UNIVERSITY OF TWENTE

China’s emergence in Africa: Challenges and chances to the EU’s Agenda on Development Cooperation

Bachelor thesis

(Final Version)

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Abstract

China has grown to become a major trading partner to countries in Sub-Sahara Africa throughout the last 15 years. Historically the EU Member States have been the most important trading partner to the African continent in combination with disbursements of foreign aid. To what extent the emergence of China on the Sub-Saharan sub-continent carries potential for fruitful trilateral development cooperation is elaborated throughout the paper on the basis of careful analysis of trade statistics between 2000 and 2015, aid statistics between 2002 and 2014 and the principles, objectives and instruments forming European and Chinese development thinking.

List of Abbreviations

OECD - Organisation for Economic Co-operation and Development

DAC - Development Assistance Committee

ODA - Official Development Assistance

GNI - Gross national income

OOF - Other Official Flows

FDI - Foreign Direct Investment

MDG - Millennium Development Goals

SDG - Sustainable Development Goals

AEL - Aid Effectiveness Literature

SSA - Sub Saharan Africa

EPA - Economic Partnership Agreement

GSP - General Scheme of Preferences

EBA - Everything but Arms

ACP - African, Caribbean and Pacific countries

AU - African Union

EU - European Union

EEAS - European External Action Service

JAES - Joint Africa-EU Strategy

UK - United Kingdom

LDC - Lest Developed Countries

FOCAC - Forum on China-Africa Cooperation

UN - United Nations

NGO - Non-Governmental Organisation

JBIC - Japan Bank for International Cooperation

IGO - Intergovernmental Organisation

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1 Introduction

1.1 Background

The eradication of poverty is regarded to be the highest prioritized common policy goal of the United Nations (UN). This is reflected on the status of the issue in relation to the Millennium Development Goals (MDG) and their programmed successors, the Sustainable Development Goals (SDG). Foreign trade and aid have been increasingly integrated under the banner of development cooperation and play an important role as prevailing instruments for achieving the mentioned overarching objective of poverty reduction. After about half a century of western countries, dominating the domain of aid and development assistance in well-established patterns and paradigms, classical donors, especially the ones located in Europe are forced to rethink their practices due to the emergence of new powerful actors in development assistance from the global south, most notably from China, on the one hand, and due to the perceived failure of their methods on the other hand. China challenges the western "donor community" by being a development country, which heavily pushes ideologically and materially for development cooperation between development countries. This phenomenon is in the wider field referred to as South-South cooperation. This strategy challenges the established aid paradigm of the Washington Consensus, which understands the relationship between the global North and South as a relationship of donors and recipients of aid donations, which has after the cold war been based on conditions related to economic and political reform. Chinas involvement in Africa challenges this approach to development by having proved that a poor country can elevate big parts of their own population out of poverty. By having lifted close to half a billion people out of extreme poverty at home within the last thirty years, the Chinese experience has got received much attention throughout the world of development, economics and political science scholarship. Especially Chinas engagement in Africa has aroused much attention and speculation throughout the last decade. Questions like "Is Africa China's new China?" and "Does China go for colonializing Africa?" are posed increasingly more frequent along the wide spread conclusion that "Europe and the west has greatly failed in facilitating the achievements of the MDG's till 2015". As the People's Republic's president Xi-Jingping points out in his opening speech at the World Economic Forum (WEF) in Davos 2017: economic globalization, "has become the Pandora's box in the eyes of many" (Jingping, 2017), which doesn't mean that it needs be blamed for the bad in the world. Studying China in the context of development cooperation is difficult due to the misfit between Chinese methods and the global establishment of the DAC, the World Bank and IMF and the cautious transparency policy of the Chinese State Council. This leads frequently to misinterpretations of figures and information. This paper therefore basically seeks to investigate how successful China and the EU, including its Member States, have been in achieving their policy objectives with regard to development cooperation, based on a comparative analysis of aid and trade volumes since 2000. The reminder of this introductory chapter introduces into the theoretical considerations, informing this paper, and the methodology, employed throughout the analytical process. Following this, the next chapters analyse first the EU's engagement with Africa between 2000 and 2015, second China's engagement with Africa during the same period, third previous efforts to reconcile European and Chinese engagement within the frame of trilateral cooperation and concludes in the form of a final chapter based on the findings, derived from this two analytical chapters and the one of rather reflective nature.

1.2 Theory

The following chapter introduces into the elements of development theory, which are considered to be relevant for the understanding of the global development aid regime and the challenge of integrating China into it. For this purpose a definition of development thinking is put into the contexts of global development finance, its academic practice of evaluating the effects of inputs and China's challenge to the status quo.

1.2.1 Development Thinking

The term development thinking, as framed considerably by Hettne (1995) in Potter (2008), recognizes and describes the interplay between development theories, strategies and ideologies. Development theories are defined in Hettnes "Development Theory and the Three Worlds" as sets of logical propositions, established with the aim of explaining the occurrence of development in the past or to set normative standards for future occurrences. Hettne argues that development theories are predominantly of normative nature, due to the practitioner's drivenness to also change the world, besides of solely analysing it (Hettne, 1995,p. 12) in (Potter, 2008,p. 67). The practical paths to development, undertaken by governmental, intergovernmental organizations (IGO), non-governmental organizations (NGO) and other state and non-state actors are defined to be development strategies. Hettne further defines this as those efforts aiming to change current social and economic institutions and structures on the search for durable resolutions of problems faced by decision makers, mostly implying the involvement of the state actors. Goals and objectives of those are reflected by different development agendas, which are highly influenced by dynamics of economic, political, cultural, social, ethical and even religious and moral factors. This assumption broadly establishes the concept of development ideologies, which are held evident in the shift from the early focus of development perspectives and practices on economic growth focus of practices to the emphasis on political, ethnic, ecological and social dimensions, among others, as dominant stand in the development literature. The evolution of the theory behind development is best to be understood by applying the logics of Thomas Kuhn's Structure of scientific revolutions (1962), which keeps account of the influences of values and ideologies in scientific inquiry and stresses the paradigm shifts in theory. Instead of shifts Development theory especially has undergone some recognizable shifts of paradigms which are shortly described in the following. Instead of shifts a rather co-emergence of theories shapes the landscape today (Potter, 2008, p. 68).

1.2.2 Official Development Finance

The Global Development finance landscape encompasses many different kinds of flows between public official and private business actors. Whereas the private side of development finance comprises the remittances of workers, Foreign Direct Investment (FDI), Portfolio Equity, private debts and grants, the official side comprises flows between public entities. The following will focus on the latter. International Development Finance has undergone a steady evolution and has established certain norms and standards, which have been created by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD). A measure which has emerged as global golden standard in foreign aid is Official Development Assistance (ODA), which is defined by the DAC as "government aid designed to promote the economic development and welfare of developing countries". It excludes finances for military purposes and can be "provided bilaterally, from donor to recipient, or channelled through a multilateral development agency such as the United Nations or the World Bank. Aid includes grants, "soft" loans (where the grant element is at least 25% of the total) and the provision of technical assistance.". According to the definition, only aid to countries and territories listed by the OECD can count as aid, whereby these countries are falling beneath a certain threshold of gross national income (GNI) per capita, which is USD 12.276 in 2010. The definition further emphasises the long standing target of the United Nations that developed countries devote at least 0,7 % of their GNI to ODA (OECD,2018). In summary only grants and concessional loans with grant elements are considered ODA by the DAC. Other Official Flows (OOF) are further defined by the OECD as "official sector transactions that do not meet official development assistance (ODA) criteria. OOF include: grants to developing countries for representational or essentially commercial purposes; official bilateral transactions intended to promote development, but having a grant element of less than 25%; and, official bilateral transactions, whatever their grant element, that are primarily export-facilitating in purpose" (OECD, 2018). Statistically these flows are further distinguished between disbursements and commitments. Whereas commitments are regarded to measure the intentions of donors, disbursements show the actual payments for each year and with this they show to what extent donors realized their intentions and implemented their policies (OECD, 2018). While the measure of commitments draws its relevance from this, disbursements measures are required for the examination of donors' contributions to actual development achievements by means of their actions (OECD, 2018).

1.2.3 Aid Effectiveness

Although in the academic field increasingly challenged, the discipline of Aid Effectiveness Literature (AEL) has established the scientific theoretical backbone of the donor community, which under the OECD framework has been shaped and formed entirely in the Western hemisphere and the global north. The models and assumptions used in this academic discipline have been so simple and conform, that it deems it feasible to establish causal relations in the form of provable effects between monetary inputs and development outcomes (Doucouliagos & Paldam, 2009). Three predominant families of models are identified by Doucouliagos & Paldam, (2009) in their meta-analysis of the AEL by the end of 2004, including 97 econometric studies. The evolution of the application of the distinctive models corresponds directly to the evolution of development theory, as presented in the dedicated chapter above. Accumulation models assess aid effectiveness by assuming causal relationships of savings/investments and economic growth. Growth direct models study the causal flow between aid and growth and conditional models the key causal flows between Aid and conditionality and its positive or negative impacts on growth (Doucouliagos & Paldam, 2009). As the executive director of the Japan Bank for International Cooperation (JBIC) describes this evolution with high descriptive value, that overall arguments on Aid Effectiveness have since their emergence been focused on "capital shortage" in the 60's and 70's, "policy failure in the 80's", institutional failure in the 90's and infrastructure failure after the millennium. He criticizes established studies for leaving development as a "black box" as a consequence of treating the relation between ODA and economic growth and/or poverty reduction as a simple cause and effect relationship (Arakawa, 2008). When taking into account the world banks definition of aid effectiveness, which defines it as "the impact that aid has in reducing poverty and inequality, increasing growth, building capacity, and accelerating achievement of the Millennium Development Goals set by the international community." (World Bank, 2018), the problem of the "black box" does not seem to be remedied. Another approach is embodied by the Paris Declaration on Aid Effectiveness. Although the document does not explicitly defines aid effectiveness its principles and commitments are by many considered to be the modern global guideline for a definition, which embodies new development thinking adapted to new political realities. Elliot Stern (2008) and his team observe that the failures of structural adjustment and policy conditionality, and the increased demand for accountability and democracy from the developing world, besides the questionable relationship between money spent and development results are the bases for the rethinking of traditional donor-recipients relationships of the post-cold war era. In an attempt to establish a less self-referencing definition of Aid Effectiveness, which allows focusing on aid management and the targeting of objectives, they defined Aid Effectiveness as "Arrangement for the planning, management and deployment of aid that is efficient, reduces transaction costs and is targeted towards development outcomes including poverty reduction." (Stern, Altinger, Feinstein, Marañón, Ruegenberg, Schulz, & Nielsen,2008). Aid effectiveness still is one of the leading concepts in the field, but its meaning and measurement undergoes constant evolution.

