Introduction

This In Brief is the last in a four-part series that explores China's development cooperation with Pacific island countries (PICs) on the 2030 Sustainable Development Goals (SDGs). The previous three parts focused on China–PICs broad engagement on SDGs, the Belt and Road initiative and Chinese scholarships in the region. Agriculture is PICs' pillar industry and a significant part of Chinese aid; this paper examines the opportunities and challenges for China–PICs cooperation in the agricultural sector.

China's Aid in Agriculture

China has provided aid to PICs' agricultural sector in the forms of dispatching agricultural experts, donating equipment, and short-term technical training and scholarships for tertiary education in China. It has established agricultural demonstration farms in: the Cook Islands 2004–2007, in partnership with the UN's Food and Agriculture Organization (FAO); Niue 2004–2007, in partnership with the FAO; Vanuatu 2004–2006; the Federated States of Micronesia since 2001; PNG since 2009; Samoa since 2010; and Fiji since 2015. China commissioned the Juncao Technology Cooperation Centre in Suva in 2014 to teach Fijian farmers to grow mushrooms out of juncao (chopped grass) instead of relying on logs or sawdust (Liu 2016). The project is led by Professor Lin Zhanxi, inventor of juncao, from China's Fujian Agriculture and Forestry University.

Challenges

PICs' efforts to develop agriculture and improve food security are challenged by inadequate governmental investment, technological constraints, lack of competitiveness in international markets (FAO 2014), and the impact of climate change, to name a few of the difficulties.

From China's side, its agricultural aid in PICs is not without problems. It is small in scale and its impact is limited. The demonstration farms in PICs, for example, are normally equipped with only one to two Chinese agricultural experts. They have mainly focused on demonstrating growth of agricultural plants, while the marketing of agricultural products is barely touched. There remains a big gap between Chinese experts' expectations of the agricultural situation in recipient countries and the reality, which has impeded them from making feasible aid plans. Also, the usual two-year posting in the Pacific is too short for Chinese experts to develop in-country expertise and deliver the expected outcomes. Another challenge is socio-economic inequality — addressing questions of access and uptake of new agricultural technologies.

Opportunities

China's rich experience in agricultural development — including technologies and parallel experiences — could be helpful to PICs, as could China's growing aid to the region. China's small demonstration farms in PICs are funded by Chinese grant aid and involve less commercial interest — in contrast to many large-scale agricultural demonstration centres in Africa run by Chinese enterprises in a commercial manner, and which are criticised for overly focusing on commercial interests and for the growing tension between Chinese management and local staff.

The Chinese government, including the Ministry of Agriculture (MoA), is using the SDGs as guiding principles in delivering agricultural aid projects overseas and in conducting partnerships with UN organisations in developing countries. Box 1 summarises China's recent aid pledges in agriculture that could be used to support SDGs in PICs.

Recommendations

In principle, PICs can benefit from Chinese agricultural aid to implement the SDGs. In practice, more needs to be done to realise opportunities. To address agricultural funding shortages
at home, PICs could apply for aid pledges listed in Box 1. China also committed US$50 million to support China–FAO agricultural cooperation in developing countries (on the basis of US$30 million donation in 2008) for which PICs are entitled to apply (FAO 2017). To strengthen agricultural capacity-building, PICs could make use of the large number of short-term technical training and tertiary education scholarships offered by China and take advantage of China’s agricultural expertise, including in tropical agriculture and small-scale household farming.

PICs need to continue to explore ways to increase agricultural exports to the massive Chinese market. For instance, in 2016, Vanuatu’s and Cook Islands’ exports to China were worth US$5.01 million⁶ (MFA 2017a) and US$1.2 million (MFA 2017b) respectively, mostly for agricultural produce. PICs could participate in the China Import Expo, which Beijing pledges to hold from 2018. Although PICs export raw products to China, such as squash from Tonga, they could improve their skills in processing agricultural products to add value to these exports.

PICs also need to strengthen links with the ‘right’ Chinese institutions. China’s domestic management of agricultural aid can be confusing to outsiders (Zhang and Smith 2017). China’s Ministry of Commerce (MOFCOM) receives most of the annual aid budget and is, in principle, the first point of contact for recipient countries seeking Chinese aid, including in agriculture. MOFCOM has discretion in seeking advice from the MoA on technical issues and may contract out some agricultural aid projects to the MoA. On the other hand, the MoA has the mandate to undertake agricultural technical cooperation projects (funded by MoA) and conduct cooperation with the FAO and the World Food Program without having prior approval from MOFCOM. The Foreign Economic Cooperation Centre and the Centre of International Cooperation Service manage a number of agricultural aid projects and provide Chinese agricultural experts on behalf of MoA. PICs should strengthen cooperation with these institutions, and with Guangdong and Fujian, which are China’s most proactive provinces in promoting cooperation with PICs.

Notes on Authors

Denghua Zhang completed his PhD thesis at the Department of Pacific Affairs (DPA), ANU in 2017. Steve Hogg is a senior fellow at DPA. He has worked for more than 20 years in the Pacific.

Endnotes

1 D. Zhang interview with Chinese MoA official, Canberra, July 2016.
2 Thank you to one of the reviewers for raising this point. It will be discussed in detail in a separate paper.
3 This point is also supported by D. Zhang’s interview with FAO official, Beijing, August 2015.
4 Ibid. 5 Ibid.
6 This amount includes exports of frozen fish.

References

Denghua Zhang is a native Chinese speaker; several hyperlinked references are to Chinese webpages with no English versions.

FAO 2017. China Signs $50 Million South-South Cooperation Agreement with FAO.
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