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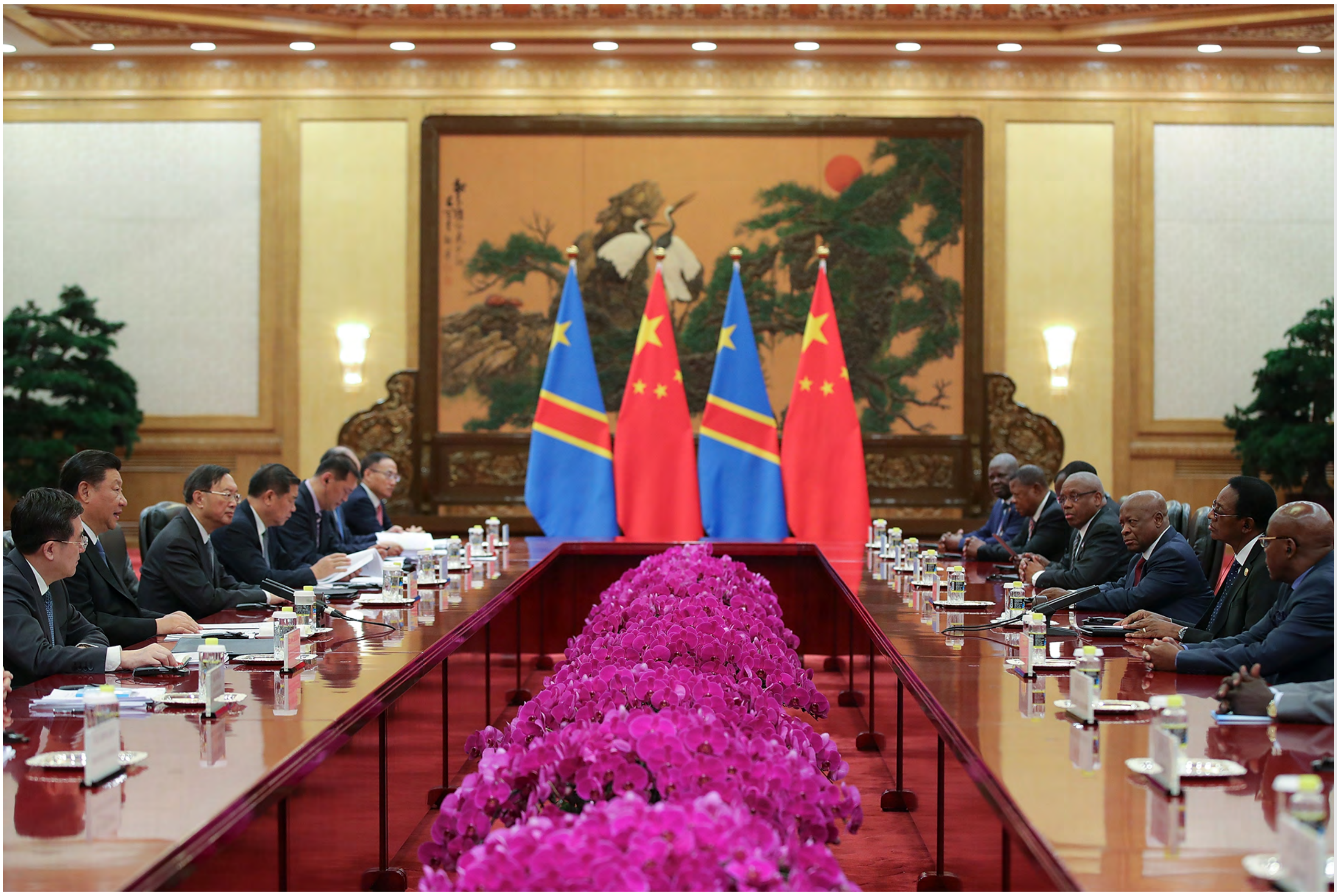

‘China-powered’ African Agency and its Limits: The Case of the DRC 2007–2019

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Executive summary

Does China provide African countries with 'China-powered' agency to challenge other external actors for their own political benefit? This was the case in the Democratic Republic of Congo (DRC) from 2007 to 2009. A Chinese package deal – the Sicomines agreement – allowed the Congolese regime to exercise 'China-powered' agency, playing China and the International Monetary Fund (IMF) off against each other. During this period the DRC was able to secure a sizeable Chinese infrastructure loan and benefit from debt relief under the Heavily Indebted Poor Countries (HIPC) debt relief initiative.

However, the limits of the 'China-powered' leveraging strategy have since become apparent. During the 2010–2019 period China did not enable the Congolese regime to exercise such agency. The 'switching' allowed by the Sicomines agreement hinged on the fact that it was a large-scale financing arrangement negotiated at the top levels of government. After Sicomines, China's approach to the DRC shifted. China retains strong strategic interests in the DRC and is still supportive of the Congolese regime, but in the years following Sicomines its strategy in the country has been one of cautious diplomacy, rather than one of bold statements and large development finance offers. This shows that while political actors in aid-dependent countries can indeed be endowed with 'China-powered' agency that they can use in relation to China and other external actors, it is a circumscribed kind of agency that hinges on China's own strategic interests.