1.2.4 China's Challenge to the global Aid regime

As it has been mentioned earlier, China poses challenges to the global aid regime due to several reasons. First, Chinas financial contribution to other development countries cannot be assessed under the framework of the OECD, because it is not a member of it, it therefore cannot be a member of the DAC. Second, China itself is still listed as recipient country of ODA and OOF by the DAC and receives contributions as eligible recipient from it. The traditional donor-recipient relation established by the OECD framework for development assistance has established a definitional dichotomy between donors and recipients to which Chinas situation could not be fit into. Third, due to this misfit, the traditional beliefs and paradigms around the topic of aid effectiveness are challenged tremendously, due to the fact that countries like China and India are statistically responsible for the greatest relief of their population from extreme poverty, without having received much aid, while poverty in the bulk of recipient countries is decreasing much slower (Doucouliagos & Paldam, 2009, p.1). This has led to paradigmatic shifts in the field of Aid Effectiveness research, which runs short of comparable available data for their classic methods of econometric analysis for the case of China anyways, due to the very recent phenomena of Chinas emergence in Africa (Busse, Erdogan & Mühlen, 2016, p.232). The situation has been metaphorically concluded with the question of "how to dance together when one of the partners is not really invited to the party?" (Bräutigam, 2011 (a), p. 762).

1.3. Methodology

The following section narrows down the specific questions, the paper seeks to answer, introduces the research design and explains how and where relevant data are collected and how they are used to derive to conclusions means of analysis.

1.3.1 Research question

This research endeavour seeks to answer the overall question for the opportunities for the EU and China to work more closely together in coordinating the deployment of their resources in the field of development aid. The main research question reads therefore as follows: ***To what extent can the EU and China enhance their development cooperation with Africa, by means of trilateral development cooperation?*** The question shall be answered by investigating the economic and commercial stakes of China and the EU in Sub-Saharan Africa. In order to do so in a systematic manner, throughout this paper the sub-research question of "*What are the principles, objectives and instruments of European and Chinese Foreign Aid Policy in Sub-Saharan Africa and to what extent do they* *complement/compete (with) each other?"* will be answered. Furthermore it is necessary to emphasise on European and Chinese stakes by posing the questions for the scope and volume of aid and commercial activities in Sub-Saharan Africa. Therefore the questions of *"What is the volume and scope of European and Chinese Foreign aid and trade to Sub-Saharan Africa?"* is posed in order to facilitate the analyses of European and Chinese interests in the field of development cooperation. Answers to these questions will be elaborated in the final conclusion on the basis of the findings derived from the separate analytical and reflective chapters.

1.3.2. Research Design

The research design can be broadly described as Policy Evaluation. First the institutional development of Sino-African and Euro-African relations are described starting from the first Africa-EU summit and the first ministerial conference in Beijing, both in 2000, till the present. After having established a time dimension to the institutional background of developments, the second step is the individual identification of objectives and instruments employed within Chinas and the EU's development aid strategies towards countries in Sub-Saharan Africa. The third step is to quantify the efforts and investments taken by the EU and China related to their foreign aid policy in Sub-Saharan Africa. The conceptual focus is placed on the inputs and their broader contexts, instead of outputs, impacts and effectiveness, as it is the case in most contributions to the literature. The fourth step consists of analysing the commercial relations between EU countries and Sub-Saharan Africa and Sino-African trade relations. In the fifth step it will be assessed what has happened since 2000 in the field of trilateral development efforts between Sub-Saharan countries, China and the EU. Based on the insights gained about common and diverging interests, as expressed in objectives and instruments of Chinese and European Foreign Aid Policy, the assessment of quantitative monetary inputs in the form of aid and trade, and the previous attempts to reconcile them, a sixth step consists of an elaboration on chances and challenges for the EU and China in "integrating" their Foreign Aid Policy under the premises of comparative advantage and the division of labour between development aid providers. The suggested research design, as presented by these six steps in answering the research questions, takes a rather pragmatic approach, which could be broadly related to the field of policy evaluation. By being comparative in its basic objectives, descriptive in its prevalent application and predictive in its broader ambition, the design is found to be suited best to comply to the expectations posed towards a bachelor thesis in terms of methodological sophistication and the extent of its contents.

1.3.3 Data collection and analysis

The quantitative and qualitative data, needed for serving the demands of the research design, are exclusively gathered from official and peer reviewed databases. All data concerning the elaboration of instruments and objectives under the frame of a greater strategy are drawn from documents published by the Chinese government and respective European Institutions. Aid statistics for European Institutions, EU member states and their African counterparts are retrieved from the OECD Query Wizard for International Development Statistics. Due to the theoretical misfit of the DAC framework with regard to the case of China, this database does not deliver insights on Chinese development aid. The data for China are therefore drawn from AidData's aggregated dataset Global Chinese Official Finance Dataset, 2000-2014, Version 1.0 (Dreher, Fuchs, Parks, Strange, & Tierney, 2017). Data on Sino-African and Euro-African commercial flows are exclusively drawn from the World Bank's World Integrated Trade Solutions database, which allows direct comparison between all flows between respective countries. Data in the form of documents are investigated by means of content analysis where the focus is on the elements of development cooperation strategies, specifically on policy objectives and instruments. Numerical data for aid and trade are compiled to bigger aggregated datasets, by means of simple calculation software, with the aim of making data inputs from different databases, often using different display options for monetary values, more comparable. Those aggregated datasets on aid and trade allow the quantitative comparative analysis of flows within the determined timeframe. By means of simple statistical processing and visualization, the respective numerical relations of flows are assessed and conclusions are drawn.

1.3.4 Limitations

Direct comparison between Chinese and European monetary contributions with regards to aid numbers is not possible yet, due to the DAC's lacking coverage of Chinese flows. To compensate for that it has been decided to use the aiddata for estimating Chinese investments in Sub-Saharan countries, which would broadly resemble the actual definition of the DAC for ODA and OOF and includes also a category for vague official flows, which is integrated into the assessment.

2. European Development Cooperation with Sub-Saharan Africa

The following chapter introduces into the historical context and the evolution of the relations between the EU and development countries in general and Sub-Saharan Africa in particular, and analyses the development of trade in the period between 2000 and 2015 and tendencies regarding aid in a period between 2002 and 2014. This is done in order to inventory the volume and scope of trade and aid relations between SSA and the EU and its members.

2.1 Historical Background

Europe has a long history of engagement with Africa. Regarding that most Sub-Saharan African countries have been colonized by European countries, mainly France, Great Britain but to smaller and limited extent by the Netherlands, Belgium, Italy, Portugal and Germany, the relationship between Sub-Saharan Africa and Europe has been historically shaped as a master-slave relationship up until the successes of the African national independence movements of the early cold war era. The geo political conditions of the cold war era have led to a new "scramble for Africa", between the Washington led Western Block and the Moscow led Eastern Block. Money, weapons and other power instruments have widely been used to win influence in the new born liberated African nations for the superpowers respective political systems. The de-colonialization process reshaped European-Africa relations within the frame of the conventions of Yaoundé (1964-1969 and 1971-1975), which aimed at fostering cooperation between the EU and African, Caribbean and Pacific countries (ACP) with heavy focus on building up infrastructure in francophone Africa during de-colonialization (Manchin, 2006, p. 4). Under the background of the UK joining the EU, the first Lomé Agreement entered into force. The Lomé Convention of 1975 and its successive rounds (1981-1985, 1986-1990 and 1990-2000) governed the provision of unilateral preferential access to the markets of the EU to (ACP) countries. During this period special trade protocols, where introduced first for sugar, beef and veal, later bananas and extended throughout the successive conventions, including considerations on environment and human rights (Manchin, 2006, p. 4). In 2000 the convention was replaced by the Cotounou Partnership Agreement, which introduced reciprocal, but still asymmetric access to markets under the condition of ratifying individual Economic Partnership Agreements (EPA) and the commitment to progressive market opening to the EU (Ramdo & Bilal, 2014 in Mullings & Mahabir, 2017). The General Scheme of Preferences (GSP) has been extended by the “Everything but Arms initiative” (EBA) in 2001, which aims at meeting the needs of LDC globally by granting full duty free and quota free access for all export, excluding armaments and arms (Mullings & Mahabir, 2017). The Cotonou Partnership Agreement signed in 2000 with duration of 20 years forms the most recent framework for EU relations to Least Developed Countries, of which most are located on the African continent. The provisions are governing preferential trade and development cooperation and provide the framework for the application of political conditionality related to Human Rights, Democratization and the rule of law. First steps for the individual institutionalization of the dialogue between the two continents have been made during the first Africa-EU Summit in Cairo 2000. As a consequence the Joint Africa-EU Strategy has been established in 2007 as baseline for a strategic partnership between the African Union and the EU, which is subject for revision during the regularly held summits.

2.2 European Development cooperation Policy

2.2.1 Principles

The guiding principles and objectives of the EU’s development cooperation policy need to be regarded in line with the unions’ provisions on external action, which are established in Article 21 of the Treaty on European Union (TEU). Paragraph 1 of it determines that the unions action in international matters “shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world”. Therefor the guiding principles are respect for Human Rights, dignity and fundamental freedoms, the rule of law and democracy, and the principles of equality and solidarity and those of international law and the United Nations Charter. Shared respect for these principles is regarded to be the exit point for the EU and its members to establish relations and partnerships with third countries and regional, international and global organisations (Art. 21(1) TEU). The Joint Africa-EU Strategy (JAES) formulates the principles for the partnership between Africa and the EU as being guided by the fundamental principles of African unity, interdependence between Europe and Africa, respect for the rule of law, human rights and democratic principles as well as ownership, joint responsibility and the right to development. In principle all sides commit themselves to increase the effectiveness and coherence of already existent agreements, instruments and policies. Further principles are co-responsibility in bilateral cooperation on global issues and mutual accountability, confidence and solidarity, human security and equality, the sharing of burden, non-discrimination and justice (European External Action Service, 2007). The principle of policy coherence for development is applied throughout the implementation of JAES in order to ensure that policy measures taken in one area do not undermine results in others by identifying positive complementarities between sectoral strategies and policies.

