

China's Participation in Triangular Co-operation: History, Characteristics and Challenges

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Abstract: China has been an active triangular cooperation player since the early 2000s and China's participation in tripartite cooperation has evolved in three stages: from a reserved participant to a leading player, and has been achieving remarkable results through partnerships with multilateral institutions, developed countries, and the private sector. Key characteristics of China's triangular cooperation include adherence to South-South cooperation principles, emphasis on its own development experiences sharing, mutual learning and complementarity, and prioritisation of the agricultural sector. Despite its many advantages, triangular cooperation led by China also faces many challenges, such as the complexity of coordination, geoeconomics and geopolitical tensions, low capacity of partner countries and effectiveness measuring, etc.

Keywords: Tripartite Cooperation; South-South Cooperation, Global Development Initiative

Introduction

China's participation in international triangular cooperation reflects its evolution from a development aid recipient to a major donor and development partner. The triangular cooperation model combines the resources, expertise, and capabilities of each participant to address complex development challenges, particularly in the Global South. Historically, China received substantial development assistance from international organisations and bilateral donors, which played a crucial role in its economic modernisation and poverty

reduction efforts. These experiences provided China with valuable insights into the mechanisms of international development cooperation and highlighted the importance of effective aid management and utilisation. As China's economy grew, so did its capacity to engage in development cooperation. By the early 2000s, China had transformed into the world's second-largest economy, which allowed it to shift from being primarily an aid recipient to becoming a significant donor and development partner. This transition marked a pivotal moment in China's international role, as it began to contribute to global

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development not only financially but also through sharing its development experiences and expertise.

Triangular cooperation is an international cooperation modality developed on the basis of formally proposed in the Nairobi Declaration issued by the High-level United Nations Conference on South-South Cooperation (HLC) in 2009, South-South cooperation refers to “South-South initiatives facilitated by traditional donor countries and multilateral organisations through the provision of financial resources, training, managerial and technological systems and other forms of support” . Thus, triangular cooperation generally involves traditional donors in the Development Assistance Committee (DAC) of the Organisation for Economic Development and Co-operation (OECD), emerging donors in developing countries, and recipient countries, and in some cases multilateral international organisations (Zahran, Roman-Morey, and Inomata n.d.). This model leverages the strengths of each player to create synergies that can effectively address development challenges. Traditional donors typically provide financial resources and technical assistance, emerging economies, such as China offer relevant development experiences and innovative solutions, and recipient countries contribute local knowledge and implementation capacity (Zhang, 2017), thus enhancing the effectiveness and sustainability of development projects by combining different forms of expertise and resources.

China has definitely enjoyed significant comparative advantages in participating into this kind of triangular cooperation due to its similar historical background with many other developing countries. However, China’s rapid economic growth and increasing global influence have also brought complexities to China’s role in the triangular cooperation, to be a donor or just to share China’s development experiences? Due to these complexities and other challenges faced by triangular cooperation, China has shown some reservations in participating in trilateral cooperation from the very beginning.

Evolution of China’s Participation in Triangular Cooperation

The development of China’s participation in triangular cooperation has gone through two stages: a start-up stage and an expansion stage. Each stage has its own unique background and characteristics, reflecting the process of China’s deepening and expansion in international development cooperation.

Start-up Stage (early 1980s to 2000s)

Between the 1980s and the early 2000s, China was in the early stages of reform and opening up, with rapid economic development but relatively limited experience in the field of international cooperation. At that time, China’s foreign aid was mainly bilateral, and

triangular cooperation was still in the exploratory stage (Gabas and Tang, 2014; Hooijmaaijers, 2018). Due to the global food crisis in the 1980s, many international organisations and developed countries began to focus on promoting agricultural development through multilateral cooperation. China also began to explore cooperation with international organisations in the areas of agricultural technology and capacity building. In 1981, China partnered with the United Nations Development Programme (UNDP) to implement the Technical Cooperation among Developing Countries (TCDC) project, marking China's first attempt at tripartite cooperation (Zhang, 2020). In addition, China cooperated with the Food and Agriculture Organisation of the United Nations (FAO) in a number of small-scale agricultural technical assistance projects.

These projects usually focused on technical training and capacity building. They mainly provide agricultural technology training and technology transfer, and improve the level of agricultural production in recipient countries through expert dispatch and technology exchange. The agricultural technology training project in Kenya, which has carried out by China in cooperation with FAO, is a typical case of this stage. By sending Chinese agricultural experts to teach Kenyan farmers advanced planting techniques and management experience, the local level of agricultural production has been raised. Due to the constraints of experiences and resources, the tripartite

co-operation projects at this stage were usually small in scale and limited in scope of influence.