China retains strong strategic interests in the DRC and is still supportive of the Congolese regime, but in the years following Sicomines its strategy in the country has been one of cautious diplomacy

Introduction

How are the power relations between China and African countries configured? This question has been asked since Sino-African relations started to grow decisively at the turn of the 21st century. Early literature on China–Africa relations focused on understanding the different facets of the growing Chinese presence on the continent, and sought to answer the underlying question of whether China was a neo-colonial power in Africa.[1] Subsequently, a growing body of literature has debunked the different myths surrounding Chinese activities in Africa. In empirical detail, contributions explored the range of Chinese

1 See Garth Le Pere, *China in Africa: Mercantilist Predator, Or Partner in Development?* (Tshwane: Institute for Global Dialogue, 2007).

engagements with African stakeholders.[2] As a part of this, evidence emerged of 'African agency' in relation to China. Contributions showed that various African actors, from governments to small-scale entrepreneurs, in fact actively shape their interactions with Chinese stakeholders, seeking to ensure that these relations unfold to their own benefit. Therefore, it is argued, African actors are not passive recipients of Chinese initiatives. Rather, there is significant room for African stakeholders to shape the relation in their favour.[3] However, other scholars have cautioned that African agency should not be overstated. While certain political elites are able to leverage their relationship with China to secure a level of regime security, this agency largely hinges on the strategic interests of China itself.[4]

This debate is by no means new in the literature on Africa's international relations. Ever since African independence, scholars have debated whether African actors have agency vis-à-vis external actors, and if so, how they use this agency. Dependency theory stressed the limits of developing country agency, suggesting that in a global capitalist economy, power resides at the core, leaving peripheral countries limited room for manoeuvre.[5] Later contributions argued that African leaders actively leverage their countries' external relations to appropriate resources or achieve regime security.[6] In the DRC, the latter pattern was particularly salient during the Cold War.[7]

This policy insights contributes to this literature by providing a specific case study of the DRC's relations with China and other external actors from 2007 to 2019. Existing literature on the relations between the DRC and China focuses primarily on different aspects of the Sicomines agreement.[8] However, no case study has yet been conducted on the specific

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2 See Deborah Brautigam, *The Dragon's Gift: The Real Story of China in Africa* (Oxford: Oxford University Press, 2009).

3 See Lucy Corkin, *Uncovering African Agency: Angola's Management of China's Credit Lines* (Farnham: Ashgate, 2013); Aleksandra Gadzala, *Africa and China: How Africans and Their Governments Are Shaping Relations with China* (Lanham: Rowman & Littlefield, 2015); Aleksandra Gadzala, "Ethiopia: Toward a Foreign-Funded 'Revolutionary Democracy'", in *Africa and China: How Africans and Their Governments Are Shaping Relations with China*, ed. Aleksandra Gadzala (Lanham: Rowman & Littlefield, 2015); Giles Mohan and Ben Lampert, "Negotiating China: Reinserting African Agency into China-Africa Relations", *African Affairs* 112, no. 446 (2013): 92–110; Cobus van Staden, Chris Alden and Yu-Shan Wu, "In the Driver's Seat? African Agency and Chinese Power at FOCAC, the AU and the BRI" (Occasional Paper 286, South African Institute of International Affairs, Johannesburg, 2018); Ulrikke Wethal, "Passive Hosts or Demanding Stakeholders? Understanding Mozambique's Negotiating Power in the Face of China", *Forum for Development Studies* 44, no. 3 (2017): 493–516.

4 Padraig Carmody and Peter Kragelund, "Who Is in Charge? State Power and Agency in Sino-African Relations", *Cornell International Law Journal* 49, no. 1 (2016): 1–24; Jon Phillips, "Who's in Charge of Sino-African Resource Politics? Situating African State Agency in Ghana", *African Affairs* 118, no. 470 (2019): 101–24.

5 See Samir Amin, "Underdevelopment and Dependence in Black Africa: Origins and Contemporary Forms", *Journal of Modern African Studies* 10, no. 4 (1972): 503–24; Andre Gunder Frank, "The Development of Underdevelopment", *Monthly Review* 18, no. 4 (1966); Walter Rodney, *How Europe Underdeveloped Africa* (Washington DC: Howard University Press, 1972).

6 Christopher Clapham, *Africa and the International System: The Politics of State Survival* (Cambridge: Cambridge University Press, 1996); Tobias Hagmann, *Stabilization, Extraversion and Political Settlements in Somalia* (London: Rift Valley Institute, 2016); G Prunier, *From Genocide to Continental War: The "Congolese" Conflict and the Crisis of Contemporary Africa* (London: Hurst & Co, 2009).

7 Michael Schatzberg, *Mobutu or Chaos?: The United States and Zaire, 1960–1990* (Lanham: University Press of America/Foreign Policy Research Institute, 1991).

