

**Australia Africa Universities Network (AAUN): Summary Position Paper
(Working draft 1 December 2017, for comment and further development).**

Australia-Africa-China: synergies in higher education and research, extractives and business.

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Introduction

The AAUN Annual Australia Forum 2017 was held at The University Club of Western Australia in Perth on 4 September 2017, attended by over 100 delegates from academia, government, diplomatic, business and agencies (see program at www.aaun.edu.au).

Focus in the two morning sessions was on *Australia Africa Education Partnerships for Development*, and on *Practical implementation of the UN Sustainable Development Goals*. These explored relevant AAUN research in climate and environment, food security, health and nutrition, education and employment. AAUN has seeded 35 research programs since 2012.

A special session on the potential for cooperation between Australia, Africa and China was prepared by Grace Liu, chaired by John Hearn and debated with Prem Ramburuth (UNSW), Qinhua Xu (Renmin), Emmanuel Larea (Monash), Ernest Aryeetey (African Research Universities Alliance) and Andrew Adjei (Ghana). The session was attended by 60 delegates who were active participants.

PURPOSE: to examine priority areas for trilateral cooperation and identify priority projects for research through seed funding with the AAUN Partnership and Research Development Fund (call for proposals in January 2018).

Africa continues to grow steadily in its economic and strategic importance, with an increasing regional and world-wide impact. In the Indo-Pacific region Australia, Africa and China have strong, mainly bilateral collaborative partnerships, along with some common aspirations in Africa. Both Australia and China are development partners with Africa and have sustainable relationships in business and trade, education and culture, environment and food, and the extractives industries.

At a policy level, the 2017 Australian foreign policy white paper is just released (28 November 2017). The UN Sustainable Development Goals and Climate accords, the Chinese Belt and Road engagement initiatives, and other policy frameworks will interact increasingly in the future. AAUN will adjust in its niche areas. Our objective is to engage as a player through knowledge partnerships, an adviser in key areas of research and innovation, and as a facilitator of Australia-Africa-China synergies and teamwork.

Participants in this session focused on priority areas that can deliver returns and mutual benefits from knowledge partnerships, alongside diplomatic and economic investments.

The presentations and discussion (summary) in this session covered the following areas:

1) THE ENGAGEMENT OF AUSTRALIA AND CHINA WITH AFRICA

— Engagement is influenced by respective histories and systems

a) Diplomatic relationships

Australia-Africa: There is increasing Australian engagement and investment in Africa, coming from a low base, albeit with long standing ties with countries like South Africa, extensive trade relations, cultural and political affiliations. The concept of “economic diplomacy” is becoming practical.

China-Africa: **The** relationship is presented as principled on sincerity and equality, non-interference, joint pursuit of inclusive development, innovative pragmatic cooperation, mutual interest and benefit. Significant points include: China supported Africa’s liberation; African nations supported the PRC ‘China seat’ in the UN; Contemporary China–Africa relations are based on the parameters set out by the inaugural Forum for China–Africa Cooperation in 2000, and further cemented in the 2006 Summit Meeting (attended by leaders from over 40 African states). There are Chinese diplomatic missions in almost all African countries. For current status refer to President Xi’s keynote speech on China Africa Cooperation for Common Development in Johannesburg 4 Dec 2015. This pivotal speech details major, long term engagement and support and sets the framework for China’s engagement.

b) Business and trade

Australia-Africa:

- Improved infrastructure and facilitation are required to attract Australian investors.
- Australia has a fine reputation in the extractives industries, agriculture, health and education.
- The largest investment in mining outside Australia is in Africa (40%).
- 200 Australian companies are involved in 650 projects in 37 Africa countries (Lumsden & Knight 2012).

China-Africa:

- Since 2009 China has become Africa’s largest trading partner.
- Gradual expansion in trade relations, increasing with China’s ‘Go Global’ policy, followed by exponential growth (around 2012).
- Focus on the extractives industry – most important being oil, plus iron ore, copper, zinc, diamonds, uranium (from Namibia).
- Strategic embedding in the fabric of infrastructure development – construction industry, building of roads, railway, dams, mines, hydro power stations, hospitals, schools.
- Bilateral trade between China and Africa in 2014 is more than \$210 bn. Forecasts suggest trade will be \$1.7 tn by 2030.
- China is also the largest investor in African infrastructure pledging \$1 tn over the next decade.

c) Higher education and research

Australia-Africa:

- Australia has a long and successful history in the provision of international education, including Australia Award scholarships. Apart from the development and social benefits, education is a major export earner (\$23Bn in 2017) when education is viewed as a trade in services. Exchange of experts in key areas is a significant potential for building international relations with Africa.
- Australia has an international reputation for high quality professional training (VET sector) and the efficiency of research return on investment (judged by its global rankings).
- Expertise in these areas can be contributed to Africa in ‘triangular’ collaborations with China and individual African nations as appropriate. There must be focus on niche areas of advantage in a few, selected (5-7?) countries, building longer term trust and knowledge partnerships.

China-Africa:

- Building of Joint Science and Agricultural Laboratories and Innovation Parks (China–Africa Science and Technology Partnership Plan (2016–2018); Sino-Africa Joint Research Centre (JKUAT, Sept. 2016); China–South Africa Science Cooperation Park (April 2017);
- Contribution to education development – training of doctors, teachers, granting of scholarships with 60,000 African students on scholarships in China, increasing to 100,000 by 2020 (Carney, 2017, ABC News)

d) Agriculture

Diversity of investment environments and collaborative opportunities are present throughout Africa:

- Africa has 40% of the world's arable land but produces only 9% of the world's agricultural output
- Much needed but limited investment – only 2.5% of China's total FDI in Africa was in the agricultural sector (Mag.2013 Mining & Agriculture)
- Australian farming sector has a long history, extensive experience and world class research (agri-science) to contribute in areas such as dry land agriculture, novel crops, intensification.
- Australian governments have made major contributions globally (e.g. ACIAR, DFAT Australia Aid, Australia Awards).