Expansion Stage (early 2000s to 2010s)

Entering the 21st century, China's economic strength and international status have increased significantly, and it has begun to actively participate in trilateral cooperation (McEwan and Mawdsley, 2012; Zhang, 2017, n.d.). In 2006, China mentioned trilateral cooperation for the first time in the white paper "China's Foreign Aid", indicating that China has piloted triangular cooperation with other multi-bilateral donors on the premise of respecting the wishes of the recipient countries, and with the complementary advantages of other donors. At this stage, China not only provided technical and financial support as an emerging economy, but also began to play a more active role in multilateral cooperation. China signed a series of cooperation agreements and memorandums of understanding with international organisations and recipient countries, forming a more systematic framework for cooperation. The Progress Report on China's Implementation of the 2030 Agenda for Sustainable Development, released in 2017, highlights China's trilateral cooperation with the United Nations and other international organisations, as well as with some developed aid donors, to mobilise all types of resources for global sustainable development (Zhao and Jing, 2019). The White Paper, titled

“China’s International Development Cooperation in a New Era” released in 2021, further clarified its proactive stance in trilateral cooperation, stressing that it would continue to explore with all parties to carry out trilateral cooperation and enhance the level and capacity of international development cooperation.

The scale of trilateral cooperation has expanded from single technical assistance to include a wide range of areas, including infrastructure construction, food processing and market development. The areas of trilateral cooperation have also expanded to a wide range of areas such as agriculture, public health, environmental protection and technical training. Since 2012, trilateral aid cooperation has been explicitly included in the annual US-China Strategic and Economic Dialogue. China and the UNDP signed a memorandum of understanding in 2010 committing to promote trilateral cooperation. The Pacific region appears to be an important testing ground for China’s trilateral cooperation. During the Pacific Islands Forum in August 2012, China and New Zealand initiated their first trilateral aid cooperation project to improve the water supply in Rarotonga, the capital of the Cook Islands. All these cooperations have achieved some fruitful results (Bräutigam, 2011).

At this stage, the partners of China’s triangular cooperation have also become more diversified, including multilateral agencies, developed countries, the private sector. The OECD-DAC-China Working Group was launched in the early 2000s to build a mutual learning platform for promoting poverty reduction

through agricultural development and cooperation and conduct special training and experience-sharing activities through international development and cooperation. The projects, such as China-UK-Malawi Aquatic Development Project, the China-UK-Uganda Cassava Development Project, and the China-US-Timor-Leste Agricultural Project, have all achieved good results. China-FAO Trust Fund was established in 2009 with US\$30m from China, marking China’s entry into FAO’s donor community (FAO). The mechanisms to ensure the long-term sustainability and standardised management of cooperation projects were established through the establishment of a Trust Fund to support UNDP FAO and WFP. In recent years, China has also begun to experiment with tripartite cooperation with the NGOs such as with the Bill and Melinda Gates Foundation in Mozambique and Zambia on the basis of agricultural technology demonstration centres. This kind of cooperation brings in financial and technical support to make better use of the facilities of Chinese aid projects, which enhances the sustainability and innovativeness of the projects.

The New Era of Tripartite Cooperation (since 2012 to now)

China explicitly stated its position, principles and approaches on tripartite cooperation in the latest white paper on China’s International Development Cooperation in the New Era in 2021. China is open to tripartite cooperation

with pragmatic attitudes and seek such cooperation with various stakeholders through multilateral channels and also encourage the private sector, NGOs and social groups, and charitable organisations to play a greater role based on the principle of mutual respect and mutual learning to enhance mutual understanding and trust. While emphasising its own development experience, the contribution of capital and technology from developed countries and international organisations was also acknowledged to enhance the effectiveness of development cooperation (State Council, 2021).

A series of special funds were put into place to facilitate the triangular cooperation. For example, China- IFAD South-South and Triangular Cooperation (SSTC) Facility was established in 2018 with a US\$10 million initial contribution from China. On July 2, 2024, Chinese President Xi Jinping announced a renewed US\$ 10 million contribution to the China-IFAD SSTC Facility. The Facility has effectively leveraged knowledge, technologies, and resources from the Global South to accelerate rural poverty alleviation, enhance productivity, and drive rural transformation (IFAD, July 2, 2024). In 2022, an additional US\$50m from China to the China-FAO SSC trust fund to accelerate the implementation of the UN 2030 Agenda for Sustainable Development and promote the common development of developing countries, with a focus on key areas of cooperation on global development initiatives such as poverty reduction and food security (MARA, January 14, 2022)

