

must be upheld and carried forward. Each country has the right to choose, in its course of development, its own social system, development model and way of life in light of its national conditions. Countries, that vary from one another in social system, stages of development, historical and cultural background and values, have the right to choose their own approaches and models in promoting and protecting human rights in their own countries. Moreover, the politicisation of human rights and the imposition of human rights conditionalities on economic assistance should be vigorously opposed to as they constitute a violation of human rights.’

Furthermore Article 5 of the Declaration of the FOCAC recognises that:

‘The principle of conducting mutually beneficial co-operation and seeking common development should be advocated. Developed countries have the responsibility and obligation to provide financial, technological and other assistance to developing countries, African countries in particular. They should work out feasible development programs for and co-operate with them on the basis of equality and mutual benefit with a view to achieving common development for both the North and the South. The developing countries, on their part, should unite and co-ordinate with each other more closely, maximising advantages while minimising disadvantages and adversities, as well as tackle together challenges brought about by globalisation.’

According to African Forum on Debt and Development (AFRODAD), the historical co-operation between China and Cameroon fits into the new trend adopted by China in its relations with Africa subsequent to the Beijing Summit of the FOCAC in 2006.²⁶⁶ This new strategic partnership, also known as the Beijing Consensus, is claiming values such as ‘political equality, mutual trust, economic win-win co-operation and cultural exchanges’.²⁶⁷ This means that the ultimate objective of China’s engagement with African countries is to serve mutual interests and mutual gains as well. Accordingly, during that Summit, an ‘action plan’²⁶⁸ was agreed upon between China and African countries, including Cameroon, to serve as a guideline for bilateral cooperation throughout the years 2007, 2008 and 2009 in the political, economic and social sectors.²⁶⁹ The action plan also included development and economic assistance, debt reduction,

²⁶⁶ AFRODAD Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon (2011) An African Forum Network on Debt and Development Report, 18.

²⁶⁷ *China White Paper on Foreign Aid* (22 April 2011).

²⁶⁸ See ‘Forum on China-Africa cooperation Beijing Action Plan (2007-2009)’ available at <http://www.fmprc.gov.cn/zflt/eng/lttda/dscbjhy/DOC32009/t280369.htm> (accessed on 8 April 2014).

²⁶⁹ Jansson J *The Forum on China Africa Cooperation (FOCAC)* (2009) A Briefing paper of the Centre for Chinese studies of the University of Stellenbosch.

training of professionals, culture, education, public health, environmental protection, and tourism (these aspects will be further discussed later in this chapter).

Moreover, Cameroon was granted Approved Destination Status (ADS) for Chinese tourism in November 2006 after the FOCAC Summit in Beijing.²⁷⁰ This actually means that the government of China will financially assist Chinese companies willing to engage in the tourism business in Cameroon, through Exim Bank of China.²⁷¹ After all, the economic relations between the two nations would be an investment increasing factor in an area in which the Cameroon government is willing to gather more investment resources, as part of its new strategy for employment and growth.²⁷²

As far as the White Paper is concerned, according to the OECD, up until recently China's development assistance has been a 'sensitive' matter and was even considered a 'state secret'.²⁷³ In April 2011, due to the amount of concerns raised in this regard, China officially published a White Paper on Foreign Aid which gives clear indications of the country's development assistance efforts and policies over the past years.²⁷⁴ The Chinese Paper on Foreign Aid is a legal text of 12 pages and is structured into 8 sections which are as follow: a preface, foreign aid policy, and financial resources for foreign aid, the forms of foreign aid, distribution of foreign aid, management of foreign aid, international co-operation in foreign aid, a conclusion and 6 appendixes. (All these aspects will be further discussed in the present chapter.) The preface of the Chinese White Paper on Foreign Aid highlights that although

²⁷⁰ Jansson J *Patterns of Chinese Investment, Aid and Trade in Central Africa (Cameroon, DRC and Gabon)* (2009) A Briefing paper of the Centre of Chinese Studies, 4.

²⁷¹ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 18.

²⁷² The Growth and Employment Strategy Paper (GESP) of 2007/2009 actually replaced Cameroon's Reduction poverty Strategy Paper and implements the government's aspiration of making Cameroon an emerging country in its vision 2035 by attaching great importance to infrastructure building and economic development.

²⁷³ OECD *Policy on Aid for Trade, Trade related South-South co-operation: China* (2012) OECD policy paper No 3, 7.

²⁷⁴ Grimm S et al *Transparency of Chinese Aid: an Analysis of the published Information on Chinese External Financial Flows* (2011) A publication for the Centre for Chinese studies, 6.

‘...China remains a developing country with a low per-capita income and a large poverty-stricken population. In spite of this, China has been doing its best to provide foreign aid, to help recipient countries to strengthen their self-development capacity, enrich and improve their peoples' livelihood, and promote their economic growth and social progress.’²⁷⁵

It further emphasises that by ‘[a]dhering to equality and mutual benefit, stressing substantial results, and keeping pace with the times without imposing any political conditions on recipient countries, China's foreign aid has emerged as a model with its own characteristics.’²⁷⁶ In fact, the White Paper on Foreign Aid actually represents the cornerstone of China’s legislation on economic related matters; it covers foreign affairs, economic co-operation, trade and investment, and is complemented and updated through the White Paper on China-Africa Economic and Trade Cooperation²⁷⁷ and FOCAC Summits, the last of which was held in July 2012 in Beijing.²⁷⁸ After this brief introduction to the Beijing Declaration of the FOCAC Cooperation and China’s White Paper on Foreign Aid, the role of the Chinese government regarding foreign aid policy will be examined next.



3.4 The role of the Chinese government

According to Davies, four main actors actively participate in China’s development assistance in Africa namely:

- the Ministry of Commerce (MOFCOM);
- the Ministry of Foreign Affairs (MOFA);
- the China Export Import Bank (EXIM Bank); and
- the China Development Bank (CBD).²⁷⁹

²⁷⁵ *China White Paper on Foreign Aid* (22 April 2011).

²⁷⁶ *China White Paper on Foreign Aid* (22 April 2011).

²⁷⁷ *The White Paper on China-Africa Economic and Trade Cooperation* was first published in 2010 and then later in 2013.

²⁷⁸ The first FOCAC Summit was held in Beijing, China, in October 2000; the second, in Addis Ababa in December 2003; the third, in November 2006 in Beijing; the fourth, in November 2009 in Sharm el-Sheikh, Egypt ;and the fifth, in July 2012 in Beijing.

²⁷⁹ Davies M *How is China influencing Africa's Development* (2010) OECD background paper, 16.

According to the Chinese White Paper on Foreign Aid, the MOFCOM ‘...is the administrative department authorised by the State Council to oversee foreign aid. It is responsible for the formulation of foreign aid policies, regulations, overall and annual plans, examination and approval of foreign aid projects and management of the project execution.’²⁸⁰ Inside the MOFCOM, development assistance is the responsibility of two divisions, specifically the Department of Aid to Foreign Countries, and the Bureau of International Economic Cooperation.²⁸¹ The Department’s functions consist of making annual plans and budgets for development assistance disbursements, and drafting regulations which (as in other ministries) progressively replace the previous system of state planning.²⁸² The Bureau controls the implementation phase including bidding, procurement, monitoring, evaluation of aid and economic cooperation projects.²⁸³

However, the MOFA supervises development assistance decisions as they are linked to the overall foreign policy objectives. It is responsible for monitoring the general policy trends on economic cooperation and development assistance.²⁸⁴

The China EXIM Bank founded in 1994, performs three main functions: it is the official export agency looking after trade and investment guarantees, it provides aid administration in connection with projects evaluation, and it acts as the policy bank that deals with foreign aid that comes to China.²⁸⁵ Moreover, the Bank has provided loans to more than 40 states, principally in Africa and Asia, all of which have offered a state guarantee for the loans.²⁸⁶ According to Davies, the major African countries which have been recipients of China EXIM Bank’s concessional financing are: Angola, Equatorial Guinea, Congo Brazzaville, Ethiopia, Guinea,

²⁸⁰ *China White Paper on Foreign Aid* (22 April 2011).

²⁸¹ Brautigam D ‘China’s African Aid: Transatlantic Challenges’ (2008) A report of the German Marshall Fund, 14.

²⁸² Grimm S et al *Transparency of Chinese Aid: an Analysis of the published Information on Chinese External Financial Flows* (2011) A publication for the Centre for Chinese studies, 13.

²⁸³ Grimm S et al *Transparency of Chinese Aid: an Analysis of the published Information on Chinese External Financial Flows* (2011) A publication for the Centre for Chinese studies, 13.

²⁸⁴ *China White Paper on Foreign Aid* (22 April 2011).

²⁸⁵ Davies M *How is China influencing Africa’s Development* (2010) OECD background paper, 16.

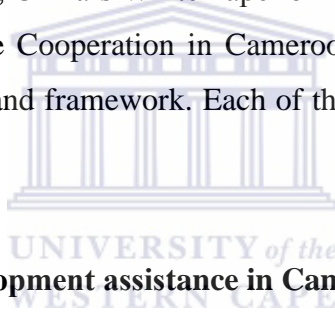
²⁸⁶ Davies M *How is China influencing Africa’s Development* (2010) OECD background paper, 16.

Nigeria, Sudan and Zimbabwe; all countries having questionable governance regimes and some of which might not be eligible for funding from traditional donors.²⁸⁷

Lastly, the CDB, like the EXIM Bank, was instituted to implement China's government policies.²⁸⁸ Its core mission is to grant non-concessional loans to Africa.²⁸⁹ After having looked at the role of the Chinese government, the next section examines the scope of China's development assistance in Cameroon.

3.5 Scope of China's development assistance in Cameroon

This section addresses five focal points of China's development assistance approach in terms of the Beijing Declaration of FOCAC, China's White Paper on Foreign Aid and the White Paper on China-Africa Economic and Trade Cooperation in Cameroon, namely, its objectives, features, conditionalities, modalities, areas and framework. Each of these aspects will be elaborated upon below.



3.5.1 Objectives of China's development assistance in Cameroon

According to China's White Paper on Foreign Aid and with respect to the Beijing Declaration of the FOCAC and China's White Paper on China-Africa Economic and Trade Cooperation²⁹⁰, the core objectives of China's development assistance in Africa are to consolidate '...friendly relations and economic and trade cooperation with other developing countries, promote South-

²⁸⁷ Davies M *How is China influencing Africa's Development* (2010) OECD background paper, 16.

²⁸⁸ Brautigam D 'China's African Aid: Transatlantic Challenges' (2008) A Publication of the German Marshall Fund, 15.

²⁸⁹ Grimm S et al *Transparency of Chinese Aid: an Analysis of the published Information on Chinese External Financial Flows* (2011) A publication of the Centre for Chinese studies, 17.

²⁹⁰ *China's White Paper on China-Africa Economic and Trade Cooperation* is a legal document which aims at promoting sustainable development of trade, improving the level of investment and financing co-operation, strengthening co-operation in agriculture and food security, supporting African infrastructure construction, stressing African People's livelihoods and capacity building, and promoting co-operation under the multilateral framework.

South cooperation and contribute to the common development of mankind.²⁹¹ The OECD believe that by promoting South-South co-operation, China wishes to promote its own specific image in the developing world, based upon the spirit of equality and mutual benefit, and as more of a partnership than assistance.²⁹² After presenting the objectives of China's development assistance, the next section examines the features of China's development assistance approach.

3.5.2 Features of China's development assistance approach: a legal analysis

According to the Beijing Declaration on the FOCAC and China's White Paper on Foreign Aid, China's development assistance approach in Africa generally and in Cameroon in particular, rests on the five principles of peaceful co-existence formulated for the first time on 29 April 1954 when the People's Republic of China and India signed an Agreement on Trade and Communications between the Tibet region of China and India.²⁹³ Since then, these principles constitute China's roadmap in its international relations.²⁹⁴ In terms of the Chinese Paper on Foreign Aid, these principles are the following: mutual respect for each other's territorial integrity and sovereignty; mutual non-aggression; mutual non-interference in each other's internal affairs; equality; and mutual benefit and peaceful co-existence.²⁹⁵ According to Boutros-Ghali, the main idea behind these principles is that if they were bilaterally and multilaterally observed they would become a solid foundation for peace and security in the world.²⁹⁶

²⁹¹ *China White Paper on Foreign Aid* (22 April 2011).

²⁹² *OECD Policy on Aid for Trade, Trade related South-South co-operation: China* (2012) OECD policy paper No 3, 7.

²⁹³ Boutros-Ghali B 'The five principles' (2004) available at <http://www.fmprc.gov.cn/eng/topics/seminaronfiveprinciples/t140589.htm> (accessed 2 April 2013).