8 David G Landry, "The Risks and Rewards of Resource-for-Infrastructure Deals: Lessons from the Congo's Sicomines Agreement" (Working Paper 21, John Hopkins School of Advanced International Studies, China-Africa Research Initiative, Washington DC, 2018); Andoni Maiza-Larrarte and Gloria Claudio-Quiroga, "The Impact of Sicomines on Development in the Democratic Republic of Congo", *International Affairs* 95, no. 2, (2019): 423–46; Johanna Malm, "When Chinese Development Finance Met the IMF's Public Debt Norm in DR Congo" (PhD diss., Roskilde University, 2016); Stefaan Marysse and Sara Geenen, "Win-Win or Unequal Exchange? The Case of the Sino-Congolese Cooperation Agreements", *The Journal of Modern African Studies* 47, no. 3 (2009): 371.

issue of Congolese agency in relation to China and other external actors. This piece fills this gap. It examines China's relationship with the DRC from 2007–2019 and how this affected the DRC's agency in relation to other external actors during this period.

The time period under study is divided into two: 2007–2009 and 2010–2019. The policy insight uses the definition of 'agency' proposed by Van Staden *et al*., namely an actor's 'ability to make independent decisions and strengthen its bargaining power'.[9]

Period I (2007–2009): Successful Congolese 'China-powered' agency during the Sicomines controversy

Political ties between China and the DRC date back over half a century. China recognised the country, then known as Zaïre, when it gained independence in 1960, and provided both development aid and military training to the country until the Second Congo War broke out in 1998. Joseph Kabila, the country's president from 2001 to 2019, received such military training in China in his youth. In 2007 bilateral ties were strengthened significantly with the signing of the Sicomines agreement.

The agreement was unprecedented in the DRC, because it directly linked the country's mining sector to the financing of infrastructure. Previously, the country benefitted from the mining sector through mining royalties and tax payments only, and infrastructure reconstruction was financed via the state budget. In practice, however, because of the war, not much such reconstruction had taken place.[10] The Sicomines agreement changed this. It was structured such that China would fund large-scale infrastructure reconstruction in the DRC through the extension of a loan for which reimbursement was to be secured by the profits from a mining venture. Specifically, the loan was to be extended by the China Export Import (Exim) Bank to a consortium of Chinese and Congolese companies, named *la Sino-Congolaise des Mines* (Sicomines). Sicomines would be a debtor and as such responsible for repaying the loan, using the profits from the mine. The credit line from China Exim Bank to Sicomines made provision for infrastructure refurbishment, estimated at about $6.5 billion, and for the financing of a mining venture in the DRC's Lualaba province, estimated at about $3 billion.[11]

The agreement in its original form stirred up controversy for a number of reasons. The amounts involved were significant in relation to the DRC's gross domestic product (GDP)

9 Van Staden, Alden and Wu, "In the Driver's Seat?".

10 Johanna Jansson, "The Sicomines Agreement: Change and Continuity in the Democratic Republic of Congo's International Relations" (Occasional Paper 97, China in Africa Project, SAIIA, Johannesburg, 2011).

11 Malm, "When Chinese Development Finance".

in 2006, valued at $14.5 billion.[12] The IMF and a number of Western donors claimed this debt would be unsustainable, given the DRC's debt burden of $13.1 billion at the time.[13] In addition, the Sicomines agreement included a state guarantee, which meant that in the event Sicomines failed to pay back the loan using profits from the mining venture, the Congolese state would step in to repay the loan. This was considered controversial because it deprived the IMF and the World Bank of their preferred creditor status and, it was argued, gave the Sicomines mining venture a competitive advantage.[14]

The Sicomines agreement was also seen as undermining the ongoing HIPC debt relief process. After the 2006 elections, one of the international community's top priorities was to ensure debt relief for the DRC so that the war-torn country could get a fresh macroeconomic start. This was viewed as pivotal in achieving long-term stability in the country. However, the fact that the DRC had now signed up for a Chinese credit line that would potentially saddle the country with several billion dollars' worth of debt blocked the debt relief process altogether. The reason for this was that it would be politically impossible for the DRC's creditors to forgive the country's debt if it contracted sizeable amounts of debt from China.[15] Among the DRC's bilateral donors, the former colonial power, Belgium, was the most active in protesting the agreement. Representatives of the Belgian government even travelled to China to discuss it.[16]

A major political controversy ensued throughout 2008. The Congolese Parliament claimed that it had not been informed about the existence of the agreement prior to its signature, while ordinary Congolese, along with local and foreign civil society organisations, widely debated the agreement. China took an active stance during the controversy, mainly through its ambassador to the DRC, Wu Zexian, who participated in interviews to defend the agreement.[17]

This controversy gave Kabila an opportunity to exercise 'China-powered' agency vis-à-vis both China and the country's other external donors. At this point, he had been the DRC's elected president for two years and needed to show deliverables to the electorate. Post-conflict infrastructure refurbishment and the HIPC debt relief initiative were two tangible deliverables, and it appeared that the Sicomines agreement could allow the DRC to achieve both. On the one hand, Kabila knew that China – with its booming economy, 'going-out' policy and long-term plan to secure access to natural resources – was prepared to make compromises to secure the Sicomines agreement. On the other hand, Kabila probably also came to realise that the IMF and traditional donors with major stakes in that

12 World Bank, "Congo, Dem. Rep.", 2020, https://data.worldbank.org/country/congo-dem-rep.

13 International Monetary Fund, "IMF Executive Board Approves US$551 Million PRGF Arrangement for the Democratic Republic of the Congo and US$73 Million in Interim HIPC Assistance" (Press Release 09/455, IMF, Washington DC, December 11, 2009).