2.2.2 Objectives

Article 21(2) TEU determines the objectives, based on which common policies and actions in the field of external action shall be pursued. As it is further explained in the New European Consensus on Development (p.6), EU development policy corresponds and enforces the objectives of external action, but especially the one laid out in Article 21 (2)(d), namely to “foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty. The New Consensus also determines that further objectives of external action as laid out in

Article 22(2) TEU are in line with the objectives of development policy. Those are (b) the consolidation of human rights and the principles of international law, the rule of law in general and support for democracy, (c) preventing conflict and preserving peace, (f) the improvement of environmental quality, with regard to the sustainable management of global natural resources, (g) assistance to populations, regions and countries confronted with man-made or natural disasters and (h) the promotion of an international system, which is based on good global governance and stronger multilateral cooperation (New Consensus on Development, 2018). The primary objective of the EU's development cooperation with third countries is clearly articulated in Article 208 of the Treaty on the Functioning of the European Union (TFEU), namely the reduction of poverty and its eradication in the long run. Further it is determined that "The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries." (Art. 208 (1) TFEU) and that "The Union and the Member States shall comply with the commitments and take account of the objectives they have approved in the context of the United Nations and other competent international organisations" (Art. 208 (2) TFEU). The JAES, born at the December Lisbon Summit of 2007, is regarded as the cornerstone of the doctrine shaping the relation between Africa and the European Union, based on a consolidation process of fifty years of development cooperation and trade and it represents the long term framework for cooperation between the African Union (AU) and the EU (Pirozzi, Sartori, & Venturi, 2017). Its four main objectives are (I) to address common challenges and issues of shared concern, by elevating political partnership institutional ties in the peace and security, migration, environmental protection and development, (II) to promote peace, security, human rights, fundamental freedoms and democratic governance on the basis of continental and regional integration and industrialization in Africa to ensure the achievement of MDG's by 2015 in African countries, (III) to sustain and promote jointly an effective system of multilateralism in order to reform the UN system to better address common global concerns and challenges, and (IV) to create conditions enabling non-state actors to be involved actively in democracy building , post-conflict reconstruction, conflict prevention and development in order to promote holistic approaches to development processes by fostering the dialogue with the private sector, civil society and local stakeholders (European External Action Service, 2007).

2.2.3 Instruments

Instruments of the EU's development cooperation policy comprise elements of trade and aid and need to be considered in an interrelated context. Preferential trade in the form of wide quota and tariff free access to the EU's internal market has been one of the main pillars of development cooperation on a Union wide level. By means of non-reciprocal trade preferences, provided to ACP countries, the EU attempts to foster the objectives of boosting their export earnings by increased export volumes and to facilitate export diversification (Persson & Wilhelmson, 2016) in (Mullings & Mahabir, 2017). The other main pillar is regarded to be development aid, which is delivered by means of ODA and OOF under the broader framework of the DAC. Additional to the bilateral arrangements between EU Member States and recipient countries, the EU possesses an individual seat as member of the DAC and acts as a generous donor.

2.3. European Trade with Sub-Saharan Africa

2.3.1 Sub-Sahara African Export to the EU

As mentioned in the previous chapter, the EU's main policy objectives related to trade with ACP countries are to increase export volumes and earnings and to facilitate diversification with special focus on LDC. There is agreement in the literature that much progress has been made in the former (Sapir (1981), Oguledo & Macphee (1994), Nilsson (2002), Péridy (2005), Persson and Wilhelmsson (2007), Thelle, Jeppesen, Gjodesen-Lund, and Van Biesebroeck (2015) in Mullings & Mahabir, 2017), with limitations when African countries are singled out (Manchin, 2006), but less in the latter by having contributed to increases specialization (Persson & Wilhelmsson, 2016 in Mullings & Mahabir, 2017). The role of economic and trade co-operation is integral to the EU's policy towards ACP countries, but the view that they have not been very successful, in comparison with other development countries, in taking advantage of their preferential treatment is widely accepted (Mc Queen et al. 1997 in Manchin, 2006, p. 2). The following figure illustrates to what extent the EU has achieved its policy objectives of increasing the export volumes and earnings of Sub-Saharan countries between 2000 and 2015, by means of trade. In all sectors significant increases in trade volumes are observable. The export of capital goods has seen a steady positive development with observable impacts of the 2009 financial crises, which left only the sector of consumer goods unaffected. Trade in intermediate goods has steadily grown and roughly doubled. Up until 2006 the EU's imports from

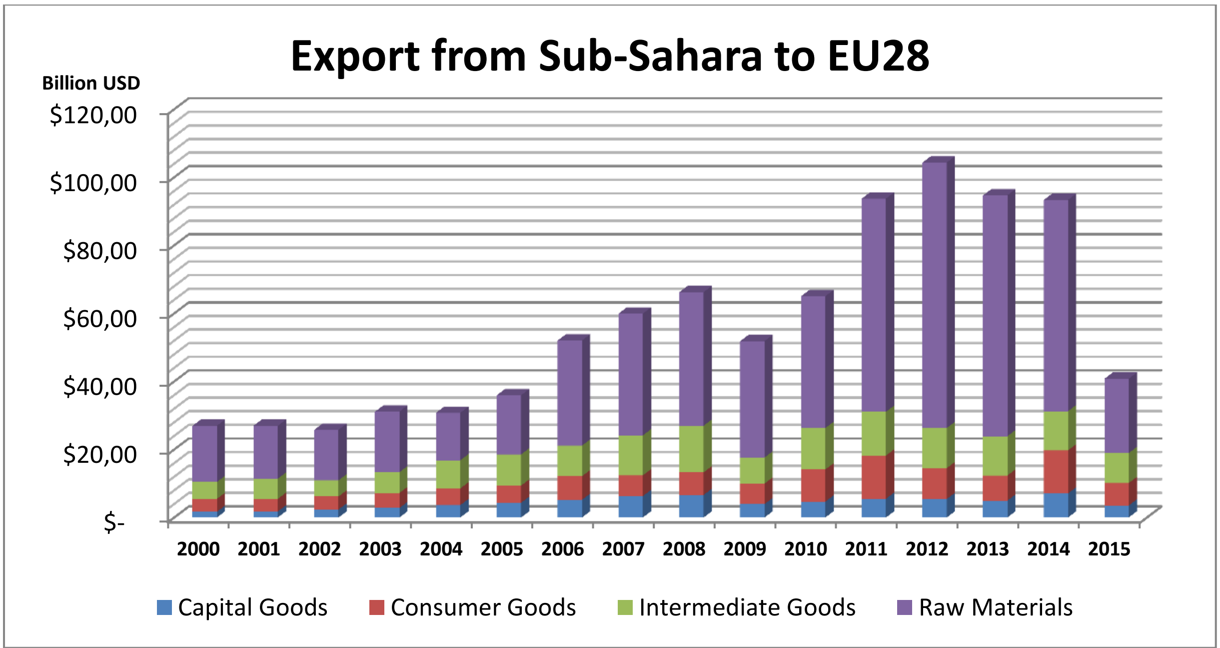

Figure 1

Africa reflected the trends of all sectors, keeping the portion of raw materials of the whole roughly at one half, with lowest levels in 2004 (42,9%) , but from 2006 onwards a disproportional growth of the raw material's portion established, reaching a peak of 74,3% in 2013 and falling back to just above a half (53,09%) in 2015. This rapid expansion in the proportion of raw materials in the trade between Sub-Saharan Africa and the EU is clearly an evidence for its success in boosting export earnings of African countries in all sectors, but it also establishes evidence that most of this earnings come from raw materials a development, which underpins the objective of interdependence the EU strives for, but seemingly on the costs of export diversification. Taking into account that 92.14% of the whole export volume of about 915 billion US$ over the whole period between 2000 and 2015 have been subject to trade between Sub-Saharan Africa and eight EU28 countries it becomes apparent that this interdependence is in commercial terms fostered by the EU's biggest economies and those member states with former colonial relations to Africa. Trade with the United Kingdom accounted for 19,29%

of the whole export value and the Netherlands imported 16,2% of the value of the goods and France

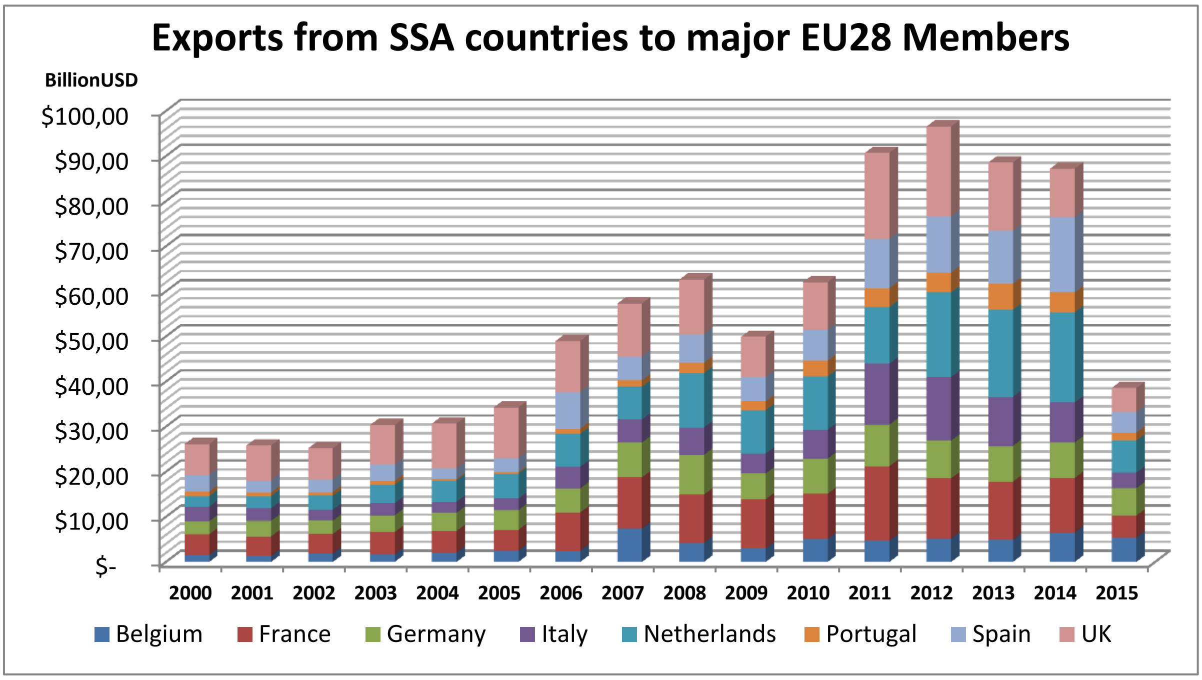

Figure 2

15,2%, leaving those three countries being responsible for the import of more than a half of the total export value. Germany, Italy and Spain have all shares of just about 10% each, followed by Belgium (6,50%) and Portugal (3,83%). Figure shows that the Netherlands have been intensively and steadily increasing their import volumes from Sub-Saharan Africa, reaching in 2014 8.5 times the value of 2000. Portugal reached 6,5 times the value of imports from 2000. Import volumes of the UK have tripled between 2000 and 2012. In Germany this happened already in 2008. In France the volumes reached their peaks in 2011 with 3,5 times the level of 2000. Belgium and Spain reached in 2013 and 2014 about 4,5 times the level of 2000.