²⁹⁴ *China White Paper on Foreign Aid* (22 April 2011). See also Article 1 of the *Beijing Declaration on the FOCAC* (2004).

²⁹⁵ *China White Paper on Foreign Aid* (22 April 2011).

²⁹⁶ Boutros-Ghali B 'The five principles' (2004) available at <http://www.fmprc.gov.cn/eng/topics/seminaronfiveprinciples/t140589.htm> (accessed 2 April 2013).

Thus, commenting on China's five principles, Kjøllesdal and many other authors pointed out that China's development assistance has challenged that of the OECD donors at four levels.²⁹⁷ First, China's development assistance is based upon equal partnership.²⁹⁸ In addition, China's White Paper on Foreign Aid emphasises that because China is faithful to the principles of 'equal partnership, respect of state sovereignty, and non-interference in states internal affairs' enshrined in the United Nations Charter²⁹⁹ and the Beijing Declaration of the FOCAC according to which 'China never uses foreign aid as a means to interfere in recipient countries' internal affairs or seek political privileges for itself.'³⁰⁰ Thus, China respects Cameroon's sovereignty and territorial integrity and does its best not to interfere in Cameroon's internal affairs.³⁰¹ China firmly upholds this principle because it believes that sovereignty is the birth right of any self-governing state, the unification of its national interests and the paramount protection of everything it dearly cherishes.³⁰² Therefore, according to the Beijing Declaration on the FOCAC '[n]o country or group of countries, has the right to impose its will on others, to interfere, under whatever pretext, in other countries' internal affairs, or to impose unilateral coercive economic measures on others'.³⁰³ Similarly, the Chinese government strictly emphasises the fact that the growing interaction and interdependence among states, due to economic globalisation and technological revolution, do not suggest that the status and role of sovereignty might in any way be ignored or have declined.³⁰⁴ Thus, maintaining greater democracy in international relations is

²⁹⁷ Kjøllesdal KA 'Foreign Aid Strategies: China Taking Over?' (2010) 6 *Asian Social Science* 3-13, 3.

²⁹⁸ Zhongxiang Z *China's Model of aiding Africa and its Implications* (2008) *International RRview*, 41-54, 42.

²⁹⁹ Respect for the Principles of National Sovereignty and Non-Interference in the Internal Affairs of States in their Electoral Processes, 1990 United Nation General Assembly resolution A/RES/45/151(1990).

³⁰⁰ *China White Paper on Foreign Aid* (22 April 2011). See also Article 1 of the *Beijing Declaration on the FOCAC* (2004).

³⁰¹ Boutros-Ghali B 'The five principles' (2004) available at <http://www.fmprc.gov.cn/eng/topics/seminaronfiveprinciples/t140589.htm> (accessed 2 April 2013).

³⁰² Jiabao W 'Carrying Forward the Five Principles of Peaceful Coexistence in the Promotion of Peace and Development' (28 June 2004) Speechat Rally Commemorating the 50th Anniversary of the Five Principles of Peaceful Coexistence.

³⁰³ See Article 1 of the *Beijing Declaration of the FOCAC* (2004).

³⁰⁴ Jiabao W 'Carrying Forward the Five Principles of Peaceful Coexistence in the Promotion of Peace and Development' (28 June 2004) Speechat Rally Commemorating the 50th Anniversary of the Five Principles of Peaceful Coexistence.

very critical. Hence the internal affairs of a country must be decided by its own people, and the international issues have to be discussed by all countries on an equal basis.³⁰⁵

Secondly, the modes of provision are challenged by China's focus on aid that is 'mutually beneficial.'³⁰⁶ Also known as China's win-win policy, the policy of mutual benefit is based on eight major principles called the 'eight principles for economic aid and technical cooperation to other countries'³⁰⁷ (these principles will be further elaborated in chapter 4). According to China's win-win policy, whenever China is establishing cooperation agreements with a country, their mutual interests have to be clearly defined in advance.³⁰⁸

Thirdly, in terms of China's White Paper on Foreign Aid, China's development assistance to Africa generally and Cameroon specifically is free of political conditions, in contrast to that of the Western countries, which tie aid to good governance, democracy or 'a package of economic reforms'.³⁰⁹ Besides, China '...respects recipient countries' right to independently select their own path and model of development, and believes that every country should explore a development path suitable to its actual conditions.'³¹⁰

Lastly, multilateralism is challenged by China's preference of embarking on the major foreign aid projects alone. As a result, China has fulfilled its promises more simply, more quickly and more effectively in comparison to the IMF and the World Bank which are multilateral institutions.³¹¹

³⁰⁵ It has been proven that most of the times a country violated this sacrosanct principle of international public law it has mostly resumed to war.

³⁰⁶ Kjøllesdal K *Foreign Aid Strategies: China Taking Over?* (2010) 6 *Asian Social Science* 3-13, 3.

³⁰⁷ *China White Paper on Foreign Aid* (22 April 2011), appendix 3.

³⁰⁸ Kjøllesdal K *Foreign Aid Strategies: China Taking Over?* (2010) 6 *Asian Social Science* 3-13, 4.

³⁰⁹ Zhongxiang Z 'China's Model of aiding Africa and its Implications' (2008) *International RRview*, 41-54, 42.

³¹⁰ *China White Paper on Foreign Aid* (22 April 2011).

³¹¹ Multilateral agencies usually follow long procedure due to the great number of countries member involved in the decision making process.

It is important to emphasise at this stage that the features of China's development assistance are aligned with the public international law principle which imposes on states the respect of state sovereignty.³¹² Moreover, they are in conformity with Article 3(3) of the Declaration on the Right to Development which stipulates:

‘States have the duty to co-operate with each other in ensuring development and eliminating obstacles to development. States should realize their rights and fulfil their duties in such a manner as to promote a new international economic order based on sovereign equality, interdependence, mutual interest and co-operation among all States, as well as to encourage the observance and realization of human rights.’³¹³

China's White Paper further clearly stipulates that China will never attach any political conditionality to foreign aid. The question however arises if this is still the case in reality? Or is the reality otherwise?

3.5.3 Conditionalities of Chinese development assistance in Cameroon

Officially, China does not impose any political conditionality on Cameroon or any other African country.³¹⁴ Generally, agreements with China essentially present China's commercial or economic interests in return for assistance.³¹⁵ Nevertheless several authors have observed that there is always an undisclosed political clause imposed on African countries dealing with China, namely, the recognition of the ‘one China principle’.³¹⁶ Consequently China has always denied its development assistance to countries treating with Taiwan, but has always developed and strengthened co-operation with countries not having or which have ceased relationships with

³¹² Mullerson R *Ordering Anarchy: International Law in international Society* (2000) 165.

³¹³ *Declaration on the Right to Development* (1986).

³¹⁴ *China White Paper on Foreign Aid* (22 April 2011).

³¹⁵ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 23.

³¹⁶ Lundsgaard H *Western and Chinese Development Assistance in Tanzania: A Comparison of Approaches Followed by an Evaluation from Tanzanian Perspective* (Published LLM thesis of Berne University, 2010) 206, summary.

Taiwan.³¹⁷ Moreover, the legal framework of China's development assistance to Cameroon also includes the modalities and areas that it covers.

3.5.4 Modalities and areas of China's development assistance to Cameroon

According to the Chinese Paper on Foreign Aid, China's development assistance to Cameroon is divided into three modalities namely: grants, interest free loans and concessional loans.³¹⁸ The first two are provided by China's state finances and the last is granted by the Exim Bank of China.³¹⁹ In terms of China's White Paper on Foreign Aid, grants are also described as 'gratis aid' aimed at financing the construction of hospitals, schools and other medium and small social welfare projects, as well as facilitating technical cooperation and emergency humanitarian aid.³²⁰

While interest free loans are utilised to assist the recipient country in building public facilities and initiating projects to upgrade people's standard of living, they are actually 20 year contracts with five years of payment, five years of grace and ten years of repayment.³²¹ However, concessional loans are used for large and medium sized infrastructure projects and for projects producing both economic and social benefits for the recipient country, and they earn interest.³²² The current interest rate of China's concessional loans is between 2% and 3% with a period of repayment of 15 to 20 years plus five to seven years of grace.³²³ In accordance with these modalities, China's development assistance appears to be less costly.

Additionally, these financial resources are invested in the recipient country's following key areas: agriculture; industry; economic infrastructure; public facilities and education and medical

³¹⁷ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 23.

³¹⁸ *China White Paper on Foreign Aid* (22 April 2011).

³¹⁹ Grimm S et al *Transparency of Chinese Aid: An analysis of the published information on Chinese external financial flow* (2011) A Publication of the Centre for Chinese Studies.

³²⁰ *China White Paper on Foreign Aid* (22 April 2011).

³²¹ *China White Paper on Foreign Aid* (22 April 2011).

³²² *China White Paper on Foreign Aid* (22 April 2011).

³²³ *China White Paper on Foreign Aid* (22 April 2011).

and health care, all with the focus on improving a recipient country's industrial and agricultural productivity, thus laying a solid foundation for its economic and social development as well as improving basic education and health care.³²⁴ China is specifically targetting these sectors as it defined them as Cameroon's development indicators.³²⁵

Moreover, throughout recent decades, climate change has become an innovative area for China's foreign aid.³²⁶ In terms of the White Paper 'China was one of the first countries which have developed clean energy sources such as bio-gas and small hydropower stations.' Furthermore, the framework constitutes an essential component of China's development assistance.

3.5.5 Framework of China's development assistance in Cameroon

In terms of China's White Paper on Foreign Aid, China's development assistance is provided in eight forms, namely: completed projects, goods and services, technical cooperation, human resource co-operation, Chinese medical teams working abroad, overseas volunteers' programs, emergency humanitarian aid, and, lastly, debt relief.³²⁷

However, many scholars have mentioned that the exact amount of Chinese aid in Africa is officially unknown for diverse reasons.³²⁸ According to Grimm, what makes it difficult to estimate the exact amount of Chinese aid in Africa is the fact that there is no concrete borderline between aid and commercial activities, such as, trade and investment.³²⁹ It is important to stress at this stage that the fact that China has never published any legal agreement with figures and

³²⁴ *China White Paper on Foreign Aid* (22 April 2011).

³²⁵ Development indicators basically refer to factors that relate to the well-being, economic productivity and environmental protection.

³²⁶ *China White Paper on Foreign Aid* (22 April 2011).

³²⁷ *China White Paper on Foreign Aid* (22 April 2011).

³²⁸ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 20. See also Grimm S et al *Transparency of Chinese Aid: An Analysis of the published Information on Chinese External Financial Flow* (2011) A Publication of the Centre for Chinese Studies, 7.

³²⁹ Grimm S et al *Transparency of Chinese Aid: An Analysis of the published Information on Chinese External Financial Flow* (2011) A publication of the Centre for Chinese Studies, 7.

statistical indicators of its development assistance to Africa generally and Cameroon specifically is inappropriate in light of public policies framework requirements which require that public policies have to be duly monitored and evaluated in order to scientifically assess their success or failure.³³⁰ Brautigam added that the exact volume of Chinese aid is unknown because China neither collates it nor reports it like the OECD governments do.³³¹ Additionally, Khan and Baye argued that Cameroon documentation relative to China's development assistance is extremely limited and biased because it is not evaluated and monitored.³³² Because of various limitations, China's development assistance has also been criticised for being ambiguous.

Nevertheless, in terms of China's White Paper on Foreign Aid, China's development assistance to Cameroon is mostly infrastructure driven and complies with the new strategic partnership defined by the Beijing Summit of FOCAC in 2006.³³³ Due to the unavailability and inaccuracy of information regarding China's development assistance framework in Cameroon, this section will exclusively describe sectors which China's development assistance includes in Cameroon.

According to African Forum Network on Debt and Development (AFRODAD), China's involvement in infrastructure projects in Cameroon really started in 1977, with a donation for the construction of the Presidential Palace (Unity Palace) and the National Congress Hall in Yaoundé.³³⁴ Thus, China's development infrastructure projects in Cameroon in 1982 are strengthened with the construction of the National Congress Hall in Yaoundé.³³⁵ Additionally, other prominent projects consist of the Lagdo Dam built in 1984, the 200 bed Gyno-obstetrics

³³⁰ See *Policy Framework for the Government-wide Monitoring and Evaluation System* (2007) A policy framework published by the South African presidency, 1-2.

³³¹ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 20.

³³² Khan S and Baye MF *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 25.

³³³ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 21.