14 Jansson, "The Sicomines Agreement".

15 Malm, "When Chinese Development Finance".

16 Thierry Vircoulon, "Autopsie d'une Controverse Internationale: Le Partenariat Sino-Congolais Sous le Feu des Critiques", *Les Temps Modernes* 657, no. 1 (2010): 73–81.

17 Interview with Freddy Mulumba and Claude Mukeba, "L'ambassadeur Wu Zexian: La Chine n'a Pas de Visées Impérialistes", *Le Potentiel*, 2008, http://cd.china-embassy.org/fra/xw/more/t399806.htm; Ambassador Wu Zexian (Chinese ambassador to the DRC), interview by Johanna Malm, 23 February 2009.

organisation, such as the US and France, had political stakes in the HIPC debt relief process and would go far to make sure that the HIPC completion point was reached.[18] This was therefore a window of foreign policy opportunity for Kabila.

Leveraging the country's strategic importance to exercise agency in foreign policy issues is not a strategy unique to Kabila. Rather, it has been a common strategy for Congolese regimes ever since independence. Former president Mobutu Sese Seko, in power from 1965–1997, excelled at leveraging US interests during the Cold War, having positioned himself as a guarantor against communism in Central Africa.[19] The strategy helped ensure regime security for Mobutu, as the US gave the country political and financial support. Yet after the Cold War this support quickly waned, and Mobutu was ousted in 1997.[20] Now, a decade later, the stage was again set for a Congolese leader to draw on the country's strategic importance for the benefit of a political regime, this time that of Kabila.

Kabila proved successful at exercising 'China-powered' foreign policy agency. After several rounds of political discussion and negotiation, including an in-person meeting with the IMF's managing director, it was agreed that the DRC could keep the 'China deal' while also getting HIPC debt relief. However, the IMF stipulated that the agreement had to be downsized and the Congolese state guarantee on the mining component removed. While China argued that these conditions increased its exposure, the demands were eventually met. The infrastructure financing facility was capped at $3 billion and the state guarantee on the credit line for the mining venture removed. The Congolese state guarantee on the infrastructure loan was maintained, however, putting that part of the agreement on par with the DRC's other agreements with development finance institutions such as the World Bank and the African Development Bank.[21]

Arguably, all actors involved stood to gain from the settlement that was eventually reached. The Kabila regime got political kudos by securing both the 'China deal' and HIPC debt relief. The IMF got the DRC to HIPC completion point and was able to grant the country debt relief, something that is considered a significant milestone in the organisation. China got access to mining concessions and secured repayment of the mining loan by means of the profits of the mining venture. In addition, it got a Congolese state guarantee on the infrastructure loan.

Nonetheless, this policy insight argues that the Sicomines controversy represents an instance where the Congolese regime was able to exercise significant 'China-powered' agency vis-à-vis both China and the IMF. Chances are that without the 'China deal' the HIPC debt relief process would have been much slower in the DRC. One observer even argued that Kabila probably did not even think that debt relief was a possibility for the DRC before

18 Jansson, "The Sicomines Agreement"; Malm, "When Chinese Development Finance".

19 Schatzberg, *Mobutu or Chaos?*.

20 Thomas Turner, "Kabila Returns, In a Cloud of Uncertainty", *African Studies Quarterly* 1, no. 3 (1997): 23–37.

21 Jansson, "The Sicomines Agreement".

the Sicomines controversy.[22] The sudden appearance of a big Chinese deal made it all the more urgent politically for the IMF and the big Western donors to solve the problem of the DRC's debt before they lost political leverage to China. In relation to China, Kabila leveraged the fact that, as discussed below, the Chinese underestimated the risks involved in lending to and investing in the DRC. Kabila thus managed to secure significant amounts of infrastructure financing for his flagship project, known as *les Cinq Chantiers* (the five construction sites); a project that no other external actor would have funded at the time.

Period II (2010–2019): No Congolese 'China-powered' agency after HIPC debt relief

Since the Sicomines controversy, the Congolese regime has not been able to exercise 'China-powered' agency vis-à-vis China or other external actors. The reason for this is that China's approach to the DRC has shifted and no longer enables the Congolese regime to leverage the Chinese presence for its own political benefit. This policy insight argues that the change in China's approach is owing both to the Sicomines experience and to China's ambition to be a responsible international actor.

