China in Africa: Forest and Biodiversity Challenges and Opportunities

Jingwei Zhang
jwzhang@geichina.org
China's Direct Investment Flow in Africa
(Billion USD)

[Graph showing China's direct investment flow in Africa from 2009 to 2017, with a significant increase seen after 2012.]
Scoping Study in African Countries
Chinese investment and trade and forest implications

- Trade: timber, agriculture products, mineral products
- Investments: forest, agriculture, mining, infrastructure
Forest Conditions

**Deforestation Rate (2015)**
- Congo: 0.069%
- Liberia: 0.708%
- Cameroon: 1.160%
- Ghana: 0.305%

**Forest Cover (2017)**
- Congo: 65%
- Liberia: 59%
- Cameroon: 46.30%
- Ghana: 22%
Economic Conditions

GDP

Sector Contribution to GDP

Cameroon
Congo
Ghana
Liberia

Forestry
Mining
Agriculture
Percentage of Timber Exported to China

- Cameroon: 44% (17% to 19%)
- Congo: 83% (14% to 0%)
- Ghana: 62% (13% to 4%)
- Liberia: 73% (25%)

c: Cameroon, Congo, Ghana, Liberia
Percentage of Minerals Exported to China

- Cameroon: 15.43%
- Congo: 77.72%
- Ghana: 51.32%
- Liberia: 0.03%
## Economic Cooperation with China

<table>
<thead>
<tr>
<th>Country</th>
<th>Bilateral Investment/Trade Treaty with China</th>
<th>Has the country joined Belt and Road Initiative?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameroon</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Congo</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Ghana</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Liberia</td>
<td>No</td>
<td>Yes</td>
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</tbody>
</table>
Difficult to track small private loggers and traders (to China and Vietnam)

mining concession overlap with forest concession (to Vietnam, Lao PDR and China)

Ministry of Environment is the main government body monitoring ESMPs, not much involvement of MINFOF yet

cocoa, palm oil, coffee, pineapple (to EU)
Trends and Observations in Congo

Forestry
- Lack of communications and engagement with communities, business associations, relevant government regulators
- MINFOF and Ministry of Agriculture joint management of forests on agriculture concession land
- Malaysia and Indonesia are main palm oil investors

Mineral
- Mining concession overlap with forest concession
- Ministry of Land and Ministry of Energy joint management
  - Mining projects’ EIA

Agriculture
Ministry of Forest Economy
Ministry of Land Use, and Ministry of Energy joint management for forests on infrastructure land

Infrastructure
Trends and Observations in Ghana

**Forestry**
- Reforestation Plan by FC allowing foreign investors to invest in forest restoration
- Ghana and China Forestry Economic and Trade Cooperate Park

**Mining**
- Atewa Forest vs. Bauxite Mining in exchange for China-backed infrastructure development
- Mining concession monitoring
- Mining worker conditions
- Restoration of land

**Agriculture**
- link community livelihood with market/service provider
- Non-Timber Forest Products

**Infrastructure**
Ghana and China Forestry Economic and Trade Cooperate Park - Processing, plantation, energy, trade.
Trends and Observations in Liberia

**Forestry**
- Deforestation mainly caused by charcoal, logging, construction, and hunting
- Rubber wood processing company

**Mining**
- Iron ore mining and gold mining

**Agriculture**
- 5 year pro-poor agenda
- Sustainable oil palm development at early stage

**Infrastructure**
- Road construction by CHEC
General Needs for Improvements

- Improvement in communication between Chinese companies and local stakeholders
- Increased awareness on Chinese actors on forest issues and causes in Africa
- Early joint action on sustainable development
- China-Africa cooperation on sustainable forest investments
Opportunities

- Cross share experiences between Western and Central African countries
  • Eg. China-Cameroon timber trade association

- Multilateral cooperation mechanisms
  • Eg. COMIFAC, ECOWAS, FOCAC

- Share experiences from Southeast Asia
  • Eg. China-Myanmar Forest Cooperation MOU
  • Eg. Community Conservation Concession Agreement
  • Eg. Company – CSO training
Opportunities

- Involvement of other ministries investment promotion agencies

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<th>Country</th>
<th>National investment promotion agency</th>
<th>Main sectors with incentives</th>
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<tr>
<td>Cameroon</td>
<td>Cameroon investment promotion agency</td>
<td>agriculture, industry, energy, tourism and social housing sectors</td>
</tr>
<tr>
<td>Congo</td>
<td>Agency pour la promotion des investissements</td>
<td></td>
</tr>
<tr>
<td>Ghana</td>
<td>Agence Nationale de Promotion des investissements du Gabon</td>
<td>Energy, Infrastructure, Agriculture/Agri-business, Manufacturing, Oil and Gas Services, Tourism, Services</td>
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<tr>
<td>Liberia</td>
<td>National Investment Commission</td>
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