³³⁴ Jansson J *Patterns of Chinese Investment Aid and Trade in Central Africa* (Cameroon, DRC and Gabon) (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³³⁵ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 21.

and Pediatric Hospital in Yaoundé completed in 2002, and the Sports Hall constructed in 2009.³³⁶ From 2002 the China Geological Engineering Group Company and the China Hydropower Foreign Project Company committed to explore oil, drill, and build projects as private contractors, by means of financial support received from the Chinese government, through the EXIM Bank.³³⁷

Furthermore, other Chinese infrastructures in Cameroon include a sewing workshop as well as well sinking and road building projects executed by the China Geological Engineering Group and the China Hydropower Foreign Project.³³⁸ In the light of the China White Paper on Foreign Aid, China's development assistance to Cameroon also embraces the education, agriculture, health, culture and tourism sectors subsequent to the conclusion of a range of general cooperation agreements for concessional loans in 1997, 2000, 2001 and 2004.³³⁹ These general agreements were signed with open clauses, accepting Cameroon's selection of specific projects for provision of the corresponding financial resources.³⁴⁰ The reason for this is that China particularly respects its principle of non-interference and the five principles of peaceful co-existence generally enshrined in its White Paper on Foreign Aid. In so doing, China acknowledges Cameroon's sovereignty concerning its internal affairs.³⁴¹

In addition, China's development assistance to Cameroon includes technical assistance. As a result Chinese medical workers have been working in Cameroon since 1975 under a technical

³³⁶ Jansson J *Patterns of Chinese Investment Aid and Trade in Central Africa* (Cameroon, DRC and Gabon) (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³³⁷ Jansson J *Patterns of Chinese Investment Aid and Trade in Central Africa* (Cameroon, DRC and Gabon) (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³³⁸ Jansson J *Patterns of Chinese Investment Aid and Trade in Central Africa* (Cameroon, DRC and Gabon) (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³³⁹ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 21.

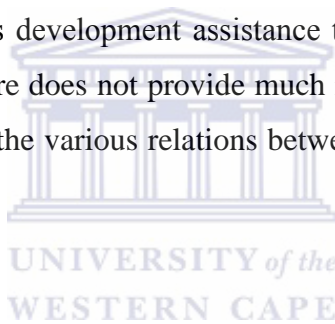
³⁴⁰ *China White Paper on Foreign Aid* (22 April 2011).

³⁴¹ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 21.

cooperation agreement.³⁴² Likewise, every year China grants hundreds of scholarships to Cameroonian students, under a similar technical cooperation agreement targeting the education sector, signed in 1996.³⁴³

According to Jansson, China's development assistance to Cameroon also includes the education sector.³⁴⁴ Thus, a programme is currently in process for the construction of primary schools, while a biological laboratory was instituted at the University of Yaoundé.³⁴⁵ China's Zhejiang Normal University implemented a Chinese language teaching centre in Yaoundé in 1997.³⁴⁶ The centre is regarded by China as a bond of friendship between China and Africa.³⁴⁷ It has offered training for more than 300 professionals, amongst whom were Cameroonians from diplomatic and foreign trade circles, and others from neighbouring African countries.³⁴⁸

According to AFRODAD, China's development assistance to Cameroon also includes military assistance.³⁴⁹ Although the literature does not provide much information in this regard, there are some indications thereof, such as, the various relations between Chinese and Cameroon military



³⁴² AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 21.

³⁴³ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 22.

³⁴⁴ Jansson J *Patterns of Chinese Investment, Aid and Trade in Central Africa (Cameroon, DRC and Gabon)* (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³⁴⁵ Jansson J *Patterns of Chinese Investment, Aid and Trade in Central Africa (Cameroon, DRC and Gabon)* (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³⁴⁶ Jansson J *Patterns of Chinese Investment, Aid and Trade in Central Africa (Cameroon, DRC and Gabon)* (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³⁴⁷ Jansson J *Patterns of Chinese Investment Aid and Trade in Central Africa (Cameroon, DRC and Gabon)* (2009) A Briefing paper of the Centre of Chinese Studies, 7.

³⁴⁸ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 22.

³⁴⁹ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 22.

officials.³⁵⁰ Also, the available literature reveals that Cameroon military staff frequently travels to China for training.³⁵¹

Above all, China's development assistance also targets Cameroon's debt reduction.³⁵² According to AFRODAD, China also participated in the HIPC debt reduction program of the IMF and the World Bank by cutting an amount of 16 billion FCFA from Cameroon's debt although China is not an OECD member and was not obliged to do so.³⁵³ In the same vein Khan and Baye mentioned that China has cancelled Cameroon's debt twice in 2001 and in 2007.³⁵⁴ First China cancelled a debt of US\$34 million as a result of the first China-Africa Forum for Economic and Social Development held in Beijing; the second debt cancellation for an amount of US\$ 32 million occurred during Hu Jintao's visit to Cameroon.³⁵⁵ Although China's development aid represents an unprecedented opportunity for Africa's development,³⁵⁶ it remains a limited instrument as will be illustrated below.

3.6 Critical legal analysis of China's development assistance approach in Cameroon

This section provides a critical analysis of China's development assistance approach with regard to the White Paper and in respect of states' international obligations. In fact, China's development assistance has raised a certain number of concerns from traditional donors and

³⁵⁰ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 22.

³⁵¹ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 22.

³⁵² Jansson J *Patterns of Chinese Investment, Aid and Trade in Central Africa (Cameroon, DRC and Gabon)* (2009) A Briefing paper of the Centre of Chinese Studies, 8.

³⁵³ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 32.

³⁵⁴ Khan SA & Menjo Baye F *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 28.

³⁵⁵ Hu Jintao is China Current president.

³⁵⁶ Ferretjans MU & Surender R 'Social Policy in the Context of New Global Actors: How far is China's Developmental Model in Africa impacting Traditional Donors?' (2013) 13 *Global social policy* 261-279, 1.

African countries as well, at various levels.³⁵⁷ However, this section will merely focus on the most relevant ones. The following will be examined: China development assistance is free of political conditionalities, is mostly tied to procurement, supports undemocratic and corrupt regimes, targets primarily access to natural resources and a market for Chinese exports, is likely to create new debt problems, and is insufficient.

3.6.1 China's development assistance is free of political conditionalities

China's White Paper on Foreign Aid clearly stipulates that China provides development assistance '...without imposing any political conditions on recipient countries...' ³⁵⁸ According to Brautigam, the Chinese believe that development is not always linked to good governance or democracy.³⁵⁹ Inspired by its own experience at home, China believes that the widespread corruption happening in their own country did not prevent it from being developed and becoming the second most powerful country in the world.³⁶⁰ Moreover, it believes that, development is a process and that imposing conditionalities on African countries is harmful as they hurt opportunities for growth.³⁶¹ For these reasons, China has been hugely criticised by western donors on many ground, such as, undermining democracy, good governance efforts, and human rights, failing to stimulate development, weakening social environment standards, as well as increasing corruption.³⁶² While Western donors perceive the absence of political conditionalities as a grievous obstacle to China's model of economic development, the absence rather constitutes the main reason for the attractiveness of China's development assistance approach for African

³⁵⁷ Davies M, Edinger H et al *How China delivers Development Assistance to Africa* (2008) A publication of the Centre of Chinese Studies, vii.

³⁵⁸ *China White Paper on Foreign Aid* (22 April 2011).

³⁵⁹ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 26.

³⁶⁰ Condon 'China in Africa: What the Policy of Non-intervention Adds to the Western Development Dilemma' (2012)27 *PRAXIS the Fletcher Journal of Human Security* 5-25, 9.

³⁶¹ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 26.

³⁶² Dreher A & Fuchs *A Rogue Aid? The Determinants of China's Aid Allocation* (2011) Cesifo working paper, 11.

countries generally and Cameroon in particular.³⁶³ Despite this contentious debate, China has opted for an unconditional approach to avoid repeating the mistakes of the ‘West’s aid dilemma’.³⁶⁴ Concluding this debate, Dambissa has said that good governance is not always a prerequisite for development; what matters is the positive investment of the swindled money inside the country.³⁶⁵

In addition, with regard to international conventions³⁶⁶ relative to the respect of state sovereignty, and in accordance with China’s White Paper on Foreign Aid, China by not imposing conditionalities upon Cameroon has fully complied with this exigency. Therefore, even if the IMF and the World Bank are right in saying that good governance matters in the development process³⁶⁷, it is not the responsibility of either China or the USA, but fully of the Cameroonian authorities to make it happen, as a sovereign and independent state. Moreover, China’s development assistance was also reproached for being tied to procurement.

3.6.2 China’s development assistance is mostly tied to procurement

Although it was earlier mentioned that China does not impose political conditionalities³⁶⁸ it does impose economic conditionalities on African countries which is partially in violation of Article 1 of the Beijing Declaration of the FOCAC which stipulates: ‘...No country or group of countries

³⁶³ Woods N ‘Whose Aid? Whose Influence? China, Emerging Donors and the Silent Revolution in Development Assistance’ (2008) 84 *International Affairs* 1205-1221, 1207.

³⁶⁴ According to Xiaobing W & Ozanne A the ‘West’s aid dilemma’ actually refers to all the problems and criticisms generated by the imposition of conditionnalities by the IMF and the World Bank in Africa. See in this regards Chapter 2.7.1.

³⁶⁵ Dambisa M *Dead Aid: why aid is not working and how there is another way for Africa* (2009) 42-43.

³⁶⁶ Declaration on the Inadmissibility of Intervention and Interference in the Internal Affairs of States, 1981 United Nations General Assembly Resolution A/RES/36/103 (1981), Respect for the Principles of National Sovereignty and Non-Interference in the Internal Affairs of States in their Electoral Processes, 1990 United Nation General Assembly resolution A/RES/45/151(1990).

³⁶⁷ Chapter 2.6.2.

³⁶⁸ See 3.6.1 supra.

has the right ...to impose unilateral coercive economic measures on others.’³⁶⁹ As a matter of fact, China’s development assistance has often been tied to the purchase of Chinese goods and services.³⁷⁰ Therefore, it has been heavily criticised in Africa in general and in Cameroon specifically for not involving a significant number of the local population in the execution of projects. Khan and Baye in this regard have stated that while ‘... Cameroonians only perform the very low-skilled tasks such as cleaning, driving and general labour...’, Chinese companies are the ones executing development projects at the top level with imported Chinese labour and assuring maintenance work as well.³⁷¹ Consequently, this Chinese attitude has been heavily criticised for destroying Cameroon local industries by importing all construction material from China and for not enabling technological transfer; thus condemning African countries generally and Cameroon in particular to eternally rely on China.³⁷² In so doing, China has infringed its White Paper on Foreign Aid according to which China is supposed to dispatch ‘...experts to give technical guidance on production, operation or maintenance of complete projects...’ in order to strengthen recipient countries’ ‘...self-development capacity, enrich and improve their people’s livelihood, and promote their economic growth and social progress...’.³⁷³

In addition, Cheru and Obi stated that Chinese companies utilise ‘poor labour practice and extremely harsh working conditions which is contrary to human rights dignity’.³⁷⁴ In so doing China is trespassing upon international human rights instruments and specifically Article.3 (2) of the Declaration on the Right to Development according to which: ‘The realization of the right to development requires full respect for the principles of international law concerning friendly relations and co-operation among States in accordance with the Charter of the United

³⁶⁹ *Beijing Declaration of the FOCAC* (2004).

³⁷⁰ Khan SA & Baye MF *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 28.

³⁷¹ Khan SA & Baye M F *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 9.

³⁷² Khan SA, Baye MF & Tange GK *The Impact of China-Africa Trade Relations: Case Study of Cameroon* (2009) A Report submitted to the African Economic Research Consortium, 40.

³⁷³ *China White Paper on Foreign Aid* (22 April 2011).

³⁷⁴ Cheru F & Obi C *De-coding China-Africa Relations: Partnership for Development or ‘(neo) Colonialism by Invitation’?* (2011) A publication the World Financial Review, 74.

Nations.³⁷⁵ Additional to the above criticism, the next criticism targets China's principle of non-interference.