Chinese actors more cautious because of operational risk in the DRC

The first reason why the Chinese approach in the DRC shifted after the Sicomines experience is that Chinese actors have become aware of the operational risks of doing business in the DRC. After the Sicomines agreement was renegotiated and HIPC debt relief was granted, most observers assumed that the 'China contract' was now going to be implemented according to plan. However, reality turned out to be more complicated. In the years following the settlement of the Sicomines controversy, the Chinese stakeholders involved in the agreement encountered various challenges in its implementation. This culminated in China Exim Bank pulling out of the deal in 2012, having judged that the operational risks in the DRC were too high. As a result, the two Chinese state-owned companies involved – China Railway Engineering Corporation and Sinohydro – were left on their own in the DRC with about $1 billion worth of loans extended towards infrastructure projects and mining. Even though China Exim Bank eventually came back to the table that same year, after discussions had started with the Bank of China and China Development Bank to replace it as a financier, the bank's temporary withdrawal highlights the insecurity faced by Chinese companies in the DRC.[23]

A further aggravating factor is the fact that the prices of copper and cobalt have fluctuated significantly since 2008. There is thus a risk that the profits from the Sicomines joint venture

22 Western diplomat (Kinshasa), interview by Johanna Malm, 11 February 2011.

23 Johanna Jansson, "The Sicomines Agreement Revisited: Prudent Chinese Banks and Risk-Taking Chinese Companies", *Review of African Political Economy* 40, no. 135 (2013): 37–41 (published under the author's maiden name).

might not be enough to pay back the loan.[24] While the Congolese state guarantee was a safeguard in this respect, given the DRC's weak economy and history of debt arrears it was far from certain that the guarantee would help the Chinese get their money back if raw material prices were to plummet.

In sum, the Chinese stakeholders involved in the Sicomines agreement have since 2010 acquired first-hand experience of the difficulties involved in doing business in the DRC. Other Chinese state-owned companies and banks that might have considered initiating similar financing arrangements have probably observed the developments around Sicomines and decided not to pursue such initiatives. Indeed, no large-scale Chinese loans linked to mining ventures and destined to finance infrastructure of a public goods character (such as roads, hospitals and schools) have been extended to the DRC since Sicomines. While Chinese economic activity in the DRC was still significant between 2010 and 2019, it did not consist of the kind of financing offers that would have provided the Congolese regime with an opportunity to exercise 'China-powered' agency vis-à-vis other external actors. For instance, in the strategically important mining sector the Chinese presence has grown through acquisitions, rather than through direct investments backed by large-scale Chinese government loans. The first of two significant Chinese acquisitions during this period was made by China Molybdenum Co. Ltd when it acquired the DRC's largest copper producer, Tenke Fungurume, from US company Freeport-McMoran Inc. in 2016. The second major Chinese acquisition was regarding Canadian Ivanhoe's Kamoa-Kakula copper project in Kolwezi. Chinese Zijin Mining Group became a partner in the project in 2015, and owned a 39.6% stake as of July 2020.[25] However, none of these investments includes a development finance vehicle destined to finance public infrastructure.

The absence of large-scale, state-backed development finance initiatives in the DRC after the Sicomines agreement reflects an overall shift in China's strategy in Africa. China has gradually come to place less emphasis on state-backed mega deals, focusing more on spurring investment by private Chinese companies in Africa. Indicative of this, during the Forum on China-Africa Cooperation in 2018 President Xi Jinping made a commitment to extend $60 billion in financing to African countries, but only $50 billion was allocated (in the form of Chinese state funds) to grants, loans and import financing. The remaining amount is what the Chinese government encourages Chinese companies to invest in Africa between 2019 and 2021.[26] This indicates that the Chinese private sector is now expected to take a more prominent role, as well as a bigger share of the risks and rewards, in China–Africa relations.

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24 Landry, "The Risks and Rewards".

25 "The China Price", *Africa Confidential* 60, no. 18 (September 13, 2019), https://www.africa-confidential.com/article/id/12741/The_China_price; Ivanhoe Mines, "Kamoa-Kakula Project", 2020, https://www.ivanhoemines.com/projects/kamoa-kakula-project/; "Zijin Increases Ivanhoe Stake", *Mining Journal*, October 9, 2019, https://www.mining-journal.com/copper-news/news/1373148/zijin-increases-ivanhoe-stake; Cecilia Jamasmie, "Ivanhoe's Giant Kamoa-Kakula Copper Project in DRC Keeps Getting Bigger", *Mining.Com*, February 5, 2020, https://www.mining.com/ivanhoes-giant-kamoa-kakula-copper-project-in-drc-keeps-getting-bigger/.

26 Deborah Brautigam, "China's FOCAC Financial Package for Africa 2018: Four Facts", The China-Africa Research Initiative, September 3, 2018, http://www.chinaafricarealstory.com/2018/09/chinas-focac-financial-package-for.html?spref=tw; People's Republic of China, Ministry of Commerce, "Elaboration on the Eight Major Initiatives of the FOCAC Beijing Summit", September 19, 2018, http://english.mofcom.gov.cn/article/policyrelease/Cocoon/201809/20180902788698.shtml.