Two pivotal frameworks for China's international development cooperation were established in 2013. The first one is the Belt and Road Initiative (BRI) aiming to enhance regional connectivity through large-scale infrastructure projects. It was reported that Tripartite cooperation with international financial and implementation partners can support BRI projects through better access to financial resources, risk sharing and knowledge sharing (Wang 2024, <https://greenfdc.org/china-belt-and-road-initiative-bri-investment-report-2023/>). The second is the Global Development Initiative (GDI), proposed by China in 2021, underscores China's commitment to supporting sustainable development worldwide. The GDI focuses on areas such as poverty reduction, food security, and green development, aligning with the United Nations' Sustainable Development Goals (SDGs). Through the GDI, China aims to provide comprehensive support to developing countries, enhancing their capacity to achieve sustainable growth. An additional US\$1 billion was added to the SSC Fund to support multilateral cooperation in 2022 in the areas of poverty reduction, pandemic responses, human capital development, food security, digital connectivity and green development, etc.

Characteristics of China's Tripartite cooperation

Following the Principles and Framework of South-South Cooperation

China's triangular cooperation strictly follows the core principles of South-

South cooperation, namely, mutual respect, equality and mutual benefit, demand-orientation and recipient-led. These principles have ensured the fairness and effectiveness of the cooperation projects and truly met the actual needs of the recipient countries (Hooijmaaijers, 2018). For example, in the case of the agricultural technology demonstration centre project in Africa, the specific content and implementation programme of the project are tailored to the actual needs and conditions of the recipient country. This demand-orientated approach to cooperation ensures the relevance and effectiveness of the projects and enhances the satisfaction and participation of the recipient countries. China emphasises respect for the sovereignty and independent choice of recipient countries in tripartite cooperation, without attaching any political conditions. This equal and mutually beneficial mode of cooperation not only strengthens the independent development capacity of recipient countries, but also establishes a closer cooperative relationship.

Sharing Development Experiences

China shares many similarities with many developing countries in terms of their development history and economic and social conditions, which gives China a unique comparative advantage when engaging in tripartite cooperation with international organisations, traditional donor countries and other international actors (U.S. Assistance Programmes in China 2012). China has accumulated

rich experience in poverty reduction, agricultural development, food security, social security and public health coverage, and green development, and those achievements and experiences were of great relevance to other developing countries. For example, China would eliminate extreme poverty by the end of 2020, and inequality had narrowed significantly since 2018. Such similar stages of development and challenges make China's experience easier for other developing countries to accept and apply. In the tripartite cooperation, China has helped other developing countries find a development path suitable for themselves by sharing its own development experience and lessons learned, which has enhanced the practical effects and sustainability of the cooperation projects.

Enhancing Mutual Learning and Complementarity Between Different Partners

One of the main objectives of China's tripartite cooperation is to form a synergy of cooperation and promote common development through the complementarity of the strengths of different stakeholders (Zhang 2020). In its cooperation with traditional donor countries and international organisations, China has made full use of the strengths of all parties to create synergies. For example, China has advantages in agricultural technology and infrastructure construction, while traditional donor countries have advantages in project management, financial support and

technological innovation (Bräutigam, 2011). By complementing each other's strengths, tripartite cooperation projects can better integrate resources and enhance the overall effectiveness of the projects. In the tripartite cooperation, China not only exports its own experience and technology, but also actively learns from the advanced practices and management experience of other partners. This process of mutual learning not only enhances the effectiveness of the cooperation projects, but also promotes China's capacity building and enhancement in international cooperation. China adopts the method of "learning by doing" in the tripartite cooperation, and continuously improves its own capacity and experience by sending officials and implementing projects in cooperation with developed countries. This learning process is not limited to technical and project management, but also includes the understanding and application of international cooperation standards and best practices.

Secondment to UNDP headquarters and regional offices is another source of practice-based learning in China. In September 2013, two senior aid officials from the Foreign Aid Department of the Ministry of Commerce travelled to UNDP headquarters in New York for a six-month exchange programme aimed at improving their understanding of UNDP's aid policies. Joint research between UNDP and the Ministry of Commerce has extended to the Pacific. In 2014, UNDP and the China International Trade Commission launched a joint research project led by

academic Graeme Smith. The research team assessed the needs of Pacific Island countries and identified a number of potential areas for trilateral aid cooperation between traditional donors and China.