3.6.3 China's principle of non-interference in internal affairs tends to support undemocratic and corrupt regimes

According to Western donors, China's principle of non-interference actually represents the major accusation against China's development assistance in Africa generally and in Cameroon in particular.³⁷⁶ In fact, following the non-interference principle in internal affairs, the Chinese have been accused of being indifferent to issues pertaining to democracy, human rights, corruption, and good governance in African countries.³⁷⁷ For China, what essentially matters is the effective delivery of services and projects agreed upon in accordance with cooperation agreements. Consequently, China's development assistance is merely viewed as business rather than politically or morally orientated.³⁷⁸ Nevertheless, the non-interference in internal affairs is not regarded by African countries generally and by Cameroon in particular as a criticism, but rather constitutes a major reason for the attractiveness of China's development assistance.³⁷⁹

Despite this criticism, the non-interference principle indeed constitutes the merit of China's development assistance because with regard to United Nations Charter and international public law principles no country has the international right or duty to interfere in any other country on any ground except in exceptional circumstances or a state of emergency.³⁸⁰ Moreover, China by

³⁷⁵ *Declaration on the Right to Development* (1986), the *Universal Declaration on Human rights* (10 December 1948), the *International Covenant on Civil and Political Rights* (16 December 1966), the *International Covenant on Economic, Social and Cultural Rights* (16 December 1966).

³⁷⁶ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 26.

³⁷⁷ Cheru F & Obi C *De-coding China-Africa Relations: Partnership for Development or '(neo) Colonialism by Invitation'?* (2010) A publication the World Financial Review, 74.

³⁷⁸ Condon 'China in Africa: What the Policy of Non-intervention Adds to the Western Development Dilemma' (2012) 27 *PRAXIS the Fletcher Journal of Human Security* 5-25, 9.

³⁷⁹ Cheru F & Obi C *De-coding China-Africa Relations: Partnership for Development or '(neo) Colonialism by Invitation'?* (2010) A publication the World Financial Review, 73.

³⁸⁰ Mullerson R *Ordering Anarchy: International Law in International society* (2000) 165.

respecting the non-interference principle in recipient countries' internal affairs has complied with international principles and specifically with its White Paper on Foreign Aid which emphasises '...that every country should explore a development path suitable to its actual conditions.'³⁸¹ Nevertheless, criticisms of China's development assistance do not end here, as the next section describes.

3.6.4 China's development assistance primarily targets access to natural resources and markets for Chinese exports

China's development assistance has been undermined by traditional donors, African countries and Cameroon in particular, on the ground that it is primarily targeting natural resources and markets for Chinese exports.³⁸² In this regard, Condon wrote that Chinese 'loans are often explicitly or implicitly tied to guarantees to market access of African resources; mainly oil'.³⁸³ In spite of this argument, the author of this mini-thesis believes this criticism is inconsistent and inappropriate because China never said that its assistance was genuine. On the contrary, it has clearly stated in its White Paper on Foreign Aid, at the FOCAC Summits and in many other partnership agreements that its partnership with Africa is a win-win partnership with mutual benefits.³⁸⁴ Consequently, in targetting access to mineral resources and markets for Chinese exports, China is purely and simply acting in conformity with the rules and regulations it agreed upon with Africa.³⁸⁵

³⁸¹ *China White Paper on Foreign Aid* (22 April 2011).

³⁸² Lundsgaard H *Western and Chinese Development Assistance in Tanzania: A Comparison of Approaches Followed by an Evaluation from Tanzanian Perspective* (Published LLM thesis of Berne University, 2010) 206, 3.

³⁸³ Condon 'China in Africa: What the Policy of Non-intervention Adds to the Western Development Dilemma' (2012) 27 *PRAXIS the Fletcher Journal of Human Security* 5-25, 7.

³⁸⁴ *China White Paper on Foreign Aid* (22 April 2011), and FOCAC summits available at <http://www.focac.org/eng/ltda/> (accessed 2 April 2013).

³⁸⁵ *China White Paper on Foreign Aid* (22 April 2011), and FOCAC summits available at <http://www.focac.org/eng/ltda/> (accessed 2 April 2013).

Moreover, the author of this mini-thesis believes there are no cooperation or partnership agreements without mutual interests, or win-win benefits; if it were so, then what would be their essence? We are living in a capitalist world governed by money and interests and nothing is taken for granted. Consequently no state should be expecting any favour from others for nothing. However the criticisms do not end here. China's development assistance has been further criticised for its probability to generate new debt problems.

3.6.5 China's development assistance is likely to create new debt problems

China's development assistance has raised general anxiety on the part of traditional donors.³⁸⁶ African states generally and Cameroon in particular have remained unconcerned, and have been peacefully and happily enjoying the assistance to the fullest.³⁸⁷ However, this argument remains a hypothetical one as it has not yet been proved. In addition, China's development assistance has also been criticised for being insufficient.

3.6.6 Chinese development assistance appears to be insufficient

In 1970, rich countries agreed to institute development assistance at a rate of 0.7% of their gross national income.³⁸⁸ In 1986 under the Declaration on the Right to Development, this commitment was strongly underpinned.³⁸⁹ However, according to the OECD:

'China has not published data on the financial terms of its foreign aid using the methodology defined by the DAC for calculating ODA.³⁹⁰ Nor has China published systematic statistics on its co-operation, such as annual amounts of aid provided and detailed breakdown of this aid in terms of recipient countries and sectoral distribution'.³⁹¹

³⁸⁶ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 29.

³⁸⁷ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 29.

³⁸⁸ Michael A. Moss C & Moss T 'The Ghost of 0.7 per cent: Origins and Relevance of the International Aid Target' (2003) 6 *International Journal of Development Issues* 3-25, 3.

³⁸⁹ *Declaration on the Right to Development* (4 December 1986).

³⁹⁰ DAC refers to Development Assistance Committee and ODA refers to Official Development Assistance.

³⁹¹ OECD 'Trade-related South-South Co-operation: China' (2012) A policy dialogue on Aid for Trade, 8.

Despite the increase in China's development assistance in Africa in accordance with FOCAC commitments³⁹², the amount of China's aid to Africa remains unknown and some authors believe that it has unfortunately remained below the international standard.³⁹³ Notwithstanding all these criticisms, what are the outcomes of China's development assistance in Cameroon?

3.7 Assessment of China's development assistance approach in Cameroon

China's development assistance approach has incontestably brought some positive impacts to Cameroon although some important challenges remain, as it will be discussed below.

3.7.1 Positive impacts of China's development assistance in Cameroon

China's development assistance approach has focussed on infrastructure projects and has somehow undeniably improved Cameroonian socio-economic living conditions.³⁹⁴ The increased volume of China's development assistance as well as debt relief have increased physical and human capital with a positive impact on growth and poverty reduction.³⁹⁵ For instance, China's development assistance in the health sector has raised the quantity and quality of healthcare services in the country.

Moreover China's development assistance with cheaper resources constitutes a source of funding additional to traditional donor finances, enabling Cameroon to finance its development process and projects more effectively.³⁹⁶

³⁹² Grimm S *The Forum on China-Africa Cooperation (FOCAC) - Political Rationale and functioning* (2012) A briefing policy of the Centre for Chinese Studies of the University of Stellenbosch.

³⁹³ Brautigam D *China's African Aid: Transatlantic Challenges* (2008) A Report to the German Marshall Fund, 21.

³⁹⁴ Khan SA and Baye MF *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 28.

³⁹⁵ Khan SA and Baye MF *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 28.

³⁹⁶ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 46.

Furthermore, China's development assistance in the form of projects is concrete, visible, and tangible and therefore limits the possibility of swindling by administrators or contractors as happens sometimes with Western development assistance generally.³⁹⁷ Although China's development assistance approach to Cameroon has been greatly beneficial, what are the remaining challenges?

3.7.2 Remaining challenges

Despite the positive benefits of China's development approach in Cameroon, three major challenges need to be properly addressed, viz, poverty reduction, technology transfer and aid procurement. In fact the poverty rate has remained very high: 40% of the population are still living below the poverty line. Furthermore, with respect to China's win-win and mutual benefit policy, the technology transfer promised via cooperation agreements remains limited. Cameroon construction projects are still executed by Chinese companies and Chinese continue to lead construction projects in Cameroon while Cameroonians carry on executing insignificant functions. As far as procurement is concerned, all construction material is still being purchased in China to execute Cameroon projects. In addition, labour standards applied do not conform to the human rights international standard pertaining to respect for human rights and dignity.³⁹⁸ Additionally, China's development assistance in Cameroon is neither transparent, nor evaluated nor monitored, making it difficult to scientifically analyse its real impact in Africa.

3.8 Conclusion and recommendations

China's development assistance approach in Cameroon is a an alternative and challenging approach to economic development formulated at the Beijing summit 2006 and based upon the win-win policy, the five principles of peaceful co-existence and the eight principles of technical

³⁹⁷ Khan SA and Baye MF *China-Africa Economic Relations: The Case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 28.

³⁹⁸ The *Universal Declaration on Human rights* (10 December 1948), the *International Covenant on Civil and Political Rights* (16 December 1966), the *International Covenant on Economic, Social and Cultural Rights* (16 December 1966).

cooperation with other countries. Despite it having been favourable in advancing Cameroon's development, it has been at the centre of multiple criticisms and challenges.

Therefore, in order to be more beneficial to Cameroon and to effectively address poverty reduction and advance economic development there is a need for China to review its labour practices and to respect human rights and human dignity in Cameroon in accordance with international standards.³⁹⁹ Furthermore, it is urgent and desirable that China increases its financial support to the rate fixed by the international community, namely, 0, 7% of GDP.⁴⁰⁰ Moreover, there is a pressing need to make the technology transfer effective in Cameroon by making construction projects a local business run by Cameroonian companies and empowering Cameroonians at the top level of these projects so as to enable them to acquire the necessary technical skills they lack. Furthermore, for more transparent development assistance, China's government should take steps to increase the transparency of their development assistance projects in Africa in general, and in Cameroon in particular, by officially publishing the exact amount of aid granted to Africa as a whole, and to each country in particular, as the OECD governments do. Similarly, Cameroon as well as other African countries must release information of the exact amount of aid they have received so as to enable a proper monitoring and evaluation of China's development assistance in Africa in general and in Cameroon in particular.

Above all, this mini-thesis supports the view that the key to Cameroon's economic development lies in its own hands: meaning, Cameroon is responsible for its own development. It must stop expecting everything from foreign development partners and take full responsibility and proper control of its economic development. In so doing, Cameroon should 'focus on building human and institutional capacity, fostering people-centred policy frameworks, promoting good

³⁹⁹ The *Universal Declaration on Human rights* (10 December 1948), the *International Covenant on Civil and Political Rights* (16 December 1966), the *International Covenant on Economic, Social and Cultural Rights* (16 December 1966).

⁴⁰⁰ The *Declaration on the Right to Development* (4 December 1986).

governance, building productive capacities and mobilising more financial resources'.⁴⁰¹ Despite China's development assistance's success stories on the African continent, it remains critical to further investigate which development path, that of China or of the IMF-World Bank is best suited for Cameroon.



⁴⁰¹ 'Brussels Action Plan for Poorest Countries Presents Key for Unlocking "Prison of Poverty" Economic and Social Council Told' (2004) available at <http://www.un.org/News/Press/docs/2004/ecosoc6119.doc.htm> (accessed 30 April 2013).

CHAPTER 4

A COMPARISON OF THE HEAVILY INDEBTED POOR COUNTRIES INITIATIVE AGREEMENT AND CHINA'S WHITE PAPER ON FOREIGN AID

4.1 Introduction

It has been shown that the Heavily Indebted Poor Countries (HIPC) Initiative Agreement and the Chinese White Paper on Foreign Aid are two ideologically opposed binding legal documents both aimed at reducing poverty and promoting economic development in Cameroon.⁴⁰² Unlike the HIPC Initiative Agreement which has specifically focussed on the imposition of a set of conditionalities,⁴⁰³ China's White Paper on Foreign Aid has stressed infrastructure building without political conditionalities attached.⁴⁰⁴

This chapter is meant to investigate the legal impacts of these two legal documents on Cameroon economic development. In so doing, this chapter compares China's development assistance approach and that of the IMF-World Bank in light of their respective backgrounds and with regard to the international human rights framework and the international co-operation agreements universally recognised by the international community, such as, the Universal Declaration on Human Rights (1948), the International Covenant on Economic Social and Cultural Rights (1966), and the Declaration on the Right to Development (1986). Thus, the present chapter first compares the HIPC Initiative Agreement and China's White Paper on Foreign Aid in terms of their differences and their similarities. Secondly, the chapter addresses the mutual benefits and challenges of both development assistance approaches to Cameroon. Above all, this chapter further emphasises the need of China to co-operate with the IMF and the World Bank under a multilateral legal framework in order to effectively achieve their common goals of poverty reduction and economic development in Cameroon. The first point to be examined in this regard is the differences between the HIPC Initiative Agreement and China's White Paper on Foreign Aid.

⁴⁰² Chapters 2.4.1 and 3.5.1.