2) CURRENT CHALLENGES IN AFRICAN COUNTRIES WITH POTENTIAL FOR ADVANTAGE THROUGH EQUAL AUSTRALIA-AFRICA-CHINA KNOWLEDGE PARTNERSHIPS.

- The African population is growing fast and projected to be over 2bn by 2050. Africa has immense natural resources, but still needs investment in almost all sectors—infrastructure, technology, education, agriculture and food security, and improved governance and systems.
- Africa does not have a unified plan/policy on how to engage with China and other countries and usually engages bilaterally with foreign partners.
- There are historic and projected concerns about Chinese and other investment in Africa:
 - Lack of regard for the environment, with limited remedial plans or implementation.
 - Lack of transparency (implications for attracting inward FDI).
 - Poor standards in workmanship (roads, highways, construction).
 - Import of Chinese or foreign workers, with lack of training of locals or nurturing of local talent for sustainable development.
 - Dissatisfaction with work ethics (locals cannot meet expectations or engage).
 - Negotiation and understanding of local culture and norms.
- Suggestions:
 - Collective engagement through the African Union could secure better standards and deals, not only with capital inflows but ensuring transparency in negotiations in trade and other deals and contracts.
 - Australia has a long and successful relationship with China with a lot of experience in negotiation for mutual benefit. AAUN member Universities are very active in this arena. Using this experience, Australia could play an expanded role in helping Africa develop productive relationships with China, and to seek maximum advantage.

3. LEVERAGING AUSTRALIA-CHINA PARTNERSHIPS WITH SYNERGIES IN AFRICA

Australia and China, two economies with common interests and different capabilities and access in Africa, could leverage the benefits of their experience, and create new opportunities. The African

Union continues to work towards its declaration and commitment (2008) to 'prudent, transparent and efficient development and management of African resources.' Australian businesses and miners and Chinese investors in Africa, working in tandem within the infrastructure of African countries, can both help to achieve this. (Lumsden & Knight, 2012)

- China is Australia's largest trading partner, and has some common aspirations in Africa
- Opportunities include education, research capacity building and institutional development.
- Synergies between Australia-Africa-China could focus on SDGs. Education partnerships can help deliver on these goals. For example, test projects can be established in energy, with education to help develop low carbon technology.
- Experience in addressing issues arising from proximity of mining sites to traditional indigenous land and environmentally sensitive areas – ability to negotiate with multiple stakeholders.
- China has access to finance, and Australia has the social license to work together in strengthening trade, investment and development in Africa.

4. CONCLUSIONS AND NEXT STEPS.

1. **Australian Foreign Policy** should include Africa as a high potential, mid to long term partner, especially in extractives, education, environment, food, employment and skills. As a middle power and developed knowledge economy, Australia must look West (Africa) and East (Latin America) as well as its primary engagements with Asia and the Indo Pacific, Europe and America. The demographic and economic opportunities require a holistic global approach.
2. **Focus is required with 54 African countries**, so that Australia has clear priorities in 5-10 African countries and commits to comprehensive, sustained partnerships. Other selected countries should also be included in specific areas for mutual advantage through economic diplomacy.
3. **The Australia Africa Universities Network** is able to contribute strategically and practically with:
 - (i) Prepared **communities of scholars and researchers**, already focused on key global and local challenges. There is a proven track record of delivery with 35 seeded programs 2012-17. A feature is the return on investment with minor investments.
 - (ii) **A Platform for further development**, delivering high quality higher education and research with an emphasis on Australia's specific knowledge advantage.
 - (iii) Genuine **two-way equal partnerships** with expert teams, leaders and students.
 - (iv) **Experienced and familiar experts** who work with Africa (and China) in policy and practical arenas. An ability to encourage mobility and teamwork with stakeholders.
 - (v) Ability to monitor and analyse **Australia-Africa-China engagement** in areas of mutual interest, working with the Australian Government and its agencies (DFAT, AGAAR, ACIAR, AUSTRADE) and allied Networks in Africa (WUN, ARUA, RUFORUM).
 - (vi) Existing partnerships and friendships with African and Chinese Universities and research leaders, along with a shared governance, engaged development, and robust accountability.

AAUN and its knowledge partners are committed to forming teams that are fit for purpose and resilient in the special cultures and approaches of Australia, Africa and China. The overall policy frameworks are developing fast (SDG's, Climate Accords, Belt and Road, Australia and African foreign policies). These encourage opportunities to address global challenges, and to contribute to major

issues including the advancement of women, the alleviation of poverty, the sustainability of communities (including with extractives) and the promotion of sustainable environments.

Notes:

1. Australia's Foreign Policy White Paper was released on Tuesday 28 November 2018. The broad directions and relevant actions will be incorporated in the next working draft of this position paper.
2. Comments and suggestions on this paper are welcome (to gliu@wun.ac.uk)
3. Please go to www.aaun.edu.au for details of AAUN partnerships and progress (including the just published AAUN Annual Report 2016-17 and web pages for AAUN research programs)

Key References: (noted above, to be added).

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