 2.5 million were invested for the improvement of the agricultural sector.

This agreement was reached thanks to United Nations Development Program (UNDP) and the Brazilian Government, through the Brazilian Cooperation Agency Director, Joao Almino de Souza Filho, as part of the institutional consolidation process based on the Brazilian experience in social development, one of the most important in Latin America.

This experience-sharing will have as a result the implementation of a review and monitoring institute in Honduras where all social programs and projects will be evaluated to determine their results and impacts at the national level. It is estimated that around two million dollars will be invested in this cooperation.

The Development and Social Inclusion Secretariat, with Brazilian support, will implement an institutional monitoring and review system in the 70 social programs and projects executed by the Development and Social Inclusion Sectoral Cabinet in the country, within 10 "Política Pública Vida Mejor" public policy components: Solidarity Income, Opportunities and Competencies, Security, Healthy Housing, Food and Nutrition Security, Education, Primary Healthcare, Risk Management, Rights and Social Participation.

The Development and Social Inclusion Secretariat will improve operational aspects of national programs and projects.

The Ministry of Social and Agricultural Development of Brazil will bring technical assistance to its counterpart in Honduras to improve Honduran technical capacities at the national level.

Furthermore, the Ministry of Social and Agricultural Development of Brazil will support the consolidation of coordination capacities of the Development and Social Inclusion Sectoral Cabinet.

Republic of Nicaragua

<u>Political Framework</u>

Law 290, 20th April 2006, establishes the structure of the Foreign Ministry, and internal cooperation of External Relations and Cooperation Secretariat and their relevant structural framework.

The CDSS is seen in Nicaragua as a process of accompaniment to national efforts and it is in this area where countries in equal conditions facilitate their knowledge and experience. Cooperation is assumed by the government from its own national priorities, traditional cooperation has been leaving the country, giving greater relevance to the CDSS, political decision to enhance this form of cooperation. From the Government's perspective, the term CDSS is not accepted, because this definition is current and cooperation among the countries of the South has roots and historical ties already incorporated in the concept of technical cooperation among developing countries (TCDC).

Ownership

Nicaragua is going through a transformative process, from a neoliberal model to a Christian, socialist model in solidarity with citizen power, in order to ensure human survival and promote structural transformation.

Accountability

No accountability or transparency mechanisms are available. All the institutions should play their role as observers, but only the executive has this power.

Sustainable Development Results

According to the 2015 SSC in Ibero-America Report, in 2013 Nicaragua participated in a total of 21 projects, 10 south-south horizontal and bilateral cooperation actions as a recipient and 3 actions as donor.

The Brazilian delegation is formed by specialists in diverse areas, such as cacao, public safety, water, sanitation and environment. Some of these projects are under implementation and others are still being programmed.

Projects are focused on agriculture, energy, health (breastfeeding), gender equity, water and sanitation, among others.

Conclusions and Recommendations

Geopolitical, cultural and social characteristics of this region, particularly of the three countries of this study, with abundant water resources and access to both oceans has not been a strength to achieve a greater regional unification to preserve, harvest and reserve water, as illustrated by many community crises in these countries. Or because of exports to El Salvador, with little water resources for human consumption.

SSDC, while defining its cooperation with regional countries as horizontal and in solidarity between countries, does not relate to the quality of its funds nor to the prioritization of social projects that favor the most impoverished sectors or the creation of a gender, children or indigenous peoples policy.

We strongly believe that both from a financial and social perspective, governments cannot continue considering the environment and water resources as minor problems, or domestic issues, given world warnings on the dangers of water scarcity for human consumption. Therefore, these issues should be prioritized, analyzed and studied by societies and governments, as well as by regional instruments.

SSDC, due to its nature and social commitment, should admit that impact of programs implemented until now has not achieved all its goals and must, therefore, define a strategy to continue with bilateral projects and abandon low-impact regional projects. It should also consider the environment and water resources as key elements for social and economic development from a human rights based approach.