This adjustment in China's approach to Africa was also reflected in statements made by Yang Jiechi, Xi's Africa envoy, during his 2019 trip to Africa.[27] For example, no new loans to Nigeria was discussed during Yang's meeting with Nigerian President Muhammadu Buhari, but the two stressed the importance of more Chinese companies' investing in Nigeria.[28] In a similar vein, no new Chinese loans to Kenya were discussed during Yang's meeting with Kenyan President Uhuru Kenyatta, but the two talked of the need to attract Chinese private investment to support Kenyan private sector development.[29] Although Yang reiterated China's commitment to finance infrastructure construction in Kenya through its Belt and Road Initiative (BRI),[30] at the time of writing in May 2020 Kenya had yet to secure loans from China to build the third tranche of the Standard-Gauge Railway stretching from Naivasha to the Ugandan border. China has stated that Kenya needs to do a feasibility study focusing on the entire railway line's commercial viability before additional loans can be extended.[31] The caution displayed by China is probably related to Kenya's rising debt-to-GDP ratio, which stood at 62% by the end of 2019.[32]

China might also to some extent show caution because of the international critique directed at its lending to developing countries: the so-called 'debt trap' narrative.[33] In 2019 China countered this international critique by releasing a debt sustainability framework for the BRI.[34] Formulating an own debt sustainability framework was arguably a way for China to show that it is a responsible international actor. The Sicomines experience in the DRC was likely one of the reasons why China decided to publish an English-language document that could communicate its approach to the relation between debt and development to a Western audience.

China's ambition to be a responsible international actor makes it less likely to provide the DRC with 'China-powered' agency

The second reason why the Chinese approach in the DRC has shifted after the Sicomines experience is China's ambition to be a responsible international actor. This ambition was probably strengthened after the Sicomines controversy in the DRC because it exposed a dissonance in Chinese foreign policymaking that needed to be reconciled in order to

27 "The China Price".

28 People's Republic of China, Ministry of Foreign Affairs, "Yang Jiechi Meets with Nigerian President Buhari", September 6, 2019, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1695139.shtml.

29 Aggrey Mutambo, "Is Kenya Dropping China Loans for Private Deals?", *The East African*, September 7, 2019, https://www.theeastafrican.co.ke/business/Kenya-China-investment-loans/2560-5264280-qb2yns/index.html.

30 Jevans Nyabiage, "China Vows to Keep Funding African Infrastructure Projects despite Debt-Trap Claims", *South China Morning Post*, September 5, 2019, https://www.scmp.com/news/china/diplomacy/article/3025760/china-vows-keep-funding-african-infrastructure-projects.

31 Nyabiage, "China Vows to Keep Funding".

32 CEIC Data, "Kenya Government Debt: % of GDP", 2020, https://www.ceicdata.com/en/indicator/kenya/government-debt--of-nominal-gdp.

33 See, for example, Jeremiah Jacques, "Kenya: The Next Nation to Fall Into China's Debt-Trap Diplomacy?", *The Trumpet*, December 25, 2019, https://www.thetrumpet.com/21682-kenya-the-next-nation-to-fall-into-chinas-debt-trap-diplomacy.

34 Johanna Malm, "China's New Debt Sustainability Framework for the BRI", The China-Africa Research Initiative, August 27, 2019, http://www.chinaafricarealstory.com/2019/08/chinas-new-debt-sustainability.html.

settle the international political dispute caused by the agreement. Indeed, the challenge that the Sicomines agreement posed to the HIPC process and the IMF's debt sustainability framework was unintended. It was mounted by Chinese state-owned companies and policy banks, and was neither desired nor sanctioned by the Chinese representatives to the IMF in Washington DC.[35] This is further evidenced by the fact that after the settlement of the Sicomines controversy, Chinese loans have not challenged the IMF's debt sustainability framework further.[36] This is partly owing to the fact that the IMF amended its debt sustainability framework in 2009,[37] arguably to ensure that large Chinese infrastructure loans can now also be accepted in developing countries that take part in IMF programmes.

The lack of Chinese challenges to the IMF's debt sustainability framework can probably also be explained by China's being more interested in strengthening its role as a responsible international actor than in providing African leaders with 'China-powered' agency vis-à-vis Western countries.

Diplomatically, China's role in the DRC has been more cautious since the Sicomines controversy. As discussed above, before the renegotiation the Chinese ambassador to the DRC publicly challenged Western accounts of the Sicomines agreement. Following the agreement, however, China has kept a lower profile in the DRC. From 2010–2019 China provided development aid to the DRC in the form of donations, concessional loans, medical teams and scholarships for Congolese students.[38] This means that during the 2010–2019 period, China's engagement has been more in line with the DRC's other development partners.

