

Australia is the largest bilateral donor to Papua New Guinea (PNG). China became a top donor to PNG in 2014, behind Australia and the Asian Development Bank. Amid the growing interest in China's presence in PNG and the South Pacific at large, as well as the implications for the traditional aid regime, China and Australia are working on a trilateral aid cooperation project on malaria control in PNG.

This trilateral aid project is one of three case studies for my PhD program on China's growing trilateral aid cooperation. Based on my fieldwork in Port Moresby in November 2014, this paper will provide a brief introduction to the project, suggest motivations for the three countries involved, outline prospects for future trilateral cooperation, and discuss the implications for development policymakers.

What Is This Trilateral Project About?

Malaria remains a serious public health problem in PNG. The PNG government has requested China and Australia to help combat malaria. Sideline discussions have been held among the three countries on various occasions including the conference *Malaria 2012: Saving Lives in the Asia–Pacific*, hosted by the Australian government in Sydney from 31 October to 2 November 2012.

In April 2013, Australia and China signed a memorandum of understanding (MOU) on development cooperation when then Australian prime minister Julia Gillard visited China (DFAT 2013). This MOU stands as a milestone on aid cooperation. Under the rather broad terms of the MOU, Australia and China agreed to conduct trilateral cooperation in priority areas including health. Malaria control was later identified as a pilot project and joint delegations were dispatched to PNG to flesh out the design of this project.

This project will officially start in 2015. It has two main objectives: to strengthen PNG's health system by improving PNG Central Public Health Laboratory (CPHL) services and malaria diagnosis, and to strengthen PNG malaria operational research by assisting the PNG Institute of Medical Research (IMR). As research is the core of the PNG National Malaria Strategic Plan, this trilateral project will

support operational research in accordance with the plan. Australia will provide A\$4 million to support this project. Joint research projects between Australian universities and IMR may follow in the future. China will provide technical experts to work at IMR headquarters in Goroka and CPHL at Port Moresby General Hospital. The PNG government, as host, will facilitate the operation of the project.

What Are Their Motivations?

Australia

From a global perspective, China's economy is maturing and the country is moving away from being an aid recipient, even though intractable poverty remains in some rural areas. The Australian government is encouraging China to play a more active role in global development. As the first western donor to China, Australia's aid cooperation with China is shifting from providing aid to China to jointly providing aid to other developing countries, with a focus on the Asia–Pacific. Trilateral aid cooperation serves as an important way for Australia to influence China's aid delivery and, in the case of this project, Australia wants to utilise China's expertise and successful experience in eradicating malaria within its own borders.

China

China has been providing assistance to the PNG health sector since 2002, including dispatching medical teams and donating medical equipment (Chinese Embassy, PNG 2003). China is open to share its expertise with PNG on malaria control, and PNG offers a challenging site for Chinese scientists to carry out applied research. More broadly, the interaction between China and traditional donors, including Australia, is increasing. Engagement provides the spark to experiment with new ideas, such as trilateral cooperation. Trilateral cooperation, at least in theory, is a good way to make use of each donor's comparative advantages and promote mutual learning. Australia values China's expertise in malaria control, in particular the development of effective artemisinin-based treatments, while China values Australia's broad knowledge of PNG harnessed over

many decades As China's foreign aid arouses concern from traditional donors, trilateral cooperation is a test case for future cooperation, with the potential to promote aid effectiveness and improve the image of both traditional donors and China.

Papua New Guinea

Malaria control is a top priority of the PNG government. Trilateral aid cooperation has the potential to promote aid coordination and reduce aid duplication in PNG, which interviewees identified as a headache for the PNG government. If widely adopted, it could help to relieve the burden on PNG's limited institutional capacity. Many PNG officials stressed that they were keen to guide donors to provide aid to areas of their comparative advantages so as to promote better results and increase aid efficiency. By guiding donors to align with PNG priorities rather than imposing aid projects on PNG, the central government hopes to strengthen its ownership of aid management.

Lessons for Trilateral Cooperation

Based on my interviews with people from PNG government departments, donor communities, international and regional organisations, aid implementation companies, the business sector and think tanks, the majority thought positively of the future for trilateral cooperation. Some of them indicated that trilateral cooperation projects need to be examined case by case. A better understanding of demands from donors and recipient countries is needed to identify opportunities for future cooperation. Quite a few interviewees emphasised that it would be easier to conduct trilateral aid on public welfare projects such as agriculture and health than projects with big commercial interests. Moreover, the results of current trilateral pilot projects could make or mar future cooperation.

Policy Implications

At a time when the global and regional aid landscape is evolving quickly with the rise of emerging donors, trilateral aid cooperation is a healthy phenomenon. As one interviewee noted, 'Traditional and new donors are still a long way apart, but they are coming a bit closer through trilateral cooperation'. Trilateral cooperation builds up mutual trust between traditional donors and China, and promotes mutual learning. The growing trilateral cooperation between China and the United Nations Development Programme

in Asia and Africa presents a good example. It also has the potential to strengthen harmonisation and ownership in recipient countries. Of course, trilateral aid cooperation also brings challenges including rising coordination and transaction costs, which need to be carefully addressed.

Future trilateral cooperation between traditional donors and China should:

- Focus on the current trilateral project and do it well. Successful pilot projects will pave the way for future cooperation and attract the attention of more donor countries.
- Strengthen the engagement between China and traditional donors. Mutual trust arises from engagement. As one interviewee said, 'the trilateral partnership signifies the maturity of relations among Australia, China and PNG'.
- Identify areas of natural interest and partnership. The China–Australia–PNG trilateral cooperation project on malaria is such a project. Donors need to find out more areas in which they complement each other, and that also align with the development priorities of recipient countries.
- Start from less sensitive public welfare sectors. Cooperation in areas including agriculture, public health and water management seems easier to start, and these sectors are closely linked to the development needs of recipient countries.

Author Notes

Denghua Zhang is a PhD candidate with SSGM. His current research investigates the reasons behind growing Chinese trilateral cooperation in the Asia–Pacific region over the past decade.

References

- Chinese Embassy, PNG 2003. Chinese Government Donates a Batch of Medical Equipment to PNG. <<http://pg.mofcom.gov.cn/article/jmxw/200304/20030400085989.shtml>>, viewed 4/5/2013.
- DFAT (Australian Government Department of Foreign Affairs and Trade) 2013. Memorandum of Understanding for a Development Cooperation Partnership between Ministry of Commerce (MOFCOM) of the People's Republic of China and the Australian Agency for International Development (AusAID) of the Government of Australia. <<http://aid.dfat.gov.au/publications/Pages/mou-china-mofcom.aspx>>, viewed 18/10/2013.