Proposals

The logic of SSDC should be revised in light of current results. SSDC should prioritize regional projects with higher impact based on recognizing citizens' interests. It should consider political frameworks and transparency indicators already developed in other areas such as:

- Citizen participation
- Budgeting
- Direct employment
- Holistic development
- Gender,
- Regional integration
- Ownership
- Synergy and sorority
- Environmental protection
- Water preservation and care

Annexes

Summary of the population of the countries Guatemala, Honduras and Nicaragua by segmentation of population with access to water in rural areas and indigenous peoples

No. of inhabitants (millions)	Guatemala	Honduras	Nicaragua	Total
Total inhabitants	14,636.487	8,190.000	6,150,000	28,976,487
Inhabitants in rural areas	7,540,106	4,070,430	2,266,548	13,877.084
Inhabitants Indigenous	5,854,251	537,000	567,000	6,958,251
Inhabitants With access to drinking water	10,977,365	6,945,120	4,938,450	22,860,935
Rural population with access to drinking water	2,262,032	2,995,836	1,438,125	6,695,933
Indigenous population with access to drinking water	4,097,976		357,210	4,455,186

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Interests of China in Central Asia

Chinara Aitbaeva, Nash Vek

Introduction

China sees its role in Central Asia mainly in the economic sphere: it is China's main mechanism, as well as its potential lever. In addition, in order to expand its presence in other parts of the world, China's external policy is heavily influenced by its own economic development needs. To sustain a high level of domestic economic growth, China needs new markets and new resources, especially energy resources. Central Asia offers a huge amount of hydrocarbon resources, as well as new markets for Chinese exports.

Moreover, Central Asia is also an alternative land route to Europe and its markets.
Chinese investments in Central Asia are entirely dedicated to the primary sector - purchase of companies, deposits exploration and development, construction of energy infrastructure. China also provides related loans - "investments in exchange for raw materials". In its Central Asian policy, China adheres to a differentiated approach, depending on the relative importance of each country in the region for its own interests.

The focus of this study is on China's investments in Central Asian region for exploration and development of deposits, as well as what investments China provides in return for raw materials or other conditions.

During the writing of this study, different sources were used, including amount of interviews, as well as the most recent political analysis and reports in the media. Semi-structured interviews with officials from Kyrgyzstan, experts from Kyrgyzstan, Kazakhstan, Tajikistan, as well as the main general contractor, which sells nearly a billion dollars contract in Kyrgyzstan and is developing a gold deposit in Tajikistan.

Map of Central Asia

The aim of this study is to inform and stimulate dialogue between China and decision-makers in Central Asia, acting in the field of economic development and policy for defending the interests of the region especially the interests of the local populations.

One of the purposes for Chinese investment in Central Asian countries is interest in its resources. Territorial borders are also important, as China finances infrastructure of Central Asian countries together with the development and exploitation of minerals.

Interests of China in Central Asia

There are two main goals pursued by China in the implementation of the One Belt One Road blueprint (OBOR). First, it wants to gain access to deposits of raw materials and other minerals. According to British Petroleum, by 2035 China will become the largest importer of energy, consuming a quarter of the world's electricity. In this regard, China seeks to gain access to the natural resources of Central Asia, particularly oil and gas.

"The stategic reserves of Central Asian oil are concentrated in the Republic of Kazakhstan. For more than ten years, China is systematically expanding its presence in the oil and gas industry of the country, buying assets from Western companies.

The supplier of gas to the Chinese market is Turkmenistan. Until the end of the first decade of the 21st century, the entire volume of Turkmen gas was sent to Russia. In 2009, China allocated funds for the construction of the largest group of gas fields in the region Galkanash, becoming the only foreign company that received access to the development of Turkmen deposits onshore. To date, China has built a network of gas pipelines for the delivery of Turkmen gas to its territory and after Russia's refusal to buy it as the main market for Turkmenistan."[1]

China uses a variety of mechanisms to achieve its goals. The first one is investment. Here we are talking about Chinese companies buying a stake in the enterprises of Central Asian countries, mainly in the extractive sector. Thus, Chinese companies now control almost a quarter of Kazakhstan's oil production. And almost a quarter of gold deposits in Kyrgyzstan.

Aside from direct investments of Chinese companies in Central Asia, China also allocates credit to support projects in the region. As of early 2016, China had provided about $30 billion in loans to Central Asian states. The highest credit activity of China is observed in Kazakhstan and Turkmenistan, i.e. in countries with large reserves of mineral resources. In Tajikistan and Kyrgyzstan, Chinese loans are mainly used for the reconstruction of power grids and roads.