2.3.2 European Exports to Sub-Saharan Africa

Although the preferential trade between ACP countries and the EU is of non-reciprocal nature, based on the respective objectives of the JAES, in total the trade balance between Sub-Saharan Africa and EU28 is almost even over the period 2000-2015, whereby Africa runs about eight billion dollars short. As the overall recognized development divide between the two continents suggests, the picture illustrated in figure 3 shows a reverse display of figure 1. In total, capital goods have been the strongest sector of export towards Sub-Saharan Africa (342,92 bill.US$), followed by consumer goods (290,63 bill. US$) and intermediate goods and raw material amounting together to 225,91 billion US$, where from 173,06 billion US$. The fact that European exports have more than tripled by 2014 in comparison to 2000 supports on the one hand the story of rapid growth in African countries and increased mutual trade performance, possibly induced by increased productivity and market opening. The increased access for European products of all sectors to African market speaks for increased incomes, which is in general a good thing, but to what extent the "flushing" of African markets with European intermediate goods, consumer and capital goods fosters the development of local productivity and diversified trade remains questionable. What the numbers support anyways is that the EU's objectives of European-African interdependence is underlined. The export trade between the 28 EU-Member States and Sub-Saharan-Africa between 2000 and 2015 has been dominated clearly by the biggest economies of the EU. Over the whole period 85% of all exports sent

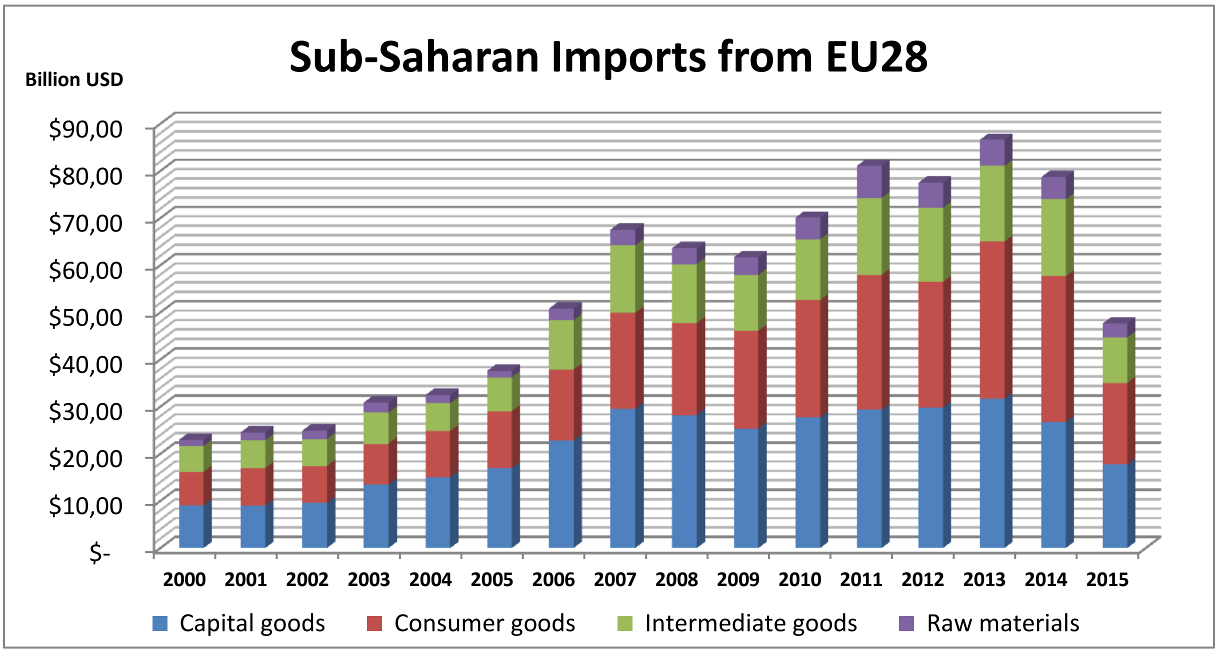

Figure 3

to Sub-Saharan Africa from EU28 have been traded by Germany (20%), the UK (17%), France (14%), the Netherlands, Belgium (each with respective 8%) and Spain and Portugal (each with 5%). The following figure allows the assessment of the export volumes of these eight countries, the distribution between them and the trend for both measurements over time.

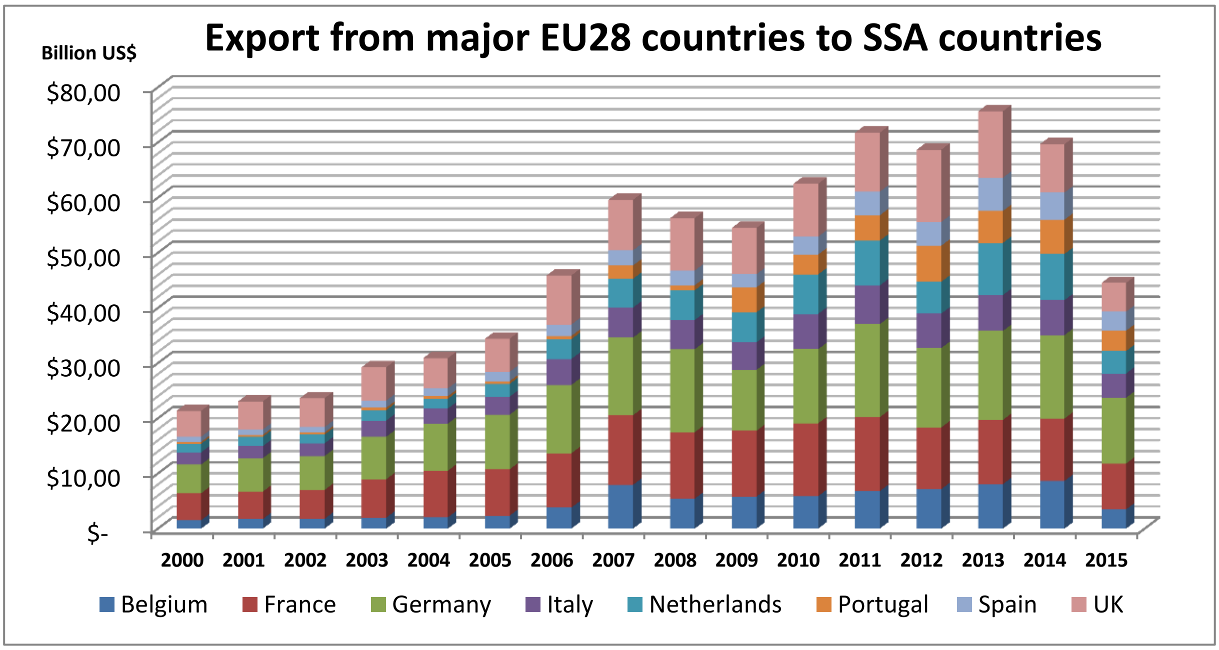

Figure 4

2.4 European Official Development Finance to Sub-Sahara Africa

The EU is overall and in a whole the biggest donor of official development finances in the world. Finances falling under the category of ODA comprise the major part of European Aid. Besides of the Member States, the EU institutions have constantly been increasing its ODA to Sub-Saharan Africa and were able to quadruple its annual amount between 2002 and 2014. By 2015 this contribution reached 20% of the whole volume of official development finance delivered to the countries in the region.

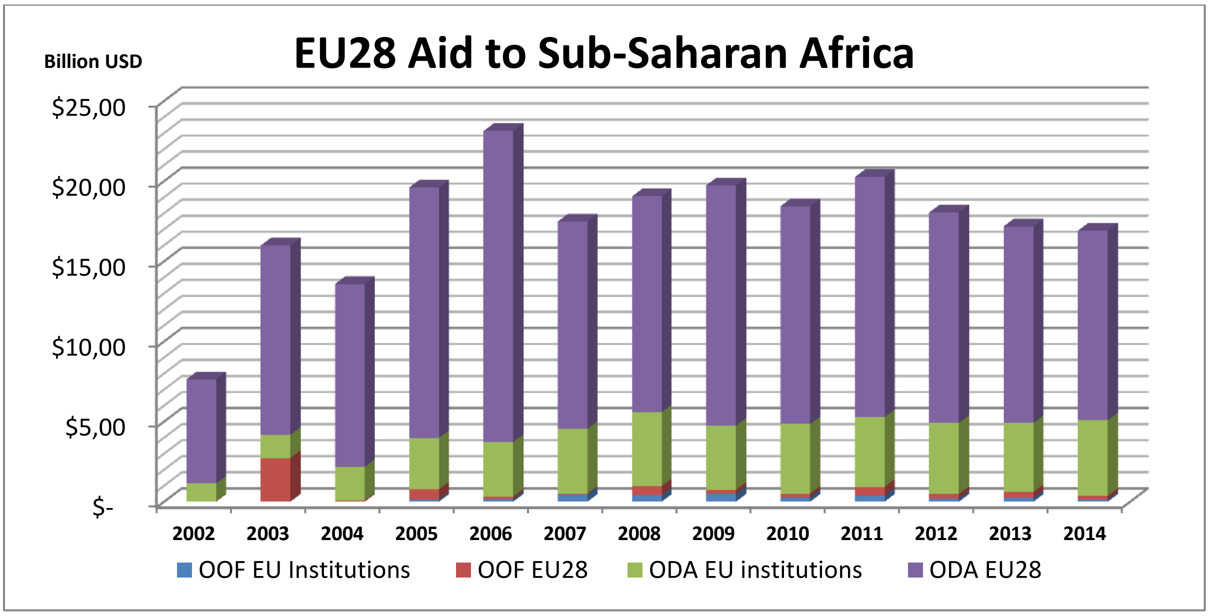

Figure 5

Over the period between 2002 and 2014, the historical colonial powers of France and the UK have contributed the bulk of development finance to SSA with 46,7 % by almost equal parts. Another important donor is Germany, which contributed 15%. The Netherlands are the fourth most generous donor with 8,2%, followed by Sweden (5,6%), Belgium (5,2%), Italy (4,3%) and Denmark (4,0%). Countries like Spain (3,1%), Portugal (1,9%) and Ireland (2,6%) form a group of statistically less significant donors. The contribution of all other EU28 members comprised just 3,4% of all disbursements. On the receiving end of these aid flows a somewhat different pattern emerges.