Prioritising the Agricultural Sector

The agricultural sector is prioritised in China's trilateral cooperation because agricultural projects are less political and can directly benefit people's livelihoods by contributing to poverty reduction, improving food security and promoting social equity (Gabas and Tang, 2014; Zhang, n.d.). Agriculture is the backbone of many developing countries and one of the areas in which these countries most urgently need improvement. China has rich experience and technical advantages in agricultural technology demonstration, agricultural product processing and irrigation system construction. In its tripartite cooperation, China has, through its agricultural projects, helped recipient countries increase agricultural productivity, promote food security and improve the living conditions of farmers. For example, in its cooperation with Malawi, Chinese agricultural technology experts have helped promote high-yield crop varieties and modern agricultural technology, significantly increasing food production and farmers' income. Through the implementation of agricultural projects, China has helped recipient countries solve key problems in agricultural production, improve agricultural output and quality, and promote poverty reduction and social equity.

Convergence of Coordination and Standards

Compared with bilateral cooperation, tripartite cooperation has a clear comparative advantage in coordinating different efforts and aligning with higher global ESG standards (Morton, 2012). Tripartite cooperation involves the participation of many parties and requires complex coordination efforts. By establishing an effective coordination mechanism, China has ensured that the efforts of all parties work together to enhance the overall effectiveness and efficiency of the project. For example, in its water supply projects with New Zealand and the Cook Islands, China has ensured the smooth implementation of the projects and improved the local water supply systems through close coordination with the New Zealand Government and the Cook Islands Government. Through cooperation with international organisations and traditional donor countries, China has gradually aligned itself with higher global environmental, social and corporate governance standards in its tripartite cooperation, enhancing the transparency and credibility of its projects and promoting the standardisation of China's international cooperation. In addition, professionals engaged in tripartite cooperation usually have higher qualifications and credentials, and are able to cope with complex international cooperation environments and ensure high-quality completion of projects.

Challenges Facing Tripartite Cooperation

The tripartite development cooperation faces many challenges. First, compared with bilateral cooperation, the integration of different concepts, policies and modalities is more difficult in triangular cooperation. Although the relevance of China's development experiences to other developing countries is recognised by traditional donors and multilateral organisations, China's distinct approach to international development cooperation is often criticised by traditional donors who consider China to be a game changer rather than a norm follower. It takes more time and effort to communicate and coordinate, thus greatly increasing transaction costs.

Second, geopolitical tensions and geo-economic conflict may thwart the fruitful achievements of triangular cooperation. Geopolitical dynamics play a significant role in shaping the landscape of international development cooperation. China's increasing global influence through initiatives like the BRI and GDI was often interpreted as a challenge to the existing international development architecture established since WWII by the traditional donors, serving as a good excuse for the Western countries to halt triangular cooperation with China. As mentioned above, since 2012, China and the United States have collaborated in the agriculture sector of Timor-Leste, jointly training young Afghan diplomats and fighting against the Ebola outbreak in West Africa, thus setting a good example of how the two

powers co-facilitate a third country to strengthen capacity-building. According to the project list of agreement signed in Beijing in December 2014, the US and China had agreed to cooperate in Asia in various areas including disaster relief, food security, health, preventive diplomacy, ocean protection and preventive nuclear irradiation. However, all these were disrupted by the tensions between them since 2018. Such geopolitical rivalries can complicate cooperation, as countries may be wary of aligning too closely with China for fear of alienating Western partners.

Another significant challenge is the limited local capacity to operate and maintain the advanced technologies provided through China's development projects. Many recipient countries lack the necessary technical expertise and institutional frameworks to manage these projects effectively, leading to a reliance on external support. This dependency can undermine the long-term sustainability of development initiatives. Although triangular cooperation nominally adheres to the principle of recipient ownership, in practice, cooperation is often defined by traditional donors and emerging economies, and the actual needs of recipients have not been given sufficient attention, not to mention recipient-led cooperation.

Last but not the least, the impact of each partners' contribution is hard to be measure and evaluate due to the blended resources and expertise, which leads to the doubtful actual effectiveness of the triangular projects (Corkin, 2011; Lengfelder, 2016; McEwan and

Mawdsley, 2012; Zahran, Roman-Morey, and Inomata, n.d.; Zhang, 2017; Zhao and Jing, 2019). Many triangular cooperation projects lack independent third-party participation in the evaluation process, which may be subject to bias and information asymmetry. Traditional donors and emerging economies may be inclined to showcase the success of the project to prove their contribution and impact, while ignoring the problems and challenges in the project. In addition, without an effective evaluation and feedback mechanism, problems and deficiencies in the project cannot be identified and corrected in a timely manner, affecting the improvement and optimisation of the project.

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