About 25% of Chinese private investment in Kyrgyzstan goes to the mining sector. The Chinese loans in Uzbekistan are of a different nature. Unlike other states in the region, Tashkent is persistently striving to orient Chinese capital to finance the real sector[2]. The funds are used for lending to Uzbek enterprises, provided that the latter purchases Chinese equipment.

Chinese loans are typically provided at low interest (1.5-3%), for a long period (up to 20 years) with grace period. China's credit activity is focused on a limited range of industries, such as oil and gas production, transportation, infrastructure construction and mining. Projects are being implemented mainly by Chinese general contractors, often with the involvement of labor from China and using Chinese equipment. For example, there are articles that they defend with all their might and do not allow making changes and additions on the part of the Borrowers (the countries of Central Asia). Article 2, paragraph 2.5 of the standard contract of the Eximbank of China states: "Goods, technologies and services purchased with the help of the proceeds of the Loan are purchased primarily from China, the technical standards used must meet predominantly the corresponding Chinese standards." Also in Article 6, paragraph 6.5, it is indicated that: "The Chinese supplier does not impose any current taxes (customs duties, VAT, excise tax) on the territory of the Kyrgyz Republic. After the completion of all work, the export of any remaining amount of wages paid in foreign currency from the country is not limited or is not subject to a new tax in the future. The end user provides the Chinese supplier with legal documents that exempt him from taxes and accompanying documentation issued by the Government of the Kyrgyz Republic."

China's investment presence in Uzbekistan and in the whole region of Central Asia is on the rise. According to official statistics, more than 70 Chinese companies have representative offices in Uzbekistan and there are more than 500 joint ventures with the participation of Chinese capital. The total amount of Chinese investments in the Uzbek economy exceeds $7 billion, according to Li Zigi, the deputy director of the Center for Eurasian Studies of the Chinese Institute of International Problems. Uzbek authorities are trying to direct the loans provided by China to the construction and launch of new types of high-tech industries.

Migration of Labour from China to the Countries of Central Asia: Labour Rights of Workers in Chinese Projects

China has given a very frugal place to the Central Asian region in its foreign policy strategy, proclaimed in January 2017. However, the level of investment in the Central Asian countries offers the opposite. China in Central Asia today is represented totally in the form of investment in key infrastructure facilities.

Already, China is among the leaders in the export of energy resources from Central Asia. According to the Times, within three years, Chinese business invests six billion dollars in the economy of Tajikistan, which is more than 60% of the country's annual GDP. For the export of Chinese goods through Central Asia, the PRC has a "Silk Road" project, which provides for the building of roads, railway infrastructure, ports.

About 40 joint projects in the field of health, education, agriculture and water management are implemented only in Uzbekistan. The trade turnover between China and Central Asia is $30 billion per year (according to other sources, this amount reaches $50 billion)

Nowadays, internal problems and inefficient mechanisms in the investment, migration, military and other spheres lead to uncontrolled growth of the PRC's influence in the region.

A good example is labour migration from China. In the Central Asian republics, there are quotas for the number of foreign labour. Depending on the quality of implementation of the law of the host countries, these rules are either completely ignored or partially respected.

In Kazakhstan, for example, according to statistics for 2015-2016, the amount of Chinese workers has increased by 100%. About 11,860 Chinese citizens were granted a work permit in the country. Citizens of the Middle Kingdom make up about 38% of the total number of labour migrants in Kazakhstan.

Kyrgyzstan, in 2016, issued to work migrants from China more than 8,000 permits out of a total of 14,500. However, taking into account the corruption component of controlling and checking structures, the real number of foreigners differs significantly from official data. A similar discrepancy between official data and the real number of migrants is observed in Tajikistan.

Kyrgyzstan annually appoints about 13,000 working quotas for foreigners, 85% of which are filled by Chinese citizens. According to the State Service of Migration, 9,500 citizens of the People's Republic of China received permits for work in the Kyrgyz Republic last year.

Former parliament deputy Kurmanbek Dyikanbayev, in one of the media interview, said that hundreds of thousands of Chinese are illegally working in Kyrgyzstan. He believes that no law will put a barrier to Chinese workers and entrepreneurs, given that in recent years, Kyrgyzstan has been actively implementing joint projects with the People's Republic of China.