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The 2018 elections: Kabila not able to exercise 'China-powered' agency

The most important political event in the DRC during the 2010–2019 period was the 2018 elections. Twice postponed by Kabila, using attempted constitutional changes and provisions of the electoral law as avenues for this, the elections finally took place in December 2018.[39] By then, pressure from Western donors, particularly the US, had mounted for Kabila to step down and let democratic elections take place. In other

35 Malm, "When Chinese Development Finance".
36 Malm, "When Chinese Development Finance".
37 IMF, "Concessionality and the Design of Debt Limits in IMF-Supported Programs in Low-Income Countries", 2013, http://www.imf.org/external/np/pdr/conc/.
38 Chinese Embassy in the DRC, interview via e-mail by Johanna Malm, 5 June 2020.
39 Gulia Paravicini and Stanis Bujakera, "Both Sides Claim Lead in Congo's Chaotic Election", *Reuters*, December 31, 2018, https://www.reuters.com/article/us-congo-election/both-sides-claim-lead-in-congos-chaotic-election-idUSKCN1OU0CD.

words, this was a time when Kabila could really have used 'China-powered' agency to resist pressure from other external actors. However, that kind of Chinese support did not materialise. China was certainly supportive of the electoral process as such, favouring a local solution to the controversy around the elections. For example, during a UN Security Council meeting in January 2019, just after the elections were finally held in December 2018, China 'lauded the manner in which elections were conducted', while Western actors such as France and the US expressed criticism.[40] But China did not throw its weight behind any candidate during the electoral process.

After long delays in announcing the results, it was eventually announced that Félix Tshisekedi from the Union for Democracy and Social Progress had won the poll, and he was sworn in on 29 January 2019. While observers, including the DRC's Catholic Church, France and Germany, disputed the outcome amid claims that Tshisekedi was in an informal power-sharing agreement with the Kabila regime,[41] China recognised the victory[42] and did not take sides in the political conflict around the elections. Since the elections, China has reiterated its calls for the international community to 'fully respect the sovereignty and independence and territorial integrity of the DRC [and] fully respect the ownership and leadership of the DRC government in handling its own affairs'.[43]

China's conduct during this period mirrors its role in global politics more broadly, where the country balances its non-interference policy with its aspiration to be a responsible international actor.[44] In recent years China has taken up a more active role as a force for stability in the DRC. In the UN Security Council it has called for the international community to support the Congolese government with its security capacity building and its efforts to maintain peace and stability.[45] China has also stressed the role of regional organisations in this regard, evidenced for example by the appointment of Xia Huang, one of China's top diplomats who previously served as the ambassador to Brazzaville, as the UN Secretary General's Special Envoy for the Great Lakes Region in 2019.[46]

After the 2018 elections: Tshisekedi seeks to shape the relationship with China

During his first year as president, Tshisekedi showed a willingness to reshape the DRC's relationship with China. Tshisekedi travelled extensively that year, to neighbouring African

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40 Aaron Ross, "UN Divided over How to React to Congo's Election Problems", *Reuters*, January 5, 2019, https://www.reuters.com/article/congo-election-un/un-divided-over-how-to-react-to-congos-election-problems-idUSL8N1Z50BY.

41 AFP, "DR Congo's Historic Transfer of Power after Chaotic Election", *France24*, January 24, 2019, https://www.france24.com/.en/20190124-dr-congo-set-historic-transfer-power-under-shadow-disputed-election-tshisekedi-kabila; Carter Center, *Democratic Republic of the Congo 2018 Harmonized Presidential, Parliamentary and Provincial Elections: Expert Mission Report*, 2019, https://www.cartercenter.org/resources/pdfs/news/peace_publications/election_reports/drc-2018-election-report-final-en.pdf.

42 "China Congratulates DR Congo's President-Elect", *Global Times*, January 21, 2019, http://www.globaltimes.cn/content/1136566.shtml.

43 Xinhua, "Chinese Envoy Calls for Helping DRC with Security Capacity-Building", *China Daily*, March 19, 2019, https://www.chinadaily.com.cn/a/201903/19/WS5c904c70a3106c65c34ef615.html.

44 Yanzhou Xu, *China, Africa and Responsible International Engagement* (Abingdon: Routledge, 2019); Yongjin Zhang and Greg Austin, *Power and Responsibility in Chinese Foreign Policy* (Acton: ANU Press, 2013).

45 Xinhua, "Chinese Envoy Calls For".

46 UN, "Secretary-General Appoints Huang Xia of China Special Envoy for Great Lakes Region", Press Release, January 22, 2019, https://www.un.org/press/en/2019/sga1851.doc.htm; Xinhua, "Chinese Envoy Calls For".

countries as well as European countries, the US and Russia. However, he did not visit China.[47] This could signify an ambition to rely less on China than Kabila had done. During the Kabila presidency, Sino-Congolese relations had in practice been managed mainly by the circle around Kabila through a designated agency under the Prime Minister's office, the *Bureau de Coordination et de Suivi du Programme Sino-Congolais*, headed by Kabila's close ally Moïse Ekanga. The Congolese Ministry of Foreign Affairs was largely side-lined in the management of Sino-Congolese relations during this period.[48] In an encounter with China's Deputy Minister for Foreign Affairs Chen Xiaodong in June 2019, Tshisekedi showed that he wanted to change the way Sino-Congolese relations were managed. Tshisekedi was accompanied to the meeting by acting Congolese Minister for Foreign Affairs Franck Mwe di Malila, an act that in and of itself signified an ambition to change Sino-Congolese relations, given that Ekanga had been the key actor in the relationship with China throughout the Kabila presidency. Tshisekedi stated during the meeting that he wished for the Sino-Congolese cooperation to be managed through a more formal bilateral framework. Chen reportedly expressed his understanding of this request.[49] However, it remains to be seen whether Tshisekedi will be successful in his quest to reshape the DRC's external relations.[50] Chen also issued Tshisekedi with an invitation from Xi to visit Beijing during the June 2019 meeting – a visit that at the time of writing in May 2020 still had not taken place.