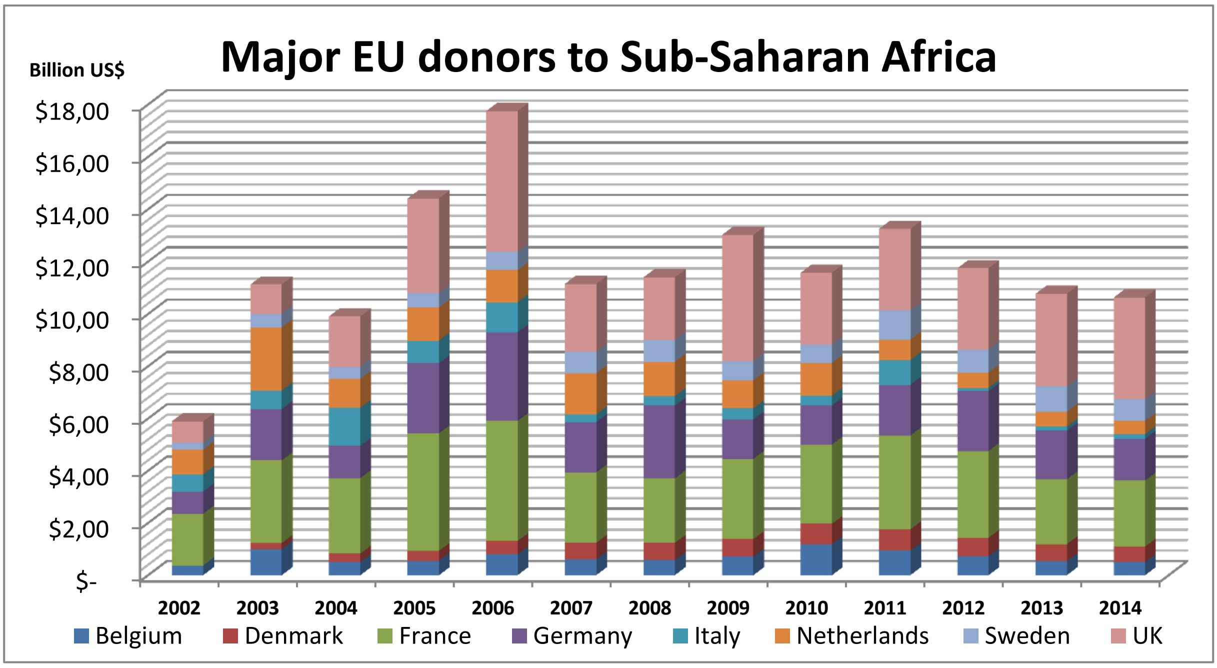

Figure 6

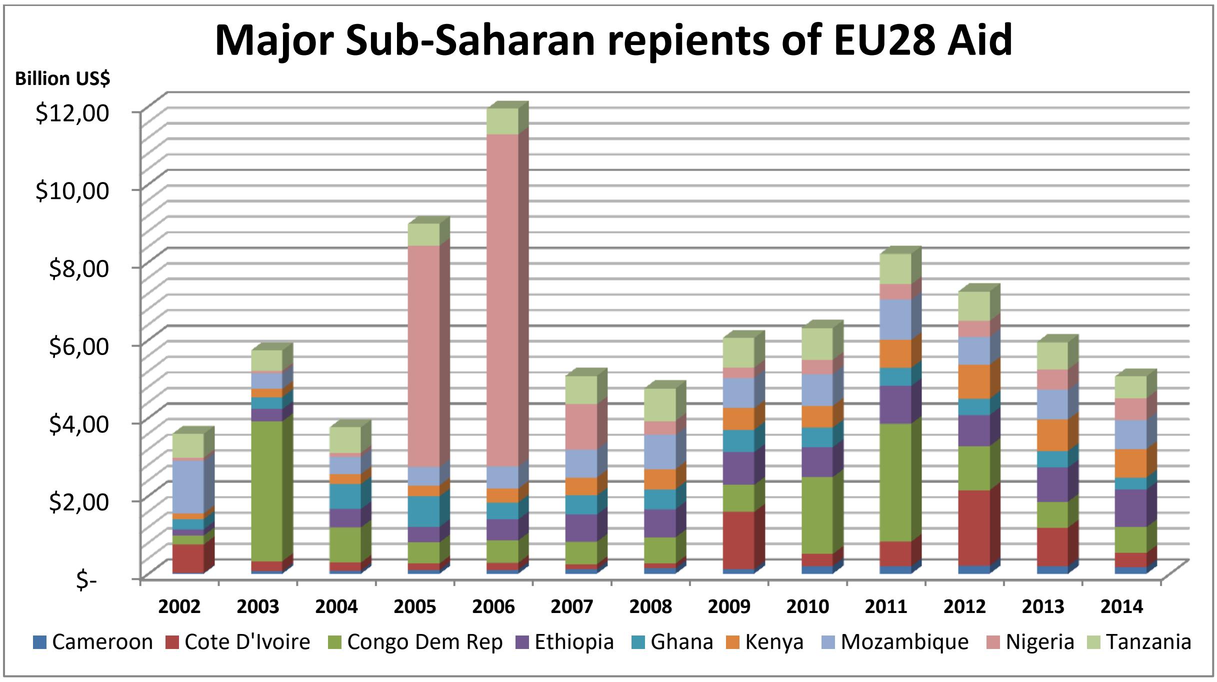

Figure 7

Over the period between 2002 and 2015 EU aid to SSA was spread for over 50% across only nine countries. Nigeria received a lion's share of 10,4% of all disbursements from EU28, followed by the Democratic Republic of the Congo. Tanzania, Mozambique and Ethiopia received significant shares of the overall disbursements ranging between 5% and 6% for each country. The donations to Cameroon, Cote D'Ivoire, Ghana and Kenya amount between 3,5% and 4,5% of the volume of disbursements. The other half of disbursements is relatively evenly spread across the remaining three dozens of SSA countries.

2.5. Conclusion

In summary, a pattern can be derived from the figures. The overwhelmingly large portion of EU28 trade with Africa, both in terms of import and export volumes, is run by the biggest economies in the Union and obviously shaped by their long standing relations to their former colonies. Exports from Sub-Saharan countries to the European internal market have almost quadrupled, between 2000 and 2012, with drastically falling tendencies afterwards. The downside of this impressive achievement in the field of increasing export earnings of LDC in Sub-Saharan Africa is that it is predominantly based on earnings from exports of raw materials, which experienced an extra proportional increase over the period of observation. From this point of view the achievement of one objective has been made possible by failing in another. With regard to the provision of aid the biggest share of investments are distributed among the colonial powers of France and Britain and to smaller extents by Belgium. Germany plays relatively to its economic size and population a less important role, which might be best explained by its limited historical ties to Africa.

3. China’s Development Cooperation with Sub-Sahara Africa

3.1 Historical Background

The historical background of Chinas relations to mainly countries in Africa and Asia, but also in Latin America has its roots in the beginning of the cold war era, when China, less prominently than its soviet neighbour, undertook its first acts of solidarity to other under developed and newly liberated nations, especially on the African continent. Whereas the Block powers where mainly busy with promoting their respective systems at the international stage, the People’s Republic of China brought its civil war against the Kuomintang to the halls of foreign affairs ministries around the so called third world, leaving political strategy and ideology as primary foundation of extensive aid programs (Bräutigam, 2009, p. 18). Under heavy trade embargo from the U.S., China introduced the five principles of peaceful coexistence during peace negotiations about Tibet in India in 1954, a framework adopted as the foundation of the Non-Alignment Movement at the Afro-Asian People’s Solidarity conference in Bandung a year later and still being at the foundation of Chinese foreign policy. After Mao’s disastrous Great Leap Forward from 1958 till 1960 and under the background of the even more severe decade long Cultural Revolution (66-76), both having produced huge poverty, left over twenty million people starved to death, China expanded its foreign aid program also to Africa. By 1973 China has distributed aid among thirty African countries, compared to the Soviets, who spread aid around twenty African countries, but concentrated their aid in only in eight of them in the Mediterranean and the Horn of Africa, leaving China to provide more aid than the USSR to the African continent. After having won back its seat in the United Nations, from the Taipei based Republic of China (ROC), by the support by poor African countries, Beijing expanded its aid to thirteen additional African countries, leaving strategic diplomacy the predominant motivation of Chinas aid in the 70’s (Bräutigam, 2009, p. 34). After Mao, who always had put political objectives before economic ones, died 1976, the communist party led government engaged in a process of opening up politically and economically. For its aid policy this applied efforts abroad during the 80’s and 90’s have been mostly focused on the rehabilitation of existing or former projects, which had been collapsed or where crippling on a search for methods and practices to make them beneficial again and sustainable (Bräutigam, 2009, p. 57). At home the communist party proved that China will take a different road towards the millennium as the rest of the socialist world, represented and politically owned by the Soviet Union by repressing violently the protests at the Tiananmen Square demonstration in 1989. The following decade of global reordering was accompanied by the escalation of Chinas own globalization, which yielded the formal directive, established in Chinas tenth five-year plan, to “go global” (Bräutigam, 2009, p. 74). In 2000, the Forum on China-Africa Cooperation was launched to serve as basic platform for Sino-African dialogue and as an effective instrument for pragmatic cooperation (State Council, 2011).

3.2 Chinese Development Cooperation Policy

3.2.1 Principals

The principles of Chinese Foreign Aid have been crystalized out over the course of its practice since 1950. Deborah Bräutigam, a leading scholar in the field of Chinese engagement with Africa observes that the basic principles, governing Chinese Foreign Aid have been articulated by former Chinese premier Zhou Enlai (Zhou, 1964) and are the following “(i) equality and mutual benefit; (ii) respect for sovereignty with no conditions attached; (iii) provided through interest-free or low interest loans; (iv) promotes self-reliance, not dependency; (v) quick results; (vi) uses best-quality equipment of Chinese manufacture; (vii) emphasises technology transfer through technical assistance; (viii) Chinese experts will live at the standard of local experts" (Bräutigam, 2011 (a)). The overall principles of Chinese development cooperation policy are complimented by the basic condition for eligible partners of accepting the government of the PRC in Beijing to be the only recognizable international representation of the Chinese people as opposed to the Kuomintang governed island of Taiwan. This basic condition is widely referred to as the "one China policy" and is reflected as overriding concern of the principle of the non-interference in each other's internal affairs (Bräutigam, 2009, p. 30.). The principles of foreign aid relate clearly to the principles of peaceful coexistence, which are (1) mutual respect for sovereignty and territorial integrity (2) mutual non-aggression (3) non-interference in each other's internal affairs (4) equality and mutual benefit (5) peaceful coexistence.

3.2.2 Objectives

Objectives of China's foreign policy are indirectly, but very clearly articulated in Chinas first white paper on foreign aid (2011). Although it is phrased slightly differently it states clearly that China strives by its actions to improve the self-development capacity of recipient countries by fostering local forces, build infrastructure to develop the processing and use of domestic resources in order to enable future development based on independent development and self-reliance. Although not imposing political conditions can hardly be regarded as a policy objective, the objective behind this rule of operation is to enable and support countries to choose pathways and models of development, which are corresponding and suitable to its actual conditions. Derived from the features of mutual benefit, common development and equality it is upheld by China that foreign aid between development countries should accommodate the interests of recipient countries, be focused on practical effects and be promoting bilateral relations based on mutual benefit by means of economic and technical cooperation. The need for careful tailoring of foreign aid is not at last related to the somewhat limited abilities due to the national conditions of Chinas as a development country, which forms the basic objective of making best use of its comparative advantages (State Council, 2011). Constant improvement of its aid system is another objective and based on the need to keep track with developments of international and domestic situations. To keep its system adaptive and flexible under the light of these constantly changing and evolving situations, making innovations and instantly adjusting and reforming managerial mechanisms is therefore of high importance to the Chinese aid regime. The white paper of 2014 is very clear about the importance of the Chinese foreign assistance objective of poverty reduction and improving people's livelihoods and about Chinas priority to be highly supportive in the development of agriculture and public welfare facilities related to educational levels and health and medical services and to be a reliable provider of emergency humanitarian aid (State Council, 2014). Further well defined complementary main objectives of Chinese development assistance are related to the Promotion of economic and social development by means of infrastructure improvement in the fields of transport, energy and IT, the Strengthening of capacity building by means of extensive technical and human resource cooperation and the active involvement of volunteers, the promotion of trade development by improving trade-related infrastructure and production capacity, promoting export to China and lending support to LDC in integrating in multilateral trading systems, and strengthening environmental protection by means of providing assistance in construction projects, materials and assistance in capacity building (State Council, 2014).