China intends to put into operation another 40 corporations. All roads are built by the Chinese, they also reconstruct the thermal power station, develop some deposits. If the construction of the railway starts, they, without paying attention to the law, will attract their labor force. To date, there are 200,000-300,000 citizens of China in the republic, and it is impossible to regulate their number with the help of the law.

The PRC citizens are mainly involved in construction, production, mining, namely in the exploration and production of oil, gas and gold.

Some media outlets in Kyrgyzstan note that "in Kyrgyzstan, almost all large-scale projects are provided by the Chinese on Chinese money. Here and there they build roads, schools and hospitals. It seems good, at first glance. But if you look at the other side, these projects are accompanied by a negative background, corruption scandals and even mass fights involving Chinese citizens." The majority of Chinese projects do not actually work with the public, it simply does not exist. Such a feeling that they just do not quite understand in which country they conduct their business and projects. Unfortunately, for the Chinese state company this is quite a normal situation. They think that here in Kyrgyzstan everything is solved in the same way as in China, that is, it is enough that the leadership decides alone.

"In one of the media interview, Asylbek Mambetov, the head of the department of the 10th Directorate of the Ministry of Internal Affairs of Kyrgyzstan, said that the number of crimes committed by Chinese citizens is growing. The tendency of growth of offenses on the part of Chinese citizens causes some concern. Answering the question about the "protection" of Chinese in Kyrgyzstan, Asylbek Mambetov noted that he does not have the relevant information. According to him, an inter-departmental commission, which includes representatives of the Ministry of Labor and the Ministry of Internal Affairs, SNSC, GDS, Ministry of Foreign Affairs issues a visa or a work permit for foreigners. ".

Interesting is the opinion of Ruslan Khadimullin, a Russian political scientist, who writes: "Firstly, most of the major infrastructure projects in the Kyrgyz Republic, including the building of vital facilities, are given to the Chinese side, and in due course the allocated money on credit will have to be returned. Secondly, according to official data, more than 400 enterprises were opened in Kyrgyzstan by citizens of Kyrgyzstan, and by informal ones - about a thousand. At the same time, according to some experts, the share of products produced and services rendered by them exceeds one third of the country's GDP, which is fraught with the risk of the state losing control over the economy. Thirdly, mainly the construction, modernization and performance of other types of work are carried out by the companies of the PRC and workers from the Middle Kingdom. That is, citizens of Kyrgyzstan are not provided with jobs, therefore, the problem of employment of the population is not solved. At the fourth, the sino-centrist ("China is above all") China's foreign policy, expressed in the migration of the Chinese, the spread of Chinese culture and language, threatens the national security of the republic. Based on the above, it can be noted that the PRC investments are mainly aimed for conservation of its dominant positions in the Kyrgyz Republic by targeting the economic projects of the Celestial Empire. "

Several free Chinese newspapers and magazines are even published in Bishkek. For example, the newspaper "Silk Road Cultural Development" weekly turns out to be a circulation of 18,000. Formally, the publication is called a Kyrgyz-Chinese cultural project, but in fact all its 16 pages are devoted to Chinese news and projects, which are sometimes diluted with interviews with cultural figures who have visited China. But, the most interesting is that none of these Chinese publications are mentioned and probably are not even registered as foreign media on the MID website. Check easily, there are Russian, British, French, American media, other than Chinese.

After the PRC began a large-scale economic expansion in the Central Asian region, the Chinese language there was surprisingly in demand.

For Tajikistan, this situation is no less characteristic than for Kazakhstan, which is rapidly expanding its ties with the Chinese.

It must be said that an agreement was signed between Tajikistan and the People's Republic of China on the demarcation of the border and settlement of territorial disputes, according to which Tajikistan transferred to China about a thousand square kilometers in the Murgab district in the Pamir, where mining companies of China are currently working. According to most Chinese businessmen, the peculiarity of Uzbekistan is that "the people of Uzbekistan are very friendly to foreigners, there is no xenophobia - this is very rare, at least in other countries of Central Asia we have come across this phenomenon."

