Three Challenges for China’s Outward FDI Policy (also in Chinese)

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Three challenges for China’s outward FDI policy

by Karl P. Sauvant*

Since China adopted its “going out” policy in 2001, her outward foreign direct investment (OFDI) flows have grown rapidly, reaching US$84 billion in 2012 (although the stock remains small). That year, China was the world’s third largest outward investor (after the US and Japan). This performance raises all sorts of issues, especially because state-owned enterprises (SOEs) control some three-quarters of the country’s OFDI stock. Three challenges are addressed in this Perspective.

A short-term challenge for China’s government is to consider what to do regarding the growing skepticism in some host countries about the country’s OFDI. It is motivated partly by the usual difficulty of accommodating new competitors, concerns about national security (in light of the role of SOEs in the country’s OFDI) and concerns about the impact of Chinese OFDI projects (even though this impact may not be that different from that of firms from other countries).¹ In some developing countries – especially where natural resources FDI dominates, as in Africa and Latin America – Chinese firms risk being seen as representing a new form of neo-colonialism in the context of a South-South center-periphery relationship.²

Addressing these concerns requires that China formulate and enforce a “going in” strategy to complement its “going out” policy. Part of this strategy requires paying considerably more attention to the promotion of sustainable FDI, i.e., FDI that contributes as much as possible to the economic, social and environmental development of host countries and takes place in the context of fair governance (including contracts in natural resources FDI).³ One possibility would be for China to take the lead in establishing an independent facility to help especially the least developed countries negotiate large-scale contracts with firms from any country, including in natural resources.

A medium-term challenge is to see how China responds to efforts by some developed countries to discipline (e.g., in the context of the Trans-Pacific Partnership negotiations) the support (e.g., financial and fiscal incentives) that governments give to their SOEs investing abroad. This issue is particularly important for China, given its elaborate set of home country measures that supports Chinese firms going abroad.
However, China is not alone in rendering such support – most developed countries and a few emerging markets do the same, including for firms in the private sector.4

One way to deal with this challenge is to extend the discussions and negotiations of this subject to all measures available to firms investing abroad, regardless of whether they are government-owned, in the interest of full competitive neutrality. However, since home country measures in some sense mirror incentives to attract FDI, and efforts in the past to discipline the latter have come to naught, disciplining OFDI incentives will be a challenging endeavor.

Finally, a long-term challenge is for China to determine what role she wants to play in constructing a multilateral framework for investment. Given that direct investments of Chinese firms often face host country resistance – which may well intensify as China’s OFDI grows – it is in China’s interest that multilateral rules that enshrine a proper balance between protecting FDI and leaving sufficient policy space for governments to pursue legitimate public policy objectives are in place. With the rise of China as an investor, its interests as a host country to protect its policy space have increasingly been complemented by its interests as a home country to protect the investments of its firms abroad, reflected in the evolution of its international investment agreements. In fact, if one wanted to pinpoint the precise date at which China’s home country interests became equal to, or more important than, its host country interests, one might point to July 11, 2013, when China agreed, in the context of the US-China Strategic and Economic Dialogue, to continue negotiations of an investment treaty with the US on the basis of pre-establishment national treatment and the negative list approach to exceptions to such treatment.5 This conceptual and policy breakthrough could lay the ground not only for an agreement between the two countries, but also for a broader investment framework.

China did not participate in the creation of the world’s financial and trade frameworks. If and when this issue reaches the international agenda again, it has the opportunity to participate actively in the process of creating a multilateral investment framework, perhaps even taking the lead in this process.

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2 To quote L. Sanusi, Governor of the Central Bank of Nigeria: “So China takes our primary goods and sells us manufactured ones. This was also the essence of colonialism”, Financial Times, March 12, 2013.

3 It should be noted that although the OECD has adopted voluntary guidelines, most developed countries do not have comprehensive guidelines in place for their outward investors. This approach would be asking more from China than from other countries, putting China in the position to set an example.


