



## Engagement with the Chinese Government on implementing the CAAPs

### A. Opening Remarks

#### ▪ Welcome Address from the Chair of the CAAP-TCT

The Chair of CAAPs-TCT, extended greetings from H.E. Amb. Josefa Sacko, the AU Commissioner for Agriculture, Rural Development, Blue Economy and Sustainable Environment (DARBE) and registered her appreciation for the importance the Chinese Government has attached to the partnership on Common African Agro-parks (CAAPs) Initiative. After a background note on the CAAPs, it was recalled that the engagement with the Chinese Government is part of implementing the recommendation of the STC in October 2019 to identify key partners who can mobilize technical and financial resources for the implementation for the CAAPs initiative.

This meeting therefore is a follow-up on the Commissioner's request to China's National Food and Strategic Reserves Administration (NAFRA) to explore a technical engagement to reflect on the optimal collaborative arrangement to leverage the expertise of NAFRA to support the three major phases of the CAAPs Initiative. The engagement will provide guidance to the cooperation between the AU and Chinese Government for implementing the CAAPs.

#### ▪ Welcome note from the Head of the Chinese Delegation

The Head of the Chinese delegation, Counselor Zhu thanks the TCT Chair for giving the background of CAAPs. He noted that the CAAPs is an activity that is very important to the Government of China, and it will largely benefit Africa and extend the scope of partnerships with China. He mentioned that the CAAPs was understood with the documents they received and the Ministry of Agriculture and Rural Affairs (MARA) attached a great importance to the CAAPs, thus the massive participation from officials from MARA, representatives from Chinese private and public companies from Beijing.

#### ▪ Intervention from the Director of Cooperation at MARA

The director said the CAAPs is indeed a great ambition that fits in the China Africa comprehensive strategic cooperative partnerships. She noted that China has carried out many cooperations featuring sincerity and great results. She recalled that in the first Africa-China Rural Agriculture MoU signed in 2019, has paved the way for a great political and institutional support to improve the agricultural productivity and therefore ensure food security in our countries. She added that the CAAPs ambition would also see the

involvement and the participation of other Chinese institutions and companies which are interested in investing in Africa by bringing advanced technologies, improving agricultural productivity, and creating jobs. She concluded that the Chinese Government as well as other private and public companies are very much ready and interested in the CAAPs and this workshop has provided the opportunity for them to have a better understanding of the CAAPs and know what kind of cooperation could be established.

After the introduction of the attendee from the CAAPs-TCT and the Government of the Chinese, the meeting proceed with the presentation of the CAAPs the Coordination Team.

## **B. Presentation of the CAAPs: partnerships initiated and expectations from partners.**

The presentation was centered on the following points: *i) Background of CAAPs; ii) Infrastructure and financial models; iii) CAAPs phase 1 studies; iv) Partnership arrangements; and v) the Coordination and roadmaps.*

### **Discussion**

After some notes on the appreciation of the CAAPs presentation and on the importance of the information shared, several interventions were made for clarification and advice on the ways forward. These can be summarized as follow:

- The Chinese Delegation through the Private Sector Representative, represented by SAMA Holdings Company has shared insightful experiences on Chinese interventions in Africa involving Chinese private sector.
  - Experience was shared on Syngenta Group, which is a leading science-based agrotech company helping to improve global food security by enabling millions of farmers to make better use of available resources, it was noted that Syngenta Group has run good businesses for more than 30 years in Africa.
  - There is another high technology agriculture company, which had already run some projects in Togo and Sierra Leone in research development in agriculture.
  - The Business Division of The Ministry of Agriculture and Rural Affairs (MARA) has also established a business platform called “More than Agriculture Platform in China” which aims at reducing costs and increase income for the farmers.
  - A feasibility study has been launched to see how that model can be replicated in Africa.
  - *The private sector is ready to partner with CAAPs and seek to have partnerships with African Governments and Companies. A follow up engagement will be made to see how the cooperation of companies could be established.*
- On the question raised by the Chinese Delegation on the kind of partnerships and policy environment that already exist or shall be established to *involve the Chinese private sector in the CAAPs*, the CAAPs-TCT provided that:
  - The CAAPs was just endorsed in 2019, and heavy works are still ongoing to do mobilize partnerships to implement pre-feasibility and feasibility studies, which findings will guide on the actual cooperation with all stakeholders including the private sector.