Kyrgyz law enforcement agencies note a curious feature: working in Kyrgyzstan, Chinese citizens - in general, people are law-abiding, quiet, especially businessmen. But proletarians-guest workers from time to time, they say, go peddling. There was even a version (although, it has not yet been confirmed), that Chinese prisoners are sent to Kyrgyzstan for labor re-education. Or maybe the Chinese just have alcohol contraindicated?

The same case, as recalled, happened in January last year in the village Kurshab Uzgen district of the Osh region in Kyrgyzstan. A brigade of Chinese workers, who built the Datka-Kemin power transmission line, got drunk on the occasion of receipt of wages and began to commit outrage. The Chinese seized a young Kurdsab who hosted a café turned into a barracks for builders (he was accused of stealing a cell phone) and then a neighbor who came to get rent from the Chinese for parking. Razbujanivshis, the Chinese gave a hit to local district inspectors who came to rescue the hostages. About a hundred local residents flocked to the barracks. A massive fight broke out. It's hard to say what would have ended if the Uzgen internal affairs officers arrived on time to help the Kurshab colleagues. But the cafe was crushed. From both opposing sides there were a dozen victims, including those who suffered serious harm.

Noted incident was eventually put on the brakes. In Kurshab, a rally of conciliation took place according to Kyrgyz customs. As for the investigation of the criminal case, it died down for a very amusing reason - the victims from both Kyrgyz and Chinese sides could not clearly identify their offenders. And for those, and for others, all the opponents were, they say, one face.

Finally, the injured Kyrgyz people wrote counter-statements that they have no claims to the Chinese. And the Chinese themselves from Kurshab disappeared - they were transferred to another site.

During the last five years, migrants from China have increased more. Since 2012, from time to time, there is media information about strikes to improve working conditions among Chinese companies. Also in Kyrgyzstan and Kazakhstan, there is media informaation from time to time about the mass fights between the Chinese and local residents. Due to non-compliance with the standard, labor rights of workers are infringed. Often, Chinese companies violate the rights of workers.

Key Observations

As part of this research, interviews were conducted with the main contractors who sell multi-million dollar contracts in the countries of Central Asia. In particular, a conversation was held with the representative, the general contractor of the Chinese company TVEA OJSC in Kyrgyzstan, Mr. Musadzhan Makelek, who is selling nearly one billion dollars in a row in the energy sector of Kyrgyzstan. Also, this company OAO TVEA in Tajikistan is developing a gold deposit in exchange for multi-million dollar loans from China. To our questions, the representative of JSC TVEA answered that they are going to continue working in the countries of Central Asia and now various negotiations are being held in the governments of the countries of Central Asia.

Also, information support was shared by representatives of civil society of Tajikistan, Muatar Khaidarov and Sergei Vorsin.

Requests were sent and responses from the relevant government agencies were received on Chinese loans in Kyrgyzstan. An interview was conducted with the former speaker of the parliament, the former judge of the Constitutional Chamber of the Supreme Court, representatives of the Ministry of Finance of the Kyrgyz Republic, Deputy Minister of Finance of the Kyrgyz Republic M.K. Baigonchokov, experts, etc.

In an interview with representatives of the civil society of Kazakhstan, an expert from the International Bureau of Human Rights Kuat Rahimberdi and Tajikistan, a member of the EITI Supervisory Board (Transparency Initiative for Extractive Industries) from civil society, Zarina Khalikova, noted the interest in personal enrichment and corruption of officials in the Central Asia. They also noted that civil society in Kazakhstan and Tajikistan prefers to remain ignorant and away from the ongoing processes associated with bilateral loans, since civil society is not allowed to enter into monitoring of foreign aid. They also noted that civil society does not know the information about the Chinese loans received and their conditions.

Civil society in Kyrgyzstan appears to be the most informed and shows interest in monitoring external assistance.

Conclusions

1. The chart below provides preliminary official information on the ratio of Chinese investments in Central Asian countries for 2017.

The ratio of Chinese investment in Central Asia3

As shown in the above figure, most of the investments from China were received by Turkmenistan (8 billion US dollars), Uzbekistan (6.5 billion US dollars) and Kazakhstan (3.9 billion US dollars). However, due to the total investment in the percentage of bilateral relations, the share of Chinese aid to Tajikistan is 88%, to Kyrgyzstan 69%, to Uzbekistan 35.6%, to Turkmenistan about 50%, to Kazakhstan about 11%.