⁴⁰³ 'Debt Relief under the Heavily Indebted Poor Countries (HIPC) Initiative' International Monetary Fund Factsheet' available at <http://www.imf.org/external/np/exr/facts/hipc.htm> (accessed 21 September 2012).

⁴⁰⁴ *China White on Foreign Aid* (22 April 2011).

4.2 Differences between the HIPC Initiative Agreement and China's White Paper on Foreign Aid

In light of their respective legal backgrounds earlier presented in chapters 2 and 3, the following subsections intend to provide a comparison of the HIPC Initiative Agreement and China's White Paper on Foreign Aid in terms of their characteristics, their implementation, and their reception.

4.2.1 Differences pertaining to their characteristics

In the discussions in chapter 2 it was said that the HIPC Initiative Agreement is structured upon the multilateral co-operation led by the IMF and the World Bank and focussed on the imposition of an economic reform package (such as, good governance, respect for human rights, implementation of democratic institutions, and implementation of good macroeconomic policies) whose successful implementation would result in the allocation of financial resources which have to be spent to finance poverty reduction expenditures.⁴⁰⁵ According to this approach, a good economic policy environment is the sine qua non for poverty reduction and economic prosperity in Cameroon. Thus, by imposing a respect for human rights and dignity, it appears that the IMF and the World Bank have complied with states' international obligations to respect human rights and dignity as enshrined in the United Nations Charter and specifically Article 6(1) of the Declaration on the Right to Development which provides that '[a]ll States should co-operate with a view to promoting, encouraging and strengthening universal respect for and observance of all human rights and fundamental freedoms for all...'

Moreover, as previously illustrated in chapter 2, deeply convinced of the capacity of their values, norms and system to foster economic development, the IMF and the World Bank have subsequently imposed a set of political conditionalities upon Cameroon as a prerequisite for the grant of development assistance.⁴⁰⁶ Thus, in the development assistance process, the IMF and the World Bank identify themselves as donors and treat Cameroon as a recipient.⁴⁰⁷

⁴⁰⁵ Chapters 2.6.1 and 2.6.2.

⁴⁰⁶ Madhur G *Debt relief For the Poorest: An OED review of HIPC Initiative* (2003) 16.

⁴⁰⁷ 'Debt Relief under the Heavily Indebted Poor Countries (HIPC) Initiative' International Monetary Fund Factsheet' available at <http://www.imf.org/external/np/exr/facts/hipc.htm> (accessed 21 September 2012).

Hence, in this co-operation, solely the IMF and the World Bank are establishing the rules of the game; while Cameroon, as a powerless and voiceless recipient, is forced to remain silent and to quietly abide by these unilaterally established rules.⁴⁰⁸ However, under Article II 3(a) of the Bretton Woods Agreements ‘each member shall subscribe shares of the capital stock of the Bank’. This means that the amount of subscription to be paid by each member is neither specified nor limited; therefore Cameroon as a member of the Bretton Woods Institutions and as a country rich in oil and mineral resources could raise its subscription capital in order to increase its bargaining power vis-a- vis the Bretton Woods Institutions.

In addition to this unequal partnership which characterises the donor-recipient relationship, it was further mentioned in chapter 2 that the IMF and the World Bank through their conditionalities policy have been constantly interfering in Cameroon’s internal affairs and consequently undermining the country’s sovereignty and independence.⁴⁰⁹ Therefore, it was concluded that the imposition of conditionalities is contrary not only to the sacrosanct principle of the respect for state sovereignty according to which no country has the international right or duty to interfere in any other country on any ground except in exceptional circumstances or a state of emergency,⁴¹⁰ but also to Article 3(3) of the Declaration on the Right to Development which prescribes that ‘[s]tates should realize their rights and fulfil their duties in such a manner as to promote a new international economic order based on sovereign equality...’.

However, As indicated in chapter 3, China opted for a different and specific approach to poverty reduction and economic development which does not impose political conditionalities upon Cameroon except for the ‘one China principle’ based on the non-recognition of Taiwan, and is focussed on infrastructure building.⁴¹¹ In fact, it was outlined in chapter 3 that China through its development assistance is actually repeating its home-based

⁴⁰⁸ *Cameroon Decision Point Document for the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative* (2000) A Report Prepared by the Staffs of the World Bank and the International Monetary Fund 5.

⁴⁰⁹ ‘HIPC approval document for Cameroon: Decision Point under the Enhanced Framework’ available at <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Financial-Information/Cameroon%20-%20Decision%20Point%20Document%20HIPC%20Framework.pdf> (accessed 31 October 2012).

⁴¹⁰ Mullerson R *Ordering Anarchy: International Law in International Society* (2000) 165.

⁴¹¹ Chapters 3.5.1 and 3.5.3.

development model in Africa generally and in Cameroon in particular.⁴¹² Thus, when delivering development assistance to Cameroon, China does it in terms of a bilateral partnership characterised by equality, mutual benefits, the non-imposition of political conditionalities, and with respect for Cameroon sovereignty through non-interference in its internal affairs.⁴¹³ In so doing, China has conformed to the five principles of peaceful co-existence embodied in its White Paper on Foreign Aid featuring mutual respect for each other's territorial integrity and sovereignty; mutual non-aggression; mutual non-interference in each other's internal affairs; equality and mutual benefit; and peaceful co-existence.⁴¹⁴ Consequently it was admitted that China has complied with Article 3(3) of the Declaration on the Right to Development which stipulates :

‘States have the duty to co-operate with each other in ensuring development and eliminating obstacles to development. States should realize their rights and fulfil their duties in such a manner as to promote a new international economic order based on sovereign equality, interdependence, mutual interest and co-operation among all States, ...’

On the other hand, in delivering its development assistance in Africa generally and in Cameroon in particular without taking into consideration respect for human rights and dignity, this study revealed that China has contravened to States' international obligations to respect human rights and dignity as enshrined in the United Nations Charter and specifically Article 6(1) of the Declaration on the Right to Development which provides that ‘[a]ll States should co-operate with a view to promoting, encouraging and strengthening universal respect for and observance of all human rights and fundamental freedoms for all...’ and to Article 4 of the Beijing Declaration of the Forum on China-Africa Cooperation (FOCAC) which emphasises that ‘[t]he universality of human rights and fundamental freedoms should be respected ...’

In addition, chapters 2 and 3 revealed that the joint IMF-World Bank development assistance approach as compared to that of China is more transparent, frequently monitored, and evaluated.⁴¹⁵ Thus, the IMF and the World Bank have always ensured that the HIPC Initiative Agreement is being regularly evaluated and monitored by IMF and World Bank experts

⁴¹² Chapter 3.6.1.

⁴¹³ *China White Paper on Foreign Aid* (22 April 2011).

⁴¹⁴ Chapter 3.5.2.

⁴¹⁵ Chapters 2.6.1, 2.6.2, and 3.5.5.

through frequent country reports, publications and press releases which provide the public with all the necessary information pertaining to the implementation of the Agreement by a given country. For instance, with regard to the HIPC Initiative in Cameroon the IMF and the World Bank released information regarding the progress made by the country in relation to the implementation of the HIPC, the difficulties and challenges encountered during the implementation of the HIPC, and the exact amount of debt relief that the country will receive after the successful implementation of the program.⁴¹⁶

Unfortunately, that has never been the case with China's development assistance. In Chapter 3 it was shown that China's development assistance is not transparent as it has remained a 'state secret', which makes it difficult to know the exact amount of China's development assistance in Cameroon.⁴¹⁷ In addition, it was also mentioned that China's development assistance approach is neither monitored nor evaluated through statistical or legal documents which make it difficult to accurately assess the impact thereof and that consequently China has failed to meet the scientific public policy framework requirements in terms of monitoring and evaluation.⁴¹⁸ This means that the Chinese government does not officially release country reports or publications like the IMF and the World Bank do. However, this does not mean that China does not evaluate and monitor its development assistance at all. In fact, it was mentioned in chapter 3 that China monitors its development assistance on a regular basis through the White Paper on China-Africa Economic and Trade Cooperation and the FOCAC Summits, the last of which was held in 2012.⁴¹⁹ However, the Centre for Chinese Studies of the University of Stellenbosch (CCS) is one of the reputable African institutions which has so far made efforts to appropriately monitor and evaluate China's development assistance.⁴²⁰ In this regard the CCS has issued various publications pertaining to the assessment of China's

⁴¹⁶ *Cameroon Decision Point Document for the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative* (2000) A Report Prepared by the Staffs of the World Bank and the International Monetary Fund. See also Cameroon: 'HIPC Approval Document Completion Point under the Enhanced Framework' available at <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Financial-Information/ADB-BD-WP-2006-78-EN-CAMEROON-HIPC-CP-WB-IMF.PDF> (accessed on 31 October 2012).

⁴¹⁷ Chapters 3.3; 3.5.5.

⁴¹⁸ Chapter 3.5.5.

⁴¹⁹ Chapter 3.3.

⁴²⁰ The CCS is available at <http://www.ccs.org.za/> (accessed 23 September 2013).

development assistance in many African countries.⁴²¹ Additionally, the difference between the HIPC Initiative and China's White Paper does not end here. They also differ in terms of their implementation. This will be discussed in the next subsection.

4.2.2 Differences pertaining to their legal implementation

In Chapter 2 it was mentioned that Cameroon has successfully implemented all the conditionalities imposed by the IMF and the World Bank under the HIPC Initiative Framework for reaching its decision and completion point.⁴²² Therefore, it was acknowledged that Cameroon has successfully implemented the HIPC Initiative Agreement which led it to achieve good macro-economic results in terms of good governance, the fight against corruption, budgetary savings from debt relief, and in the education, health and HIV/AIDS sectors.⁴²³

However, without being in favour of the IMF's and the World Bank's conditionalities, it appears that, although fundamentally and politically incorrect with regard to the sacrosanct principle of State sovereignty, they have in some way obliged Cameroon to make efforts towards improving its macro-economic environment, to respect human rights and dignity and subsequently oriented Cameroon on the path of good governance and economic development.⁴²⁴ According to the Transparency International Corruption Perception Index (TICPI) 2012, it appears that Cameroon which used to be the world's most corrupt country according to TICPI 1998, has made some progress in the fight against the corruption which

⁴²¹ It is for instance, in respect of Cameroon, Congo, Mozambique, Tanzania, and Central Africa.

⁴²² Chapters 2.6.1 and 2.6.2.

⁴²³ See the status of steps for reaching the floating completion point in *Cameroon: Enhanced Heavily Indebted Poor Countries (HIPC) Initiative-Completion Point Document and Multilateral Debt Relief Initiative (MDRI)* (2006) IMF Country Report No 06/190, 6.

⁴²⁴ Box on status of triggers of reaching the floating completion point sourced from 'Cameroon: Enhanced Heavily Indebted Poor Countries (HIPC) Initiative-Completion Point Document and Multilateral Debt Relief Initiative (MDRI) (2006) IMF Country Report No 06/190, 6.

led it to be ranked in 2012 as the 144th most corrupt country out of 176 participating countries.⁴²⁵

As far as China's development assistance is concerned, it was mentioned in chapter 3 that China's development assistance framework in Cameroon has conformed to China's development assistance framework for Africa as embodied in China's White Paper on Foreign Aid in terms of the following: completed projects, goods and services, technical co-operation, human resource co-operation, Chinese medical teams working abroad, overseas volunteers' programs, emergency humanitarian aid, and, lastly, debt relief.⁴²⁶

In addition it was mentioned that China's development assistance in Cameroon follows respect for the five principles of peaceful co-existence embodied in its White Paper on Foreign Aid featuring mutual respect for each other's territorial integrity and sovereignty; mutual non-aggression; mutual non-interference in each other's internal affairs; equality and mutual benefit; and peaceful co-existence.⁴²⁷

But with regard to the international obligation imposed on States to respect human rights and dignity in their co-operation with other States, it was shown that China has failed to comply with this exigency in Cameroon where China's development assistance was provided in violation of human rights.⁴²⁸ Moreover, as mentioned in chapter 3, China's development assistance in Cameroon is mostly tied to procurement of Chinese goods and services and Khan and Baye observed that '... Cameroonians only perform the very low-skilled tasks such as cleaning, driving and general labour...'⁴²⁹ , while Chinese companies are the ones executing development projects at the top level with imported Chinese labour and assuring maintenance work as well. This Chinese attitude has, first, disregarded Article 1 of the Beijing Declaration of the FOCAC which stipulates that '... [n]o country or group of

⁴²⁵ 'Transparency International Corruption Perception Index' 2012 available at http://www.transparency.org/ro/politici_si_studii/indici/ipc/2012/CPI2012_map%20and%20country%20results.pdf (accessed 5 May 2012).