3.2.3 Instruments

As the first Chinese white paper on foreign aid (State Council, 2011) confirms, Chinese foreign aid is delivered within the framework of its Eight Principles for Economic Aid and Technical Assistance to other countries, establishing the core content and featuring equality, mutual benefit and no strings attached, and by means of eight distinctive forms of delivery. The bulk of Chinese Aid is delivered in the form complete projects**,** which refer to projects constructed in recipient countries of civil or productive kind financed by China by means of grants and interest free loans. Because Chinas is responsible from survey and design to installation and trial production, these projects are in the academic world broadly referred to as “turn-key projects” (Bräutigam, 2011 (a)), (Bräutigam, 2011 (b), (Bräutigam, 2009) in the fields of agriculture and Industry, culture and education, health care, power supply and energy and transportation and communication, among others, and have covered about 40% of Chinas Foreign Expenditure by 2009 (State Council, 2011). These complete projects are often supported by foreign aid in the form of materials and goods, like industrial equipment and machinery, medical and testing equipment, office supplies, food and medicines and transportation vehicles including civil airplanes and locomotives. To further ensure the proper functioning of complete projects, foreign aid comprises also technical cooperation in the form of dispatching experts in order to provide technical guidance on the maintenance and the operations of production, besides the training of local people as technical and managerial staff. Technical cooperation covers the sectors of agriculture, industry, health and medical care, the production of clean energy and sports, culture and education. Another complementary field of Chinese foreign aid is Human Resource Development Cooperation, which refers to projects like training and research programs for public government officials, technical and educational training programs and personnel exchange programs in the fields of economy, diplomacy, agriculture, health and medical care and environmental protection among many others. A very pragmatic form to foster the Chinese aid packages are the medical teams sent abroad. Those provide free medical devices and medicines and locational or mobile medical services, besides training local staff in order to improve local capacities. In order to reduce the loss of life and property, China offers humanitarian aid in the form of cash and materials to regions and countries, suffering severe natural and humanitarian disaster. The government established a mechanism to respond to demands of emergency humanitarian relief in 2004, which was directly challenged by the severe tsunami in December of this year, which has hit many countries in the Indian Ocean, leading to the launch of the largest emergency relief operation of Chinese history. Chinese Overseas Volunteer Programs have sent young volunteers to other development countries to serve local people in social sectors like health, medical care and education among others and to teach them Chinese. By the end of 2009 China had dispatched almost 8000 people, by great majority language teachers, to over 70 countries on the globe since the beginning of such programs in 2002. Chinas has also at high level international occasions, ranging from the first Ministerial Conference of the Forum on China-Africa Cooperation (FOCAC) in 2000 to the UN High-Level Meeting on the Millennium Development Goals in 2010, committed debt relief to Least Developed and highly indebted poor countries, in order to reduce the burdens on financially troubled countries.

3.3. China's Trade with Sub-Saharan Africa

3.3.1 Sub-Sahara African Export to China

As the following figure shows, the biggest share of exports from SSA to China is comprised by raw materials. The value of the export mix experienced a rapid growth between 2000 and 2008 and almost ten folded, but experienced a significant downturn at the beginning of the financial crisis in

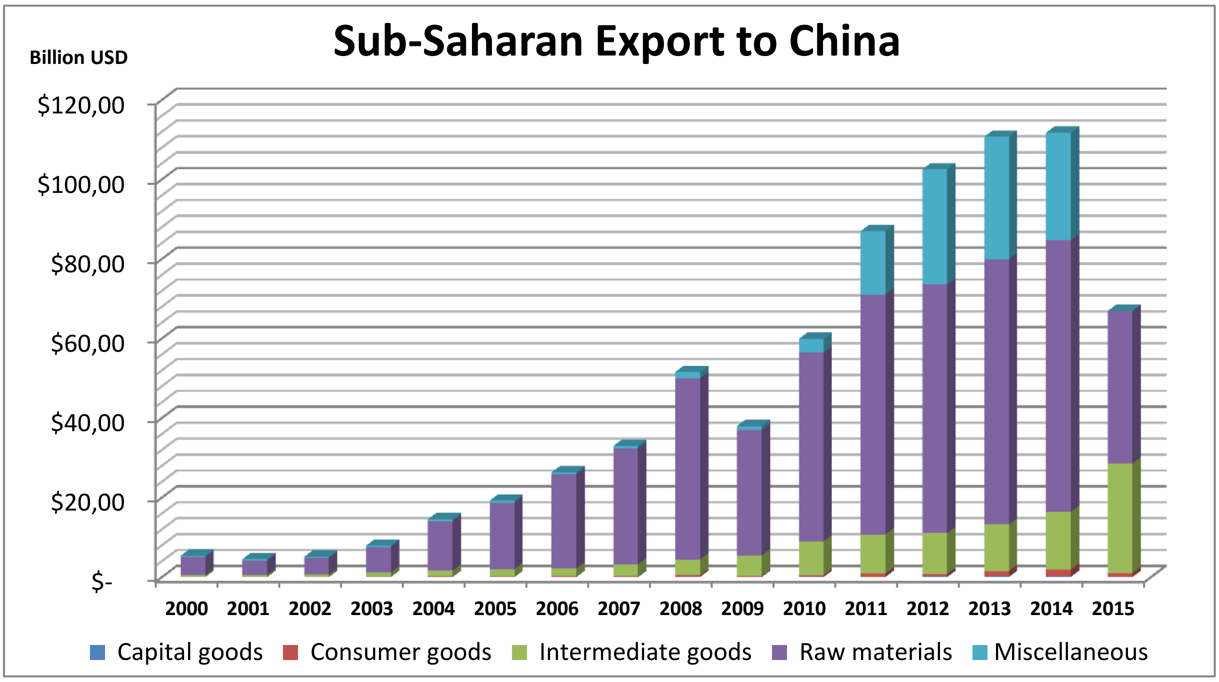

Figure 8

2009. Up until 2014 the export value of 2000 multiplied itself by the factor of 21. Although the enormous Chinese hunger for raw materials is evident from the picture, it shows also a success in the diversification of export products. In 2015 the export of intermediate goods reached a peak of roughly 27,62 billion USD, constituting to more than 40% of the export mix and grew by roughly

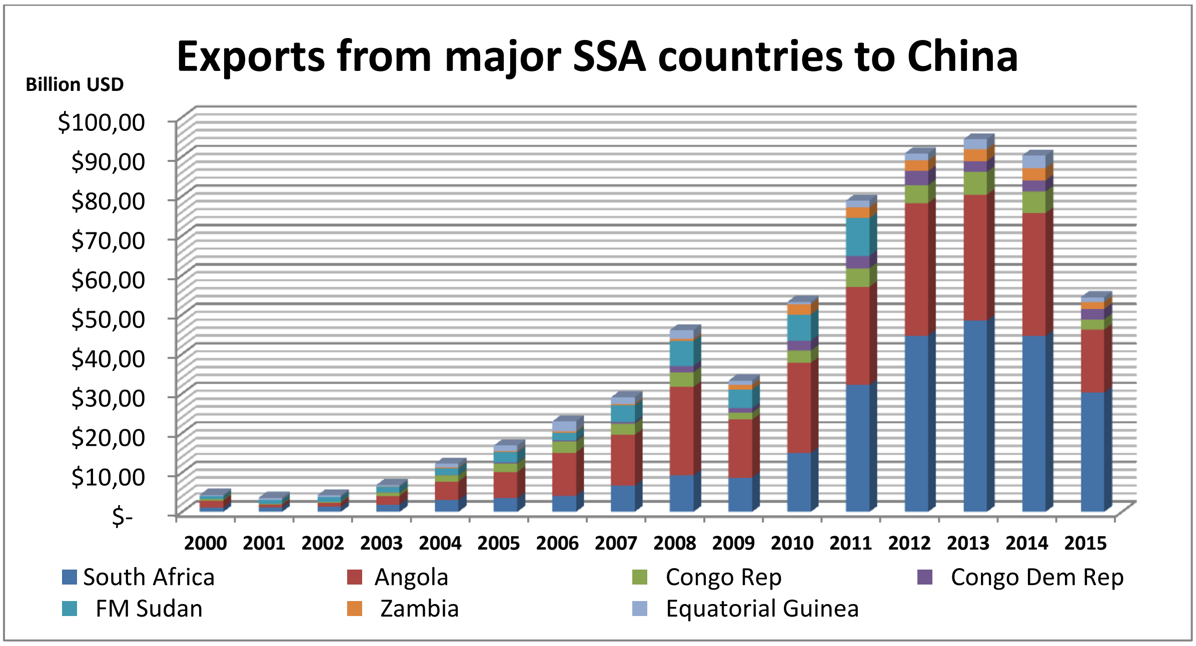

Figure 9

7326% in comparison with the year 2000. The value doubled compared to the year 2014. Although this development is quite impressive in terms of diversification, the decrease of exports in raw materials was cut by almost 45%, leading to an overall decrease of the export value of 40% in 2015. Gernot Pehnelt, who investigates Chinas emergence in Africa within a political economy perspective, argues that attractive opportunities related to undeveloped or undiscovered resources are taken up by China in regions where western companies and governments hesitate to invest into (Pehnelt, 2007,p.8). According to him (2007), as a relatively new force on the global commodity market, China faces the condition of late entry into markets, which are shaped by stable relations to traditional powers, leaving it with higher opportunity costs related to human rights, governance and morality focused policy than the traditional powers of strong forces of commodity markets. When one regards the origins of SSA exports to China, a pattern emerges which corresponds partly with Pehnelt's observation. The origins of these exports are concentrated by almost two thirds in Angola and South Africa. South Africa is considered to be a free and democratic country and Angola is not by internationally applied measure (Freedom House, 2018). The Sudan, another significant trading partner, has also a bad reputation according to Freedom House, just like the rest of the countries being Beijing's most important partners in the region like Sudan, Equatorial Guinea, both Congolese states and Zambia. Together they have been responsible for roughly 90% of all exports to China between 2000 and 2015. Those countries are also heavily involved in commodity backed finance, based on products like oil, copper and cacao among others (Bräutigam & Gallagher, 2014). This statistical fact undermines China's non-interference policy and confirms Pehnelts observation that China does not seem to be afraid to go, where the west avoids to go, but due to the significant share of South Africa it cannot be concluded that this is an exclusive policy objective. China's relationship with South Africa should rather be regarded as important strategic partnership, which China aims to foster within the frame of wider cooperation between the so called BRICS. It is important due to South Africa's characteristics of being an emerging economy.