The agreements of China are of a stereotyped, typical character, where it is noted that the countries of Central Asia renounce their sovereign immunity, and in the case of legal proceedings, are judged in China and under Chinese law.

2. China links its assistance, the agreements note that goods and services are mainly from China and by Chinese standards. Chinese companies are not taxed.

3. The conclusions of the relevant body of justice are of a formal nature. Conclusions are made after ratification by the parliament only in order to receive investments from China, as in the conditions with the Chinese side, there are moments that the country of the Borrower conducted legal expertise. The governments of the countries of Central Asia do not allow the study of credit agreements by the relevant judicial authorities before ratification in the parliament.

4. On the average, about 25% of the fields in the Central Asian countries are explored and developed by Chinese private companies.

5. The countries of Central Asia are the subject of close study of research institutes in China.

6. Corruption of officials and interest in personal enrichment do not allow defending the interests of Central Asian countries.

7. Because of the large budget deficit and increasing service debt, the Central Asian countries are becoming vulnerable to donor countries, in this case, to China.

8. China is pushing its own terms when signing loan agreements, without taking heed of the partner country's interests.

9. About 40% (of all amount) of labour migrants from China are in Central Asia. Majority of them lived illegally. Parliamentarians note that it is almost impossible to regulate their activities.

10. Up to 80% of bilateral support for the Central Asian countries is Chinese aid.

11. Almost all roads are built by Chinese workers. In all Chinese projects, labour personnel are Chinese people.

12. Sometimes there are conflicts of workers in Chinese projects because labour rights are not followed. Also there are usual conflicts of Chinese people with local nations that are diplomatically resolved.

13. Central Asian countries are very loyal to Chinese workers. However, the crimes that are commited by Chinese people in their national laws are very serious.

14. Workers in Chinese projects are in bad conditions, the basic human rights are under threat.

15. Chinese Mass media appeared in Central Asia covering mainly Chinese news and projects.

RECOMMENDATIONS

1. The Central Asian region countries are to equalize with respect to bilateral agreements, so that loans from one country do not exceed 50%.
2. When signing bilateral agreements, legal opinions are conducted before ratification in Parliament.
3. During the signing of bilateral agreements, agree only on the terms of the country of the Borrower.
4. In agreements, specify mainly goods and services from the country of the Borrower and by international standards.
5. The countries of Central Asia create conditions for geo-political study of the region and creditor countries. Assessment of the interests of donor countries and their possible impact on the internal processes of the countries of Central Asia.

6. It is necessary to strictly regulate labour migrants in the framework of Central Asian countries' laws.
7. In the framework of bilateral support, it is necessary to regulate and make equal rights of native and foreign workers during the realization of Chinese projects.
8. Bilateral donors should improve internal policies in connection to international obligations on labour migrants' rights.

Endnotes

1 https://riss.ru/analitycs/28788/

2 A set of industries that produce tangible and intangible goods and services, with the exception of financial, credit and exchange transactions that relate to the financial sector of the economy.

3 Own calculations on the ratio of Chinese investments in Central Asian countries for 2017 (for the funds invested, under the agreements signed, the amount is higher and with each year the dynamics leads to an increase)

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Contributing Organisations

Central Unica dos Trabalhadores (CUT)

Church of Sweden/ACT Alliance

Coastal Development Partnership – Bangladesh (CDP-BANGLADESH)

Coordinadora Civil

International Indigenous Peoples Movement for Self-Determination and Liberation (IPMSDL)

Nash Vek Public Foundation (NASH VEK)

National Association of Youth Organizations – Africa (NAYO – AFRICA)

People's Coalition on Food Sovereignty (PCFS)

Programme on Women's Economic, Social, and Cultural Rights (PWESCR)

Reality of Aid Network – AFRICA (ROA-AFRICA)

Policy Research on Operationalizing Poeple-Oriented South-South Development Cooperation

The Policy Research examines South-South development cooperation in terms of operationalizing a people-oriented and human rights based approach. It analyzes the extent to which SSDC endeavors contribute to the realization of human rights, how they adhere to human rights principles and standards, and how they help empower people, especially the most marginalized, to claim their rights. The research is intended to help inform policy recommendations on how to further deepen the adoption and implementation of human rights-based approach in SSDC.