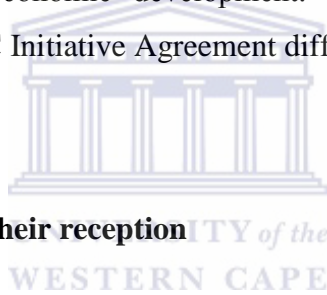
⁴²⁶ Chapter 3.5.5.

⁴²⁷ Chapter 3.5.2.

⁴²⁸ Chapter 3.6.2.

⁴²⁹ Chapter 3.6.2.

countries has the right ...to impose unilateral coercive economic measures on others.⁴³⁰ In addition to this violation, the Chinese attitude was also heavily criticised for not enabling technological transfer, and consequently for making Cameroon to eternally rely on China.⁴³¹ In so doing, it appears that China has failed to comply with both Principles 7 and 4 of China's Eight Principles for Economic Aid and Technical Assistance to Other Countries embodied in China's White Paper on Foreign Aid which emphasise that in technical co-operation with other countries China will make sure that the recipient country fully masters the technology in such a way that it does not depend on China but embark step by step on the path of self-reliance and independent economic development. Thus, Principle 7 declares that '[i]n giving any particular technical assistance, the Chinese government will see to it that the personnel of the recipient country fully master the technology.' In addition to this, principle 4 states that '[i]n providing aid to other countries, the purpose of the Chinese government is not to make recipient countries dependent on China but to help them embark step by step on the road of self-reliance and independent economic development.' Moreover China's development assistance approach and the HIPC Initiative Agreement differ in terms of their reception. This aspect will be elaborated below.



4.2.3 Differences pertaining to their reception

The HIPC Initiative Agreement has not always been well received in Africa in general⁴³² and in Cameroon particularly, because it was interfering in recipient countries' internal affairs and sovereignty through the imposition of political conditionalities, and yet achieved mitigated results on the ground.⁴³³ Thus, in chapter 2 it was shown that although the HIPC Initiative Agreement has yielded some positive results in terms of macro-economic stability in Cameroon with regard to significant debt reduction achieved, debt sustainability has not been reached for the long term.⁴³⁴ Moreover it was acknowledged that in spite of some improvements in primary education and ensuring gender equality, more than half of HIPCs that have achieved their post-completion point including Cameroon are unlikely to meet their

⁴³⁰ Chapter 3.6.2.

⁴³¹ Chapter 3.6.2.

⁴³² Chapters 2.6.1, 2.6.2.

⁴³³ Chapter 2.8.

⁴³⁴ Chapter 2.8.

Millennium Development Goals (MDGs). Consequently, it was said that the main challenge of the HIPC Initiative Agreement has remained the enhancement of investment and economic growth rates so as to significantly reduce poverty.⁴³⁵

However, China's development assistance approach to Africa in general and to Cameroon in particular has been well received. First, because they both share a colonial history and a southern identity⁴³⁶, and secondly because it presents certain advantages that the IMF and the World Bank debt relief Initiative does not offer.⁴³⁷ For instance, as noted in chapter 3, China's development assistance approach to Cameroon, in contrast to that of the IMF and the World Bank, is quicker⁴³⁸ (Chinese approach on development projects is unilateral, while the IMF and the World Bank approach is multilateral given that the IMF and the World Bank are multilateral institutions); non-interfering, in the sense that China does not officially impose political conditionalities;⁴³⁹ and more affordable as compared to that of the IMF-World Bank and with regard to Principle 5 of China's Eight Principles for Economic Aid and Technical Assistance to Other Countries which prescribes that '[t]he Chinese government does its best to help recipient countries complete projects which require less investment but yield quicker results, so that the latter may increase their income and accumulate capital.' Moreover, the nature of China's development assistance to Cameroon tied to procurement (the fact that China's infrastructures and development projects in Cameroon are generally executed by Chinese firms at the top level with imported Chinese labour and they are also responsible for maintenance work as well) has appeared to be less open to corruption as compared to that of the IMF-World Bank whereby the debt relief assistance granted is frequently misused for public servants' and project contractors' personal ends or projects rather than social spending.⁴⁴⁰ However, Chapter 3 has also criticised the Chinese attitude of tying aid to procurement in so far as it is negatively impacting on local industries and at the same time is

⁴³⁵ Chapter 2.8.

⁴³⁶ See the Preamble of the Beijing Declaration of the FOCAC. See also Mohan G & Power M 'New African Choices? The Politics of Chinese Engagement in Africa and the changing Architecture of International Development' (2008) 35 *Review of African Political Economy* 23-42, 24.

⁴³⁷ Birell I 'The Dragon's Gift by Deborah Brautigam' (1 January 2010) Book review available at <http://www.independent.co.uk/arts-entertainment/books/reviews/the-dragons-gift-by-deborah-brautigam-1854588.html> (accessed 5 May 2013).

⁴³⁸ Chapter 3.5.2.

⁴³⁹ Chapter 3.6.1.

⁴⁴⁰ Chapter 2.3.

not promoting technological transfer.⁴⁴¹ Although the HIPC Initiative Agreement and China's approach are quite divergent in certain respects, they do share some common characteristics as it will be discussed in the next section.

4.3 Similarities between China's White Paper on Foreign Aid and the HIPC Initiative Agreement

In light of the discussions in chapters 2 and 3 it appears that the HIPC Initiative Agreement and China's White Paper on Foreign Aid present some similarities in terms of their drives, their objectives and some of their common challenges. Each of these points will be illustrated below.

4.3.1 Similarities regarding their drives

The analysis in chapters 2 and 3 found that neither China's development assistance approach nor the IMF-World Bank debt reduction Initiative are genuine aid⁴⁴² or grants⁴⁴³ in the pure sense, but strategically driven. Article 3 of the Declaration on the Right to Development recognised the right of States to '... promote a new international economic order based on sovereign equality, interdependence, mutual interest and co-operation among all States...'. Moreover, according to the popular saying which declares that 'States do not have friends but only interests': in respect of their investments in Cameroon both development partners are primarily seeking after and striving for their self-interest⁴⁴⁴ while Cameroon is benefitting

⁴⁴¹ Chapter 3.6.2.

⁴⁴² The term 'development aid' (or 'development co-operation' also known as 'development assistance' or 'foreign aid') can refer, according to Davies M, to the finances, goods and services including loans or grants given by governments and other agencies to developing countries for the promotion of the economic development and welfare of their populations as the main objectives of the aid.

⁴⁴³ Aid and grants are actually borrowed resources from developed countries to developing countries with the purpose of achieving development objectives and which have to be paid back within the agreed timeframe with interest.

⁴⁴⁴ Manji F & Marks S *African Perspectives on China in Africa* (2007) 16. See also Ayenagbo K et al 'Sino-Africa economic and trade relations: Its impact and implications on the African continent' (2012) 6 *African Journal of Business Management* 6420-6427, 6420.

from the development partners' investments.⁴⁴⁵ Therefore, this co-operation appears to be gainful to all the three partners. In addition to their similarities relating to their drives, both development assistance approaches also share similar objectives, as it will be discussed below.

4.3.2 Similarities regarding their objectives

According to China's White Paper on Foreign Aid and the HIPC Initiative Agreement, the ultimate objective of both China's development assistance approach and the IMF-World Bank debt reduction Initiative approach in Cameroon is to reduce the poverty level and enhance Cameroon's economic development.⁴⁴⁶ In order to meet these objectives, it was noted in Chapter 2 that the HIPC Initiative Agreement was initially designed to provide debt sustainability to HIPC countries by resolving their long-lasting debt crises in a sustainable way.⁴⁴⁷ Afterward, the Initiative aimed at raising long term growth rates by removing the debt surplus.⁴⁴⁸ Lastly it focussed on poverty reduction by freeing up resources from debt service payment for higher social spending such as education, health and others social services.⁴⁴⁹

In Chapter 3, in order to achieve poverty reduction and enhance economic development in Cameroon, it was highlighted that China opted for an infrastructure oriented development assistance approach since it believes that infrastructures building is what Cameroon and Africa really need to achieve poverty reduction and economic development.⁴⁵⁰ In addition to

⁴⁴⁵ Cameroon is benefitting from financial support, the implementation of a sound policy environment and infrastructure building, to leverage its development process.

⁴⁴⁶ Mohan G & Power M 'New African choices? The politics of Chinese engagement in Africa and the changing Architecture of international development' (2008) 35 *Review of African Political Economy* 23-42, 27.

⁴⁴⁷ Gilman M & Mitchells W 'Achievements to Date and Challenges Ahead: A view from the IMF' in Bhattacharya A, Dijkstra G et al *HIPC Debt Relief: Myths and Reality* (2004) A Publication of Forum on Debt and Development (FONDAD), 73.

⁴⁴⁸ Trotsenburg A & MacArthur A *The HIPC Initiative: delivering Debt to the Poor Countries* (1999) International Monetary Fund Publication, 1.

⁴⁴⁹ Chapter 2.4.1.

⁴⁵⁰ Berthelemy JC *China's Engagement and Aid Effectiveness in Africa* (2011) Development Bank Group Working paper No 129, 6.

their objectives, the IMF-World Bank approach and China's approach seem to share to some extent some mutual challenges.

4.3.3 Similarities regarding some mutual challenges

The discussions in chapters 2 and 3 concluded that, the approaches of both the joint IMF-World Bank and China in Cameroon specifically and in Africa generally are similar in so far as both share some mutual challenges. These include: aid tied to procurement, insufficiency of the financial development assistance provided which remained below the rate commonly agreed on by the international community and fixed at 0, 7%; and more importantly, lack of Cameroon development effort initiatives and sound democratic structures and institutions. As a result their development assistance efforts have been less productive; in as far as they both failed to effectively reduce poverty in Cameroon.⁴⁵¹ In spite of these weaknesses, both development assistance approaches remain beneficial to Cameroon.

4.4 Cameroon's benefits from the HIPC Initiative Agreement and China's White Paper on Foreign Aid



Although both the HIPC Initiative Agreement and China's White Paper on Foreign Aid remain limited, as they have been hampered by some implementation constraints on the part of both the donors (China, the IMF and the World Bank) and the recipient (Cameroon) which have made their development assistance effort less productive, it is undeniable that they have together somehow contributed to advancing Cameroon's economic development.⁴⁵² Although it has been previously indicated that the HIPC Initiative Agreement yielded contrasted outcomes in Cameroon,⁴⁵³ in light of IMF and World Bank reports it appears that it has enabled Cameroon to some extent to achieve good macroeconomic progress and some development advancement taking into consideration Cameroon's successful implementation

⁴⁵¹ Chapters 2.9 and 3.8.

⁴⁵² Chapters 2.9 and 3.8.

⁴⁵³ Chapter 2.9.

of all the triggers required for reaching its floating completion point.⁴⁵⁴ It is, for instance, the successful implementation of macroeconomic and structural reforms and the Poverty Reduction Strategy Paper (PRSP), which have enabled Cameroon to reduce the pace of corruption, improve good governance, and enhance public service, health, education and socio-economic development.⁴⁵⁵

It has also been shown in Chapter 3 that China's development assistance has enabled Cameroon to achieve some macro-economic advancement through improving socio-economic living conditions by cancelling Cameroon's debt, building health, educational and social infrastructures in Cameroon and increasing its aid volume.⁴⁵⁶ Since both assistance approaches are still facing some mutual challenges and have, at the same time, great merit; as indicated earlier,⁴⁵⁷ it can be argued that the creation of a new multilateral legal framework including traditional donors, China and the Bretton Woods Institutions would be a better approach for Cameroon's economic development in particular and for Africa in general.

4.5 The creation of a new multilateral legal framework including China and the Bretton Woods Institutions would be a better approach for Cameroon

Many scholars have outlined the need for China to cooperate with other donors, namely, the Organisation for Economic Cooperation and Development (OECD), the IMF and the World Bank in terms of a specialised multilateral platform.⁴⁵⁸ The reason behind this suggestion is

⁴⁵⁴ See status of triggers for reaching the floating completion point sourced from *Cameroon: Enhanced Heavily Indebted Poor Countries (HIPC) Initiative-Completion Point Document and Multilateral Debt Relief Initiative (MDRI)* (2006) IMF Country Report No 06/190, 6.

⁴⁵⁵ See the status of triggers for reaching the floating completion point in *Cameroon: Enhanced Heavily Indebted Poor Countries (HIPC) Initiative-Completion Point Document and Multilateral Debt Relief Initiative (MDRI)* (2006) IMF Country Report No 06/190, 6.