In sum, thus, DRC–China relations are off to a cautious start under the Tshisekedi presidency, and there has been no indication that China will give Tshisekedi an opportunity to exercise 'China-powered' agency in relation to other external actors.

Conclusion

China's evolving approach to the DRC reflects its own learning journey in international politics. Between 2007 and 2009 China was bullish, replicating the approach used by Japan in China in the 1980s, extending resource-backed loans for infrastructure construction.[51] This turned out to be a difficult model to deploy in the DRC, however, because of the high risks involved in operating in the country. Since 2010 China has remained engaged in the DRC, but with a more cautious diplomatic approach. This mirrors the changes in China's foreign policy as a whole, where its ambition to be seen as a

47 Marc-André Lagrange and Thierry Vircoulon, "RDC: Le Changement à Pas Feutrés", Notes de l'Ifri, May 14, 2020, https://www.ifri.org/fr/publications/notes-de-lifri/rdc-changement-feutres; Georges Lohalo, "RDC: Pourquoi Le Président Félix Tshisekedi Devrait-t-Il Se Rendre en Chine?", *Alternance.Cd*, November 9, 2019, http://alternance.cd/2019/11/09/rdc-pourquoi-le-president-felix-tshisekedi-devrait-se-rendre-en-chine-tribune-du-doctorant-georges-lohalo/.

48 Carter Center, *A State Affair: Privatizing Congo's Copper Sector* (Atlanta: The Carter Center, 2017); "RDC-Chine: Félix Tshisekedi Court-Circuite Moïse Ekanga, Proche de Joseph Kabila", *Jeune Afrique*, June 17, 2019, https://www.jeuneafrique.com/mag/788995/politique/rdc-chine-felix-tshisekedi-court-circuite-moise-ekanga-proche-de-joseph-kabila/; Joan Tilouine and Pierre Benetti, "A La Cour Du Roi Kabila, Les Barons Sont à La Fois Puissants et Révocables", *Le Monde Afrique*, December 19, 2017, https://www.lemonde.fr/afrique/article/2017/12/19/a-la-cour-du-roi-kabila-les-barons-sont-a-la-fois-puissants-et-revocables_5232037_3212.html.

49 "RDC-Chine: Félix Tshisekedi".

50 Marc-André Lagrange and Thierry Vircoulon, "RDC: Le Changement à Pas Feutrés" (Notes de l'Ifri, Ifri, Paris, 2020).

51 Brautigam, *The Dragon's Gift*.

responsible international actor has grown stronger and Chinese companies have adjusted their strategies, having learned from the risks that they were exposed to during their early ventures overseas.[52] The fact that Chinese companies have grown their presence in the DRC's mining sector through acquisitions rather than direct investments after Sicomines is also a reflection of this trend.[53]

The implications of this shift are significant in terms of the Congolese regime's ability to deploy the foreign policy strategy of 'switching' so familiar from the Mobutu days. Because the Sicomines agreement came with a development finance component, it necessitated strong relations at the highest political level between China and the DRC. Kabila was successful at leveraging this in his relations with the IMF and Western donors. With the Chinese strategy changed, the Congolese regime still has a stable partner in China that will keep a low profile and favour Congolese-owned solutions, rather than political progress emanating from external pressure. China is thus still an ally of the Congolese regime, but this kind of support does not allow the DRC to play external actors off each other. The kind of 'China-powered' agency that the Kabila regime exercised during the Sicomines controversy is therefore not likely to resurface.

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Thus, regarding Congolese foreign policymaking, there is strong continuity in terms of the options available to the DRC's leaders. Since the Mobutu days, the Congolese leadership's ability to exercise agency in relation to external actors has been strong when those external actors' strategic interests in the country have expressed themselves in an enabling way. This shows that while political actors in aid-dependent countries can indeed be endowed with 'China-powered' agency to be used in relation to external actors, it is a circumscribed kind of agency, because it hinges on how China's strategic interests in the specific country are expressed.

52 Susana Moreira, "Learning from Failure: China's Overseas Oil Investments", *Journal of Current Chinese Affairs* 42, no. 1 (2013): 131–65.
53 Mike W Peng, "The Global Strategy of Emerging Multinationals from China", *Global Strategy Journal* 2, no. 2 (2012): 97–107.

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Cover image

Chinese President Xi Jinping (2nd-L) meets with Bruno Tshibala Nzenze (2nd-R) the Prime Minister of the Democratic Republic of the Congo during a meeting at The Great Hall of People on September 6, 2018 in Beijing, China (Lintao Zhang/Pool/Getty Images)

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