5 Xinhua, July 12, 2013.
中国对外直接投资政策的三大挑战

Karl P. Sauvant

中国自2001年采取“走出去”政策以来，对外直接投资（OFDI）流量迅速增长，2012年达到了840亿美元（尽管其存量依然较小）。2012年，中国成为世界第三大对外投资者（仅次于美国和日本）。这一成果也暴露了各种问题，尤其是由于国有企业（SOEs）控制了中国OFDI存量的四分之三左右。本期展望提出了三大挑战及其应对措施。

中国政府面临的短期挑战是需要考虑如何应对日益增长的某些东道国对中国OFDI的怀疑论。这些怀疑部分是由于东道国通常难以适应新的竞争者，担忧国家安全（鉴于国有企业在OFDI中的地位）以及担心中国对外投资项目的影响（尽管这种影响可能无异于其他国家企业造成的影响）。1在某些发展中国家——尤其是像位于非洲和拉丁美洲的自然资源型FDI主导的国家——中国企业可能会被视为南南中心外围关系之下的新型殖民主义的代表。2

应对这些担忧要求中国制定和实施“走进去”战略以补充其“走出去”政策。这一战略要求更为关注促进可持续发展的FDI，如那些能够尽可能多的促进东道国经济、社会和环境发展并且在公平治理之下（包括自然资源FDI的合同）的FDI。3一种可能性是中国率先设立一个独立机构以帮助，特别是最不发达国家与来自任何国家的企业进行包括自然资源在内的大规模合同的谈判。

中期挑战是中国如何应对某些发达国家管制（如在跨太平洋伙伴关系谈判背景下）政府给予其国有企业海外投资支持（如金融和财政激励）的措施。鉴于国内复杂的国有企业走出去支持措施，这一问题对中国尤其重要。然而，中国并不是唯一的给予类似支持的国家——大多数发达国家以及一些新兴市场国家也都这么做，对私
人部门的企业也会给予支持。4

应对这一挑战的途径之一是将这一主题的商议和谈判扩大至企业对外投资可利用的各项措施，为完全竞争中立，不区别国有企业和私营企业。然而，由于某种程度上，母国措施反映了吸引外资的激励，而过去管制后者的努力已经失败，因此管制 OFDI 激励将是一大挑战。

最后，中国面临的长期挑战是确定其想要在构建多边投资框架中扮演的角色。鉴于中国企业直接投资常面临东道国阻力——随着中国 OFDI 增长，这一阻力可能会加剧——建立保持保护 FDI 和为政府保留足够政策空间追求合法的公共政策目标之间适当平衡的多边规则是符合中国利益的。随着中国作为投资者的地位上升，作为东道国保护政策空间所得的利益已经抵消其作为母国保护企业对外投资所得的利益所弥补，这反映在其国际投资协议发展过程中。事实上，如果有人想指出一个准确的中国作为母国所得利益相当于或者超过作为东道国所得利益的时点，他可能会指向 2013 年 7 月 11 日。当日，中国同意在美中战略和经济对话背景下，继续与美国在事前国民待遇和负面清单的基础上进行谈判。5这一概念和政策上的突破为两国之间达成协定和更为广泛的投资框架奠定了基础。

过去中国未能参与世界金融和贸易体系框架的创建。如果这个问题再次提上国际议程，中国将有机会积极参与到创建一个多变投资框架的进程中，甚至可能在这一进程中起带头作用。

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1 参见 “中国在非洲石油交易中遇到阻力”，纽约时报，2013 年 9 月 18 日。
2 引用尼日利亚中央银行行长 L. Sanuside：“所以中国拿走了我们的初级产品，然后卖给我们制成品。这也是殖民主义的本质”，金融时报，2013 年 3 月 12 日。
3 应该指出的是，尽管 OECD 已经采取自愿性原则，但大多数发达国家并没有为其对外投资者提供全面的指导方针。这一方法将更多的要求中国，以中国为例。
4 参见 Karl P. Sauvant et al., “FDI, 母国措施和竞争中立的趋势”，A. Bjorklund, ed., 国际投资法律和政策年鉴 2012-2013（纽约：牛津大学出版社即将出版）。
5 新华社报道，2013 年 7 月 12 日。
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