3.3.2 Chinese Exports to Sub-Sahara Africa

SSA has developed rapidly to an important and highly significant Chinese export market. Over the whole period between 2000 and 2015 export volumes, were highest in consumer goods worth

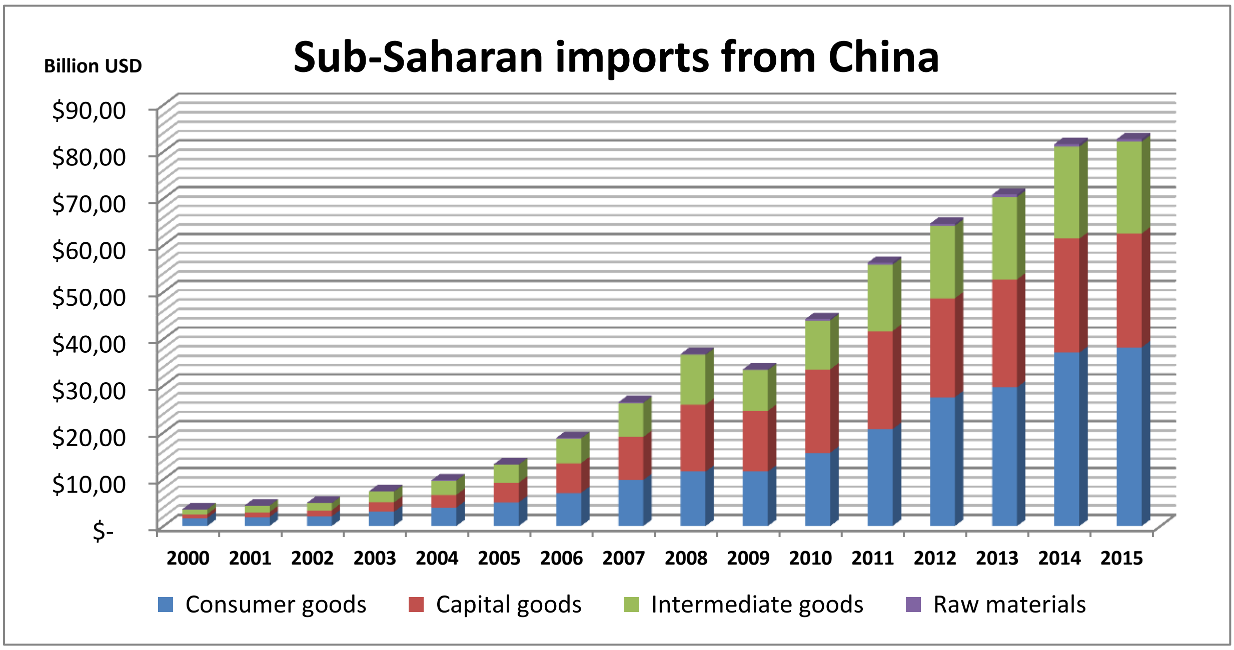

Figure 10

226.64 Billion USD, followed by capital goods (186.57 billion USD) and intermediate goods (142.09 billion USD). Annual steady growth, with exception of the global crisis year 2009, describes the rapid

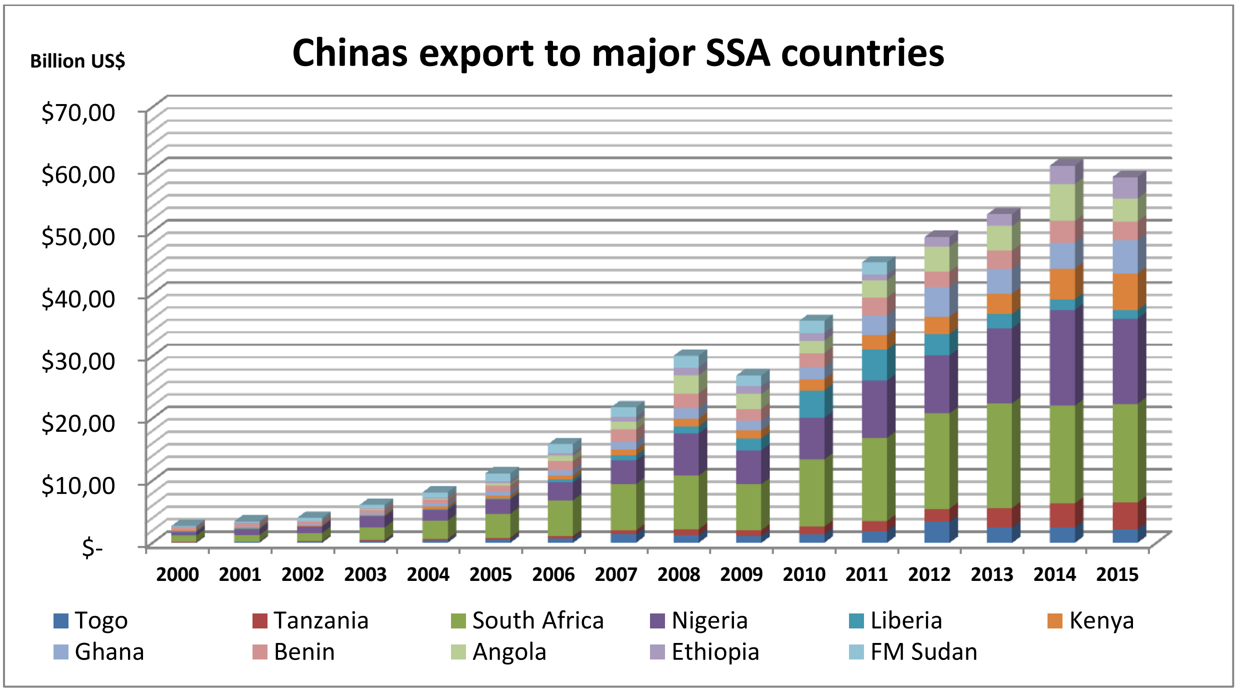

Figure 11

expansion of all export sectors, which reached in 2015 in total 23 times the levels of 2000. In terms of destinations of Chinese exports, the distribution across SSA is in comparison to the picture of imports, highly diverse. About 77% of all exported goods went to a dozen of SSA countries between 2000 and 2015. The main export markets are the fellow emerging economies of South Africa, having received 23.1 % of all exports and Nigeria with respective 16.7%. Especially a group of neighbouring western African countries, namely Benin (5,01%), Ghana (5,44%) and Togo (3,5%), seem to enjoy special attention as growing export destinations for intermediate and consumer goods. The countries Angola (5,5%), Zambia (although with 0,82% less significant, but having experienced solid large scale expansion), Tanzania (3,59%), Kenya (4,75%), Ethiopia (2,93%) and FM Sudan (2,47%) form a belt of neighbouring countries from the coasts of the south-west of SSA to the wide coasts of eastern Africa.

3.4 China's Development Cooperation with Sub-Saharan Africa

It has been observed that especially most of Chinas development cooperation takes place by means of Other Official Flows (OOF), which fall under the categories of Export credits to concessional or market rate conditions and other forms of OOF (Bräutigam, 2011). The data shown below confirms Bräutigam's observation, taking into account a period between 2000 and 2009, however the development over the whole period between 2002 and 2014 shows that most of China's aid expenditures has been of a nature, closely equalling ODA. The financial resources for Chinese foreign aid are drawn from three main categories of development financing. Grants and Concessional Loans are mobilized by state finances and predominantly used to help recipient countries to build capacities of social welfare like low cost housing, schools and hospitals, water supply projects and well-digging and constructing public facilities and the launch of projects aiming at the improvement of people's livelihood. The usual tenure of interest free loans is 20 years and is preferably given to development countries with good economic conditions. Concessional loans on the other hand are

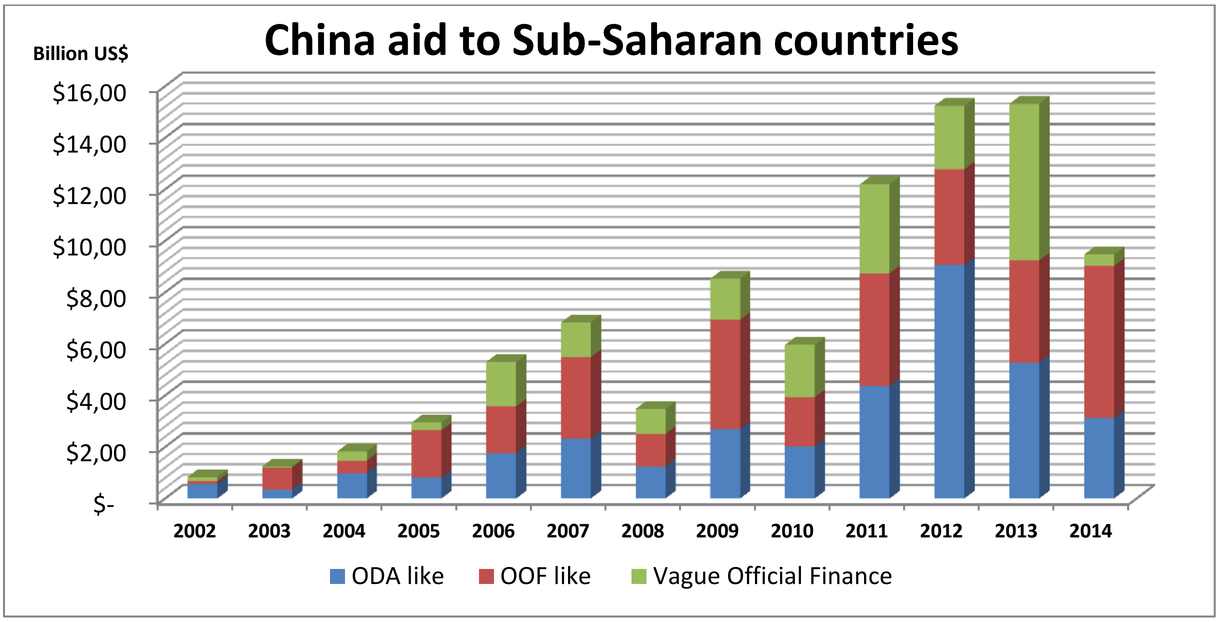

Figure 12

provided by the Export-Import Bank of China and used to facilitate the undertakings of productive projects and medium and large sized infrastructural projects, including turn-key projects, electrical and mechanical products, materials and services. By keeping the rates of interests lower than the ones of the People's Bank of China, namely between 2% and 3%, the state subsidises these loans for developmental purposes abroad (State Council, 2011). About 70% of Concessional loans are used to facilitate the construction of electricity infrastructure, and the transport and communications infrastructures and raw material infrastructures of recipient countries, whereby only 8,9% have in 2009 been lend by means of concessional loans for the purpose of developing energy resources such as minerals and oil. As a response to Zimmermann and Smith, Bräutigam confirms also that due to