- The priority is to mobilize the technical and financial resource required to implement the CAAPs phase 1 which will be guiding those studies.
  - Several technical partners are being approached. The potential technical partners currently on board are UNIDO and IFPRI which are already working with the CAAPs-TCT to reflect on the methodology for carrying out the Phase 1 Studies.
  - *AU will welcome any financial support from the Chinese Government from the year 2022 to speed up the execution of the different studies that have been planned thus the implementation of the Phase 1. This is our priority at the moment.*
  - As part the studies initiated, an urgent Study on the *Financial and Private Sector Options of the CAAPs*, has been launched with support from the AfreximBank. This study for example will provided a lot of guidance on how the best approach for mobilizing private sector in the CAAPs.
  - Without those initial investigation to set the baseline on the CAAPs, it will be difficult to pronounce on how the private sector can be involved.
- The question raised by the African Cooperation Division of MARA, on the progress achieved so far on the CAAPs and the role that the private sector and financial institutions have played in the design of the CAAPs, found its answer in the above texts. It was emphasized that the CAAPs is still at the very beginning in terms of design and we are still at the stage of the actual engagement with partners institutions.
  - On the question on what the best practices are in establishing the agro-parks in Africa, the CAAPs-TCT provided that:
    - There are several existing national agro-parks initiatives which are working very well and are government-led that involve the local and foreign private sector stakeholders.
    - However, the CAAPs is not national but is a transboundary infrastructure that involves several countries. Therefore, it requires a governance system and a kind of cooperative legal agreement between the concerned States to establish such transboundary infrastructure.
    - A pilot case of transboundary legal agreement for an agro-park is being studied between Zambia and Zimbabwe, and we will take stock of their lessons learnt in terms of transboundary governance, reform, policy, and agreement for the CAAPs.
    - The Zambia process can contribute to inform the demonstration cases that are being envisaged to build short term cases of the CAAPs, while we are working towards the long-term case. As part of the decisions made by the just ended STC, Ministers have requested to identify criteria for the eligibility of the Member States that are ready to host the CAAPs demonstration projects.
  - The leader of the Chinese delegation, Counselor Zhu provides the following concluding notes:
    - The CAAPs is a very ambitious and a great potential for the AU-China cooperation.
    - The CAAPs is still in the planning and designing stage and therefore this engagement between the AU and the Government of China shall continue.

- We shall further look at cooperation opportunities whether at the planning or implementation phases, we shall maintain our communication.
- Mr. Zhang, from MARA in charge of Cooperation and himself will be *CAAPs Focal Points* and therefore will serve as a bridge for all engagements between the CAAPs-TCT and the Government of China.
- We shall endeavor to make full use of the existing resources and full use of existing advantages, by combining the current plans and the future plans to maximize the use of resources.
- The engagement with the Chinese Government will be deepened and produce results in the timeframe of CAAPs.
- The Chinese has two frameworks or mechanisms that could be used to support CAAPs: The “*Forum on China-Africa Cooperation (FOCAC)*” and the “*One Belt One Road Initiative*”. Need to understand the 2 document and make best use of them for formulating support to the CAAPs with focus specific on what is between China and Africa. Please read the “*Forum on China-Africa Cooperation Dakar Action Plan (2022-2024)*”.
- The CAAPs has already been shortlisted as priority project within the *One Belt One Road Initiative Cooperation* between the China and AU and falls within one of the priorities proposed by the Chinese Presidency at the opening remarks of the eighth Forum on China-Africa Cooperation (FOCAC) ministerial meeting held in Dakar on 6<sup>th</sup> December 2021.

### C. Ways forward

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1. The CAAPs Secretariat will produce the report of the meeting which will serve as a working document to deepen the engagement with the Chinese Mission to AU in order to move forward in the implementation of CAAPs.
2. A follow-up engagement will be made with Madam Violet Jiang to explore the possibilities of establishing a cooperation with private companies.
3. The CAAPs documents shared is broad therefore the Chinese Government requires that the CAAPs-TCT make a specific proposal on what this cooperation on CAAPs will be: a **China-Africa cooperation proposal**.
4. A note verbal should be attached to the report of the meeting for submission to the Chinese mission to AU for onwards formal submission to the Government in Beijing.

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*Rapporteured by the CAAPs-Secretariat*

*Draft, 22<sup>nd</sup> December 2021*

## **Attendance list:**

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### **Participants from the Ministry of Agricultural and Rural Affairs**

1. Li Hongtao Deputy General Director, FECC, MARA.
2. Liu Jiang, Director, Division of Asian and African Affairs, Department of International Cooperation, MARA, P. R. China
3. Shi Yongchuang, Officer, Division of Asian and African Affairs, Department of International Cooperation, MARA, P. R. China
4. Geng Jianzhong, PhD, Investment Division, Department of International Cooperation, MARA, P.R.China
5. Li Chi, Director, African Cooperation Division, FECC, MARA.
6. Xie Dongsheng, Deputy Director, African Cooperation Division, FECC, MARA.
7. Wang Geng, Director, International Organization Division, FECC, MARA
8. Yu Haomiao, Deputy Director, International Organization Division, FECC, MARA
9. Chu Xueling, Deputy Director, International Aid Division, FECC, MARA
10. Liu Wei Officer, Research Institution of FECC, MARA
11. Group of eight public and private entrepreneurs

### **Participants from the CAAPs TCT Members**

12. Dr. Janet Edeme, Head of Rural Development Division, (DARBE/AUC), Chair of the CAAPs-TCT,
13. Mr. Kennedy Ayason, DARBE/AUC, Member of the CAAPs-TCT,
14. Mr. Haile Abebe, AUC
15. Mrs. Samrawit Gebrehiwot, Office of the Commissioner, (DARBE/AUC)
16. Mr. Anselme Vodounhessi, Lead Specialist at FARA, CAAPs Programme Coordinator,
17. Mrs. Karen Munoko, Agribusiness Expert at FARA, Member of CAAPs-TCT,
18. Ms. Merline Mensah, CAAPs Programme, Assistant, Member of CAAPs-TCT,
19. Madam Elisabeth Nsimadala, President of The Pan-African Farmers' Organization (FAFO), Member of CAAPs-TCT,
20. Mr. Wisdom Adongo, African Agribusiness Apex Chamber/Private Enterprise Federation, Member of CAAPs-TCT,