⁴⁵⁶ Khan SA & Baye MF *China-Africa Economic Relations: The case Study of Cameroon* (2008) A Report submitted to the African Economic Consortium, 28.

⁴⁵⁷ Chapter 4.3.3.

⁴⁵⁸ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 32. See also Brautigam D *China, Africa and the International Aid Architecture* (2010) African Development Bank Group Working Paper series No 107, 39.

that although they appear intrinsically divergent in terms of values and system, they both share the common goal of alleviating poverty in Africa and promoting economic development.⁴⁵⁹ However, China has indicated some reluctance in relation to such recommendation on the ground that it does not want to be associated with values and norms it did not create in the first place.⁴⁶⁰ It is submitted that this argument constitutes a valid point, in the sense that in trying to harmonise both systems under the pre-existing established norms of traditional donors could end up killing the spirit and the values of each approach. In addition China mentioned that it ‘... do [es] not generally see aid from the West as having been very effective in reducing poverty in Africa.’⁴⁶¹ However, it is important to highlight that Western donors have admitted several times the challenges that their aid system is still facing, and for this reason OECD donors, the IMF and the World Bank have conducted various international actions and summits in order to improve aid transparency and mutual accountability of donors and recipients, which according to them represent the main obstacles to the achievement of aid effectiveness in Africa.⁴⁶² According to African Forum and Network on Debt and Development (AFRODAD), these efforts comprise the development of Poverty Reduction Strategies, followed in 2000 by the adoption of the MDGs, the Monterrey Consensus (March, 2002), the High-Level Forum on Aid Harmonisation in Rome (February 2003), the Round Table on Aid Management, centred on results in terms of development, held in Marrakech (2004), the Paris Declaration on Aid Effectiveness of February 2005, the Third High Level Forum on Aid Effectiveness held in Accra in September 2008, and the Fourth High Level Forum on Aid Effectiveness held in Busan in Korea in November 2011.⁴⁶³ All these international agreements define the goals and objectives of the agenda for aid effectiveness.

⁴⁵⁹ Chapter 4.1 supra

⁴⁶⁰ AFRODAD *Mapping Chinese Development Assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 32.

⁴⁶¹ Brautigam D *China, Africa and the International Aid Architecture* (2010) African Development Bank Group Working Paper series No 107, 39.

⁴⁶² AFRODAD *A Critical Assessment of Aid Management & Donor Harmonisation: the Case of Cameroon* (2007) A Report of the African Forum and Network on Debt and Development, 12.

⁴⁶³ AFRODAD *A Critical Assessment of Aid Management & Donor Harmonisation: the Case of Cameroon* (2007) A Report of the African Forum and Network on Debt and Development, 12.

Although China is not party to these various international agreements, and is still somewhat reluctant to associate itself with other donors, AFRODAD pointed out that '[d]onors are increasingly willing to align their actions with Cameroon's strategies and policies'⁴⁶⁴ as it was decided under the Paris Declaration on Aid Effectiveness.⁴⁶⁵ Thus, through its development assistance, it appears that China is among the countries willing to assist Cameroon on the path of economic emergence following Cameroon's authorities' vision 2035.⁴⁶⁶ Furthermore China has supported efforts made by Western donors to reduce debt burdens of HIPCs in light of Article 8 of the Beijing Declaration of the FOCAC which states:

'[W]e welcome the laudable efforts made by certain middle income countries and other bilateral initiatives by donors aimed at the cancellation of African official debts. We appreciate the recent enhancement of the Heavily Indebted Poor Countries (HIPC) initiative, geared at relieving the debt burden and alleviating poverty, particularly in Africa. We stress that the HIPC initiative is being undertaken against the background of the decline in ODA to historical levels and that the rescheduling of Africa's debt must not be conducted with political strings attached or at the expense of official development assistance. We strongly appeal to the relevant international financial institutions and creditor developed countries to adopt more concrete measures aimed at debt relief and reduction for the least developed and middle income African countries. We welcome concrete measures and contribution to be made in this regard by China, a developing country itself.'⁴⁶⁷

According to this statement, it appears that China supports the efforts made so far by the IMF and the World Bank under the HIPC Initiative to reduce the debt burden of poor countries. However, China does not favour the system of the imposition of political conditionalities upon poor countries under the justification of the development assistance. Consequently, although China and the Bretton Woods Institution share the same goal of reducing the debt burden of poor countries, for China, imposing political conditionalities is not the appropriate way to deal with development assistance. Thus it is appealing to developed countries to financially assist developing countries without any political conditionality attached, as it has suggested under its development assistance approach to Africa in general. As shown in chapter 3, China is delivering its development assistance to Africa without political

⁴⁶⁴ AFRODAD *A Critical Assessment of Aid Management & Donor Harmonisation: the Case of Cameroon* (2007) A Report of the African Forum and Network on Debt and Development, 31.

⁴⁶⁵ See generally the Paris Declaration on Aid Effectiveness (2005).

⁴⁶⁶ According to the Cameroon Vision 2035 document:

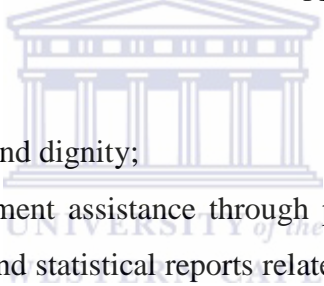
'The overall objective of the Vision is to make Cameroon an emerging country over the next 25-30 years which is the period required to move from one generation to another. The Vision also has medium-term objectives, notably: (i) poverty alleviation; (ii) becoming a middle income country, (iii) becoming a newly industrialised country and (iv) consolidating democracy and national unity while respecting the country's diversity.'

⁴⁶⁷ Beijing Declaration of the FOCAC (2004).

conditionalities attached. Besides, as indicated, Khan and Baye have shown that China has participated in the HIPC debt reduction program by cancelling Cameroon's debt twice, in 2001 and in 2007.⁴⁶⁸ First, China cancelled a debt of US\$34 million as the result of the first China-Africa Forum for Economic and Social Development held in Beijing; secondly it cancelled a debt amount of US\$ 32 million during Hu Jintao's visit to Cameroon.⁴⁶⁹

Given China's reluctance to adhere to a specialised platform with other donors, in terms of the analysis of both developments assistance approach frameworks above, it is submitted that the creation of a new multilateral legal framework including the OECD donors China, the IMF and the World Bank would be a better approach given that each approach valuably complements the others.⁴⁷⁰ In so doing, the new multilateral framework should incorporate the positive legal aspects of each approach.

Regarding the IMF and the World Bank debt reduction approach the following legal aspects should be borne in mind:

- 
- respect for human rights and dignity;
 - transparency of development assistance through publishing legal documents, such as, treaties, conventions, and statistical reports related to the aid framework including, for instance, aid granted to Africa in general and the amounts received by each specific country, their modalities and the socio-economic aspects covered be it health, education, or construction; and
 - advocating the monitoring and evaluation system under the new multilateral legal framework through regular reports on each country, including what the country has implemented so far, what it has achieved, the difficulties it encountered, and what measures donors intend to implement to address those challenges.

Above all, the following five principles of aid effectiveness advocated in the Paris Declaration on Aid Effectiveness (2005) by the IMF, World Bank and OECD donors should be advanced:

⁴⁶⁸ Chapter 3.5.5.

⁴⁶⁹ Chapter 3.5.5.

⁴⁷⁰ Brautigam D *China, Africa and the International Aid Architecture* (2010) Africa Development Bank Group working paper No 107, 39.

1. ‘Ownership: Developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption.
2. Alignment: Donor countries align behind these objectives and use local system.
3. Harmonisation: Donor countries coordinated simplify procedure and share information to avoid duplication.
4. Results: Developing countries and donors shift focus to development results and results get measured.
5. Mutual accountability: Donors and partners are accountable for development results’.

In the case of China, the following legal aspects should be maintained:

- the five principles of peaceful co-existence;
- respect for state sovereignty;
- respect for the principle of non-interference;
- non-imposition of political conditionalities; and
- respect for the principle of equality and mutual benefit in international cooperation.

In so doing, the creation of a new multilateral legal framework incorporating all these legal aspects presents a better chance to effectively address poverty issues and economic development in poor countries given that it incorporates each development actors’ values and norms and all of them (namely the OECD donors, the IMF, the World Bank, China and developing countries) are actively participating in the development process.

4.6 CONCLUSION

The HIPC Initiative Agreement and China’s White Paper on Foreign Aid offer two specific and distinctive development assistance approaches aimed at reducing poverty and fostering economic development in Cameroon.⁴⁷¹ While the HIPC Initiative Agreement places emphasis on values, such as, conditionalities and structural reforms, such as, the implementation of good governance structures and institutions, China’s approach places emphasis on infrastructure building without imposing political conditionalities.⁴⁷² Although both approaches present some differences in terms of their characteristics, their legal implementation and the results achieved, as well as their reception, as shown earlier, they do share at the same time some common similarities with regard to their drives, their objectives and some of their challenges. Despite the challenges the HIPC Initiative and China White

⁴⁷¹ Chapter 4.3.2.

⁴⁷² Chapter 4.2.1.

Paper are still facing, it was admitted that both approaches complement each one. For this reason some scholars suggested that a specialised platform should be created in order to harmonise the development assistance approach of China with that of traditional donors, amongst which the IMF and the World Bank, so as to make development assistance in African countries more effective. However, China has been somewhat reluctant to agree with this suggestion on the ground that it did not want to be associated with values and norms it had not created in the first place.⁴⁷³ Moreover, it expressed some degree of reluctance on the ground that in its view traditional donors' development assistance has been ineffective so far in reducing poverty in Africa. However, despite these arguments it was also observed that China has shown some degree of willingness to participate in traditional donors' development efforts initiative several times, such as, the debt cancellation initiated by the IMF and the World Bank, and the aid alignment with recipient countries' priorities decided under the Paris Declaration on Aid Effectiveness. For these reasons it was concluded that the creation of a new multilateral legal framework including China, the IMF, the World Bank and the OED donors would be a better approach for Cameroon, given that such framework would incorporate the positive norms of each approach.

Although Cameroon economic development is a joint responsibility with the international community,⁴⁷⁴ it remains Cameroon's primary responsibility to take its destiny in its own hands, because governments, institutions and organisations which do not act strategically in accordance with the rise of China might forever be marginalised'.⁴⁷⁵ In this regard, the Brussels Programme of Action for the Least Developed Countries (LDCs) for the decade 2001-2010 recommended the following:

'... LDCs must continue domestic efforts for reform and reorganization by improving efficiency, transparency and accountability, and facilitating the emergence of governance structures and business-friendly environments. The international community, meanwhile, must fulfill its commitments to establish an enabling environment not only through increased

⁴⁷³ Chapter 4.5.

⁴⁷⁴ The *Declaration on the Right to Development* (4 December 1986). See also the *International Covenant on Economic, Social and Cultural Rights* (3 January 1976).

⁴⁷⁵ AFRODAD *Mapping Chinese Development assistance in Cameroon: An Analysis of the Experiences of Cameroon* (2011) An African Forum Network on Debt and Development Report, 58.

and better quality development assistance, but also through increased investment, debt relief and free and fair trade.⁴⁷⁶

This statement once more emphasises that the issue of the economic development of developing countries is a complex task which can only be achieved by the active participation of both donor and recipient countries through the implementation of sounds economic policies and reforms.



⁴⁷⁶ *Brussels Action Plan for Poorest Countries Presents Key for Unlocking “Prison of Poverty” Economic and Social Council Told* (30 June 2004).

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusions

This mini-thesis sought to provide a comparison of the Heavily Indebted Poor Countries Initiative (HIPC) Agreement and the Chinese White Paper on Foreign Aid in order to investigate which approach is best suited for Cameroon economic development, in particular, and for Africa, in general.

In order to address this question, chapter 2 presented the HIPC Initiative Agreement. It was indicated that the International Monetary Fund (IMF) and the World Bank together launched the HIPC Initiative Agreement in 1996 in order to resolve the problem of an excessive external debt burden faced by poor countries which significantly impeded their capacity to pursue sustainable development and to reduce poverty.⁴⁷⁷ With its agenda aimed at resolving the long-lasting debt crises of HIPC's in a sustainable manner, the HIPC Initiative Agreement was supported and by about 180 governments at the World Bank and the IMF and regarded as a valuable instrument capable to address effectively the unremitting debt rescheduling of poor countries.⁴⁷⁸ The HIPC Initiative Agreement provides for two major phases: the decision point and the completion point.⁴⁷⁹ During the first phase, countries were required to implement certain specific measures in order to be granted interim debt service relief, and four conditionalities were to be fulfilled or satisfactorily implemented by the debtor countries in order to receive interim debt relief.⁴⁸⁰ The first conditionality is that the debtor country should be qualified to borrow interest free loans and grants offered by the World Bank's International Development Agency, and loans to Low Income Countries (LICs) at subsidised rates from the IMF's Poverty Reduction and Growth Trust; secondly, the country must face an insupportable debt burden that cannot be resolved with previous debt relief mechanisms; thirdly, the country should have established a track record of reform and excellent policies through IMF and World Bank supported programs; lastly, the country must have developed a

⁴⁷⁷ Chapter 2.1.