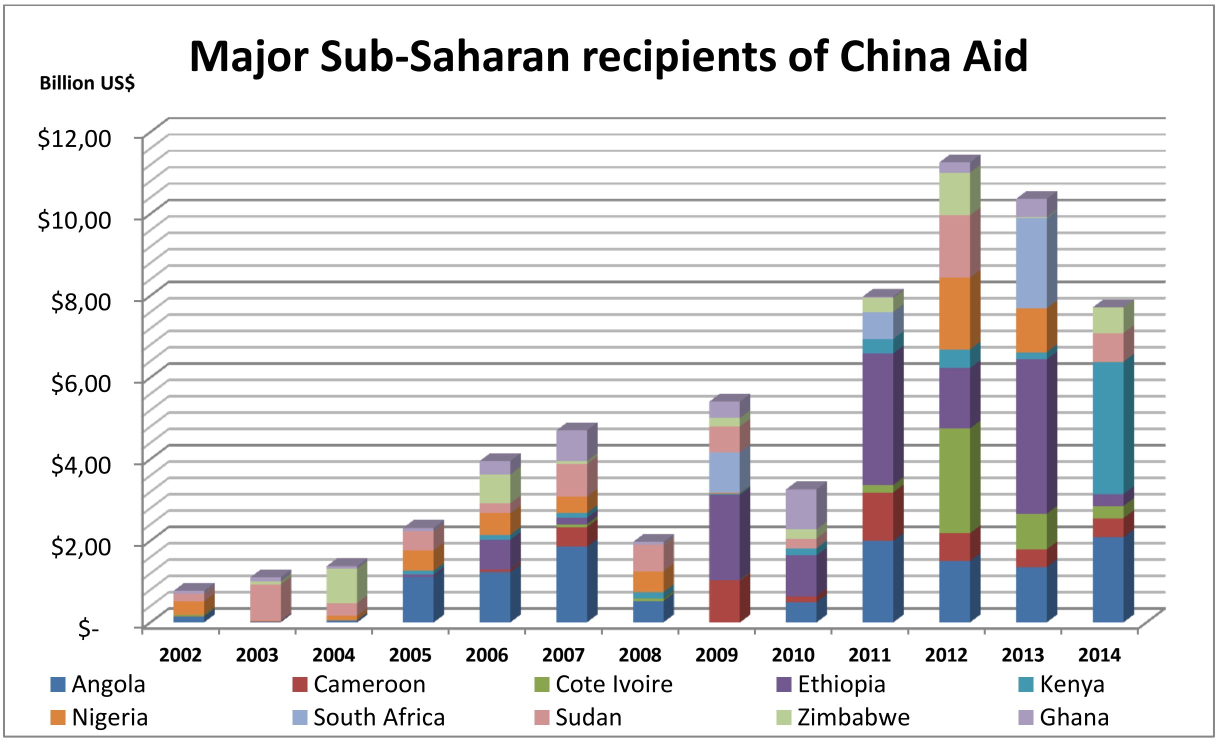

Figure 13

the circumstance that China is able to employ a number of different government windows, it sometimes provides packages, which are partly concessional and partly at commercial rates, although these are employed much less frequent (Bräutigam, 2011 (a),p. 757) . China provides what it considers aid to all LDC, which accept the "one China policy". One dozen of SSA countries constitute roughly three fourths of the destinations of Chinese aid. The three top recipients Angola (13,7%), Ethiopia (14,3%) and Sudan (7,4%) already receive more than one third of the whole expenditure. The important export markets of Kenya, Nigeria and South Africa constitute another 16%. Another quarter of the volume is distributed among Cameroon, Cote D'Ivoire, Ghana, Tanzania, Zambia and Zimbabwe.

3.5. Conclusion

China has gone through great lengths to expand its relations with SSA countries. The distribution of trade relations geographically in on the product sector level and what we assume to know from the available data on aid undermines observations from the renowned literature. First China uses its aid to help building the infrastructure necessary to boost the import-export flows. Second, a significant share of aid goes to the main exporters of raw materials, which have over the observed period constituted most of the export trade, but there is a significant development towards product diversification focused on intermediate goods. Taking into account that China has already superseded the World Bank in lending to Africa, with sums manifold the amount of aid by OECD countries (Pehnelt, 2007), it has without doubt become steadily one of the most important partners in development financing and trade in the region.

4. Perspectives on EU-Africa-China trilateral development cooperation

Chinas quick emergence in Africa since the millennium has coerced the EU to reconsider its relations with both (Berger, 2006, Bach, 2008, Wissenbach, 2009, Carbone 2011) in (Hooijmaaijers, 2018). As a consequence the Commission brought the EU-China-Africa trilateral cooperation initiative on its way (Hooijmaaijers, 2018), which however has not brought any solid joint development projects to the light (Stahl, 2015) in (Hooijmaaijers, 2018). Carbone, who investigates to what extent actorness shapes the effectiveness of the EU's aid regime, identifies several sets of obstacles affecting its ability in promoting aid effectiveness. He argues that diverging interests and preferences of Member States affect the EU's ability to act cohesively and autonomously, which makes it with regard to the international aid architecture even harder and the EU becomes more often part of several wider coordination mechanisms (Carbone, 2013, p.350). He further observes that the emergence of new donors like India, but especially China, offered new opportunities for partnerships, further complicating coordination, but having led to a division of labour, in which European donors focus on social sector aid projects and newly emerging ones on infrastructures (Carbone, 2013). Hooijmaaijers explains that the stalling in the implementation of the trilateral cooperation agreement stems mainly from its legally not binding nature, which makes it a rather weak institutional agreement, and the non-exclusiveness of EU-competences in this field, leaving room for individual dialogues between Member States, China and Africa (Hooijmaaijers, 2018, p. 456). Additionally it has been observed that China has been quite reluctant to "harmonize" or coordinate its aid efforts with other donors from the OECD (Bräutigam, 2009,p.134). Therefor the frame for trilateral cooperation between the EU, Africa and China is best to be considered under global efforts of the United Nations.

Although the EU seems to have failed to be the strongest export market for SSA countries of origin quantitatively and qualitatively within the observed time frame, EU28 is by far the bigger exporter to the SSA market, which undermines the historically profound relations between Africa and Europe. Whereas trade flows between the EU and SSA have developed rather slowly but positively, Sino-SSA flows have developed explosively in all categories, with exception of Chinese exports of raw materials. It needs to be borne in mind any way that a great part of the exports from SSA to China comes from countries, which are deemed bad partners for development cooperation under EU conditions. With regard to the global common goal of poverty reduction, both the EU and China seem to have contributed the most to the economic development of Sub-Saharan Africa throughout the last decades (Mullings & Mahabir, 2017,p. 258), whereby foreign aid is deemed to have a less significant growth inducing effect than aid (Mullings & Mahabir, 2017,p. 243). The nature and methods employed by the DAC and China still seem to diverge a lot, but regarding that China is just one country led by a highly efficient political apparatus, its contribution to global poverty reduction is without doubt the most significant of the last 30 years. Opposed to this, the EU and its Member States are largely regarded to have failed to promote effective development assistance, reaching up to its own ambitious goal of eradication poverty by 2015.   The global debate on aid effectiveness is universally linked to the concept of comparative advantage and the trilateral cooperation initiative calls for every party involved to make the best use of its own. China has the advantage of having a greater plan for the coming decades, characterized by the deployment of carefully developed methods, from which it will not defect so easily if proven effective paired with great coherence between national and international policy making and financing. Another comparative advantage, as observed by Bräutigam, is that Chinese experts are asked to live on the standards of the local population, which is different to the common practice of western donors and the former Soviet Union (Bräutigam, 2009). African leaders are increasingly more equipped with options to choose for trading partners and aid providers. The diverging doctrines behind European and Chinese aid, provide much potential for political friction, but on the ground a division of labour between economic infrastructural development and social, civil and democratic development in the form of available instruments appears useful and is far from utopian from a theoretical perspective. By following similar goals China appears to do better than the EU in boosting SSA exports in terms of volumes and diversity, but the closer look to the geographic distribution of Chinese trade relations reveals that that most of this dominance in terms of numbers stems massively from trade engagements with only a hand full of countries. This is in favour of the EU and shows that it possesses the advantage of deep historically grown ties of its members and countries in the Sub-Sahara, but faces the biggest challenge of aid fragmentation and lacking coherence and harmonization, due the its complicated internal policy structure and partially diverging interests and preferences among its members and diverse actors. SSA countries are the ones who have increasingly the advantage to choose their partners in future strategic development partnerships, which has the potential to combine rather normative European approaches with more pragmatic Chinese approaches. As divergent European and Chinese development thinking is and as complicated the constellation between objectives and instruments of development policy might become, the higher common goal of poverty eradication will hopefully lead the way for all actors involved.

5. Conclusion

This thesis paper asked for the potential of enhanced trilateral development cooperation between countries in Sub-Saharan Africa, China and the EU. The analysis of principles, objectives and instruments of development cooperation policy, employed by China and the EU yields that both are united in their understanding that poverty reduction remains the main priority for both. Principles differ in a problematic way. Whereas the EU development cooperation policy is strongly based on the conditionality that potential partners share the same attitudes about democracy, China poses the only political condition of the "one China policy". For both increasing coherence and effectiveness in aid delivery are of high priority. China and the EU both regard increased trade relations as driving force for economic development, but Chinas aid efforts differ from the western establishment.

The smaller "development divide" between Africa and China, compared with EU countries, favours Chinas development towards a major trading partner to Sub-Saharan Africa, which has grown impressively and started to outcompete the EU first in 2013 as export market and then 2015 as import market. This means in fact that China has become the most important trading partner to the Sub-Sahara Africa. Although there is little certainty about the real extent of Chinese foreign aid efforts, comparable with the status quo of the global aid architecture, from the evidence presented throughout the paper derives that the EU and its members together remain the most generous spender in monetary terms. Whether this has helped to achieve their objectives in the field of increasing democracy and the protection of human rights is not answered here and is certainly an interesting topic for further research, but a certain finding of the here performed research activity is, that it has not helped in reaching the EU's policy objective of staying the most important trading partner to SSA and neither has it ensured the achievement of the eradication of poverty, which was to be achieved by 2015. Contemporary developments in Europe, especially the "Brexit" have much potential to impact the scope and volume of a European common engagement in Africa, which will hopefully be subject to future research.

With regard to all the difficulties established by the global political landscape in general and the current DAC dominated aid architecture, the potential for an institutionalized trilateral cooperation between the EU, China and Africa is limited. Under the background of diverging interests and objectives attached to the many actors involved, the basic conclusion of this paper is that common action shall remain to be based on greater multilateral frameworks like those of the the United Nations on the one hand and efforts by EU members to reach trilateral agreements with China and concerned countries in the Sub-Sahara on the other hand.

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