⁴⁷⁸ Chapter 2.1.

⁴⁷⁹ Chapter 2.6.

⁴⁸⁰ Chapter 2.6.1.

Poverty Reduction Strategy Paper (PRSP) through a broad-based participatory process in the country.⁴⁸¹ After Cameroon's successful implementation of these requirements on 16 October 2000, the Boards of the IMF and World Bank approved US\$ 1.260 billion worth of debt relief at end-June 1999 Net Present Value (NPV) terms under the enhanced HIPC Framework.⁴⁸² Then, during the second phase, countries have to additionally implement certain policies and meet certain requirements in order to qualify for full assistance. In the case of Cameroon, it was required to implement the following six specific steps decided at the decision point: first, to prepare a full PRSP and satisfactorily implement it for at least one year; secondly, to maintain a stable macroeconomic environment; thirdly, to satisfactorily use budgetary savings from the interim debt service relief; fourthly, to satisfactorily implement and conclude structural reforms supported by the Third Structural Adjustment Credit (SAC III); fifthly, to successfully implement governance and anti-corruption measures, including in the areas of judicial and procurement reform, budget execution and creation of regulatory agencies; and lastly, to fruitfully implement key social reforms, including combating HIV/AIDs.⁴⁸³ Unfortunately Cameroon did not meet its completion point as planned by 2003 but only three years later on 1 May 2006 for two main reasons: the repeated bad performance observed in the fiscal arena, and the fact that the government program supported by the Poverty Reduction and Growth Facility (PRGF) program was not satisfactorily implemented.⁴⁸⁴ Following Cameroon's completion point attainment on 1 May 2006, the IMF granted 100 per cent debt relief on all debt incurred by Cameroon to the IMF before 1 January 2005, which had not been repaid.⁴⁸⁵ Additionally, Cameroon also qualified for supplementary debt relief from International Development Assistance (IDA), the IMF and the African Development Fund (AfDF) under the Multilateral Debt Relief Initiative (MDRI).⁴⁸⁶

However, the HIPC Initiative has faced some criticisms in that: it imposed conditionalities upon recipient countries which is contrary to the sacrosanct principle of State sovereignty; the resources release by the HIPC Initiative appeared to be insufficient to cover social spending; the framework to determine countries eligibility was inappropriate; the HIPC seemed to have

⁴⁸¹ Chapter 2.6.1.

⁴⁸² Chapter 2.6.1.

⁴⁸³ Chapter 2.6.2.

⁴⁸⁴ Chapter 2.6.2.

⁴⁸⁵ Chapter 2.6.2.

⁴⁸⁶ Chapter 2.6.2.

failed to achieve growth and debt sustainability; and it did not sufficiently protect countries against exogenous shocks.⁴⁸⁷

Despite these criticisms it was acknowledged that the HIPC Initiative Agreement has enabled Cameroon to some extent to achieve good macro-economic progress and, subsequently, some development advancement taking into consideration Cameroon's successful implementation of all the triggers required for reaching its floating completion point.⁴⁸⁸ It is, for instance, the successful implementation of macro-economic and structural reforms and the Poverty Reduction Strategy Paper (PRSP) which have enabled Cameroon to reduce the pace of corruption, improve good governance, and enhance public service, health, education and socio-economic development.⁴⁸⁹ Therefore it was concluded that perhaps the real problem with the HIPC Initiative Agreement was that its value has been overestimated, though it was an essential but slight part of the whole development assistance framework.⁴⁹⁰

Chapter 3 examined China's White Paper on Foreign Aid. It was noted that, since 1971, China has been implementing an innovative development co-operation strategy in Africa and in Cameroon, in particular, based upon values and principles which are embodied in the Beijing Consensus and featuring win-win co-operation, non-interference in States' internal affairs, absence of political conditionalities, and, above all, focussing on infrastructure building.⁴⁹¹

The study revealed that China's development assistance has played an important role in advancing Cameroon economic development through the construction of infrastructure projects and the increased Chinese financial resources given to Cameroon through debt relief which have considerably improved Cameroon socio-economic life.⁴⁹²

⁴⁸⁷ Chapter 2.7.

⁴⁸⁸ Chapter 2.8

⁴⁸⁹ Chapter 2.8.

⁴⁹⁰ Chapter 2.9.

⁴⁹¹ Chapters 3.2 and 3.3.

⁴⁹² Chapter 3.7.1.

Moreover, it was shown that the Chinese White Paper on Foreign Aid just like the HIPC Initiative Agreement has been subject to certain criticisms and challenges.⁴⁹³ Some of the criticisms were the following: China's development assistance is mostly tied to procurement and has threatened Cameroon local industries' economic prosperity; it tends to support undemocratic governments; it primarily targets natural resources and a market for Chinese exports, and it is neither transparent nor evaluated nor monitored.⁴⁹⁴ Regarding some of the challenges faced by China's development assistance, the following were identified: the lack of transparency; insufficient monitoring and evaluation; the ineffectiveness of technologies transfer; its limited ability to effectively tackle poverty issue; and human rights violations.⁴⁹⁵

In conclusion, it was emphasised that there was a need for China to revisit its development assistance approach in Cameroon in particular and in Africa in general in order to address the above-mentioned challenges and to effectively achieve poverty reduction and economic development. Moreover, it was highlighted that Cameroon's economic development lies in its own hands. Therefore, it was said that Cameroon should stop expecting everything from foreign development partners and should take full responsibility and proper control of its economic development by implementing sound macro-economic reforms.⁴⁹⁶

Chapter 4 focussed on a comparison of the HIPC Initiative Agreement and China's White Paper on Foreign Aid in order to investigate which development assistance approach was more suitable for Cameroon's economic development.⁴⁹⁷ In order to resolve this contentious issue, the Chapter first emphasised the differences between the development assistance approaches with regard to their characteristics, their implementation, and their reception.⁴⁹⁸ Then the Chapter examined their similarities in terms of their drives, their objectives and their challenges.⁴⁹⁹ Despite the challenges facing both development assistance approaches⁵⁰⁰,

⁴⁹³ Chapters 3.6 and 3.7.2.

⁴⁹⁴ Chapter 3.6.

⁴⁹⁵ Chapter 3.7.2.

⁴⁹⁶ Chapter 3.8.

⁴⁹⁷ Chapter 4.1.

⁴⁹⁸ Chapter 4.2.

⁴⁹⁹ Chapter 4.3.

⁵⁰⁰ Chapter 4.3.3.

it was also acknowledged that both have great merit because they have somehow participated in the advancement of Cameroon economic development today.⁵⁰¹

Given the limits of both approaches and the fact that they complement each one, some scholars early recommended that a specialised platform including traditional donors and China should be established.⁵⁰² Unfortunately, China has shown some degree of reluctance to accept this suggestion for two main reasons: first, that it did not want to be associated with values and norms it did not create in the first place, and secondly it emphasised that in its own view Western development assistance approach has not been effective so far in reducing poverty in Africa.⁵⁰³ It was also mentioned that Western donors have acknowledged the limits faced by their development assistance approach and for this reason they have conducted several international summits and actions to address those challenges.⁵⁰⁴ Although China was not a member to these various international summits, it had been willing to join traditional donors in their resolutions, for instance, by implementing some of their resolutions, such as, granting debt relief to Cameroon under the HIPC Initiative Agreement, and by aligning their development assistance approach following Cameroon priorities as decided under the Paris Declaration of Aid Effectiveness.⁵⁰⁵ Thus, it was finally concluded that the creation of a new multilateral legal framework including China, the Organisation for Economic Co-operation and Development (OECD) donors, the IMF and the World Bank would be a better approach for Cameroon economic development.⁵⁰⁶ In so doing it was recommended that the new multilateral legal framework also incorporate both the positive legal aspects of each donor country.⁵⁰⁷

⁵⁰¹ Chapter 4.4.

⁵⁰² Chapter 4.5.

⁵⁰³ Chapter 4.5.

⁵⁰⁴ Chapter 4.5.

⁵⁰⁵ Chapter 4.5.

⁵⁰⁶ Chapter 4.5.

⁵⁰⁷ Chapter 4.5.

5.2 Recommendations

Due to the limited ability of the HIPC Initiative Agreement to address effectively the long-lasting poverty and economic development issues of developing countries for decades, the following recommendations were made: first, the IMF and the World Bank should take steps to make appropriate resources available for funding the development priorities of HIPC and other poor countries, and ensure that HIPC debt relief is really additional to other aid flows; secondly, they should rigorously evaluate and monitor the outcomes of the HIPC Initiative in each specific HIPC in order to make both debtor and creditor countries accountable; and lastly it was emphasised the need for the active participation of the entire international community, particularly of the recipient countries which are best placed to internally implement suitable economic policies and institutions to foster their economic development.⁵⁰⁸

Moreover, given the limited effectiveness of China's White Paper on Foreign to address poverty issues and economic development in Cameroon as well, some recommendations were made.⁵⁰⁹ For instance, it was suggested that China urgently conform to all the international legal instruments relative to international co-operation, the Beijing Declaration of the Forum on China-Africa Co-operation (FOCAC) and the White Paper on Foreign Aid. Thus, it was recommended that China addresses the challenges regarding its technology transfer by empowering Cameroon local firms in construction projects at the top level.⁵¹⁰ With regard to the criticism that China's linking of aid to procurement negatively impacted on Cameroon local industries' economic prosperity and does not promote technology transfer as well, it was suggested that China purchases all construction materials in Cameroon, make Chinese construction projects a local business run by Cameroonian companies, and empower them at the top level of these projects so as to enable them to acquire all the necessary technical skills.⁵¹¹ Regarding human rights violations, it was recommended that China urgently

⁵⁰⁸ Chapter 2.9.

⁵⁰⁹ Chapter 3.8.

⁵¹⁰ Chapter 3.8.

⁵¹¹ Chapter 3.8.

conforms to all the international human rights instruments.⁵¹² Furthermore, it was recommended that China revisit its development assistance approach's framework in order to enhance its transparency, its monitoring and evaluation system in such a way as to increase its effectiveness in both Cameroon and Africa.

Given the fact that both approaches have proved themselves limited and that they complement each one, it was concluded that the creation of a new multilateral legal framework incorporating the positive aspects of the OECD donors, China's White Paper on Foreign Aid as well as those of the HIPC Initiative Agreement would be a better approach for Cameroon in particular and for Africa in general. In so doing, it was suggested that regarding the IMF and the World Bank debt reduction approach the following legal aspects should be retained: respect for human rights and dignity; and transparency of the development assistance and the monitoring and evaluation system.⁵¹³ Furthermore, it was also suggested that the five principles of aid effectiveness proclaimed by the IMF, the World Bank and the OECD countries should be advocated, namely: ownership, alignment, harmonisation, results and mutual accountability. With regard to China's White Paper on Foreign Aid, it was recommended that the following legal aspects should be maintained: the five principles of peaceful co-existence, respect for State sovereignty, respect of the principle of non-interference, non-imposition of political conditionalities, respect of the principle of equality, and mutual benefit in international cooperation.⁵¹⁴

Finally, it was concluded that the achievement of effective poverty reduction and economic development in African countries can only be met if donors and recipient countries collaborate and implement appropriate macro-economic reforms.

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⁵¹² Chapter 3.8.

⁵¹³ Chapter 4.5

⁵¹⁴ Chapter 4.5.

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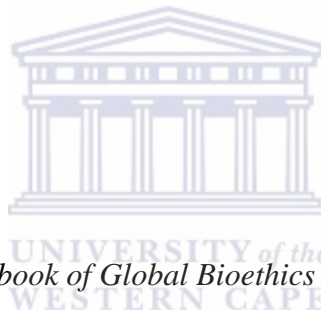
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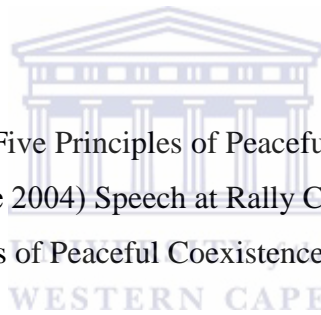
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