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**Understanding
the Importance of China's
Belt and Road Initiative to
Africa.**

Contents

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Editor's Note

On the Importance of China's Belt and Road Initiative (BRI) to Africa.

The Belt and Road Initiative (BRI), is a global infrastructure plan conceptualized by Chinese President Xi Jinping in 2013, and has been implemented in more than 70 countries world-wide. Under the BRI, China works with partner countries to design and implement large scale infrastructure projects.

The African Development Bank estimates that the continent's infrastructure financing needs will be as much as \$170 billion a year by 2025, with an estimated gap of around \$100 billion a year. This shows the critical need for African continent to fill the gap in order to attain the required level of infrastructure development to facilitate both internal and external trade. Economic experts believe that the construction of Belt and Road projects in Africa is truly

in line with Africa's Agenda 2063.

However, in the process of deepening China-Africa relations, China has been subjected to slander and smears from Western countries, including claims of the so-called "neocolonialism" or "debt traps" in Africa.

It is against this background that Africa-China Review organized a one day virtual forum with academics, experts, researchers,

private sector and media professionals in Africa and China, to discuss the importance of the Belt and Road Initiative to the African Continent. The meeting, which was the first of its kind, via zoom took place on August 24th, 2022.

The content of this magazine reflects the views of participants about the importance of the Belt and Road Initiative to Africa. We hope you will enjoy reading it.



Opening statement by the guest of Honour, Hon. Mohammed Libahee



Dear Ambassador, Honorable guests, my colleagues, and classmates at PKU, Good morning.

Actually, Africa is a continent, which is full of resources in terms of human resources, in terms of natural resources, in terms of other raw materials. Actually in Africa we need collaboration, we need cooperation, and we need to come together and put our effort together to benefit from our resources. We as a continent we should have a common agenda. For example, the highway that connects Djibouti to Ethiopia is a good example of BRI projects that have enhanced trade and movement of people across the continent.

The project has made an impact on the local economies

in the whole of Africa. Another example is the standard gauge railway from Mombasa to Nairobi, which makes impacts to the local economies and brings the economies to grow gradually. Actually I do believe that BRI is such an initiative that we need to make stronger and deeper so that our people can benefit from those mega projects.

Actually, this meeting is very important for us. We are in different areas of the world but we are talking about how we can put our efforts together. We are talking about friendship, we are talking about collaboration, and actually, we are very proud of this. For example, for us here from Somalia, our natural resources; 80% of the population depend on livestock. We need to get a market for this resources, we have other resources which include petroleum, minerals and tourism.

We need cooperation so that we can utilize and share these raw materials and I am very proud that Somalia is one of the signatories for the BRI projects and I hope in the near future that we will see the fruits of the projects that have been initiated. In conclusion I thank all of you for giving me the opportunity to speak to you on this important topic for the African continent. I wish you all a great meeting that will discuss how we can enrich, and how we can make stronger our cooperation, between African countries and China.

I thank my friend Gerald for organizing this meeting and actually it's a fruitful meeting. I thank you brother. Thank you very much ■

Hon. Mohammed Libahee is the Minister of Livestock and Animal Husbandry, Puntland State of Somalia.

Remarks by Ambassador WANG Xuekun at the Seminar



Hon. Mohamed Libaah, Minister of Livestock and Animal Husbandry Puntland State of Somalia,

Esteemed Mr. Mbanda,

Distinguished Guests,

Dear friends,

It's my great pleasure to attend the Seminar. First, let me thank Mr. Mbanda for his great efforts to make this seminar happen. May I also enjoy the privilege of host to welcome all distinguished guests and attendees.

Since the launch of the Belt and Road Initiative (BRI), China has been working with countries involved to deepen mutually beneficial cooperation in line with the principle of extensive consultation, joint contribution and shared benefits. As of July this year, more than 140 countries have signed Belt and Road cooperation documents with China. A large number of practical cooperation projects have been launched and benefited the local economy and people's livelihood.

Africa is one of the most active directions for participating in BRI cooperation. 52 African countries and the AU Commission have signed cooperation documents with China. Our efforts have yielded tangible and substantial progress. Since 2009, China has become Africa's largest trading partner for 13 consecutive years. In 2021, the bilateral trade volume between China and Africa reached US\$ 254.3 billion. Chinese enterprises have built or upgraded for Africa more than 10,000 km of railways, nearly 100,000 km of highways, nearly 1,000 bridges, 100 ports and more than 80 large-scale power facilities. Chinese firms have also helped countries in Africa build more than 130 medical facilities, more than 170 schools, and trained more than 160,000 professionals in various fields. We have made good progress in implementing the BRI. The people in Africa are getting real benefits.

These achievements in our cooperation have not come easily. All these have injected strong impetus into the China-Africa comprehensive strategic and cooperative partnership. On the contrary, the so-called strategy for Africa pursued by some western countries is actually composed of two things, one is carrot and the other is stick. The difference only lies in more carrots now and thicker sticks then. The strategy is featured by [page 9](#)

◀◀page 8 hegemony and self-interest. China has neither carrots nor sticks. We and African friends mutually respect, understand and support each other. We always remain guided by the principle of sincerity, real results, amity and good faith and the principle of pursuing the greater good and shared interests.

With the concerted efforts of China and Africa, FOCAC has become an important platform for collective dialogue and cooperation. Since the Eighth FOCAC Ministerial Conference held last November, a large number of important outcomes have been made as major early harvest in implementing "the nine programs". Over US\$ 3 billion of credit facilities has been delivered to African financial institutions, and another US\$ 2 billion of trade finance has been allocated. China's import of African goods within seven months reached US\$70.6 billion. Chinese companies have invested US\$2.17 billion in Africa. China has signed exchange of letters with 12 African countries including Rwanda on zero tariff for 98 percent of their export items to China. More African agricultural products has reached the Chinese market through the "green lanes". At the Coordinators' Meeting on the Implementation of the Follow-up Actions of the FOCAC, China and Africa reaffirm to fully implement the "nine programs" and advance high-quality Belt and Road cooperation.

Later this year, the Communist Party of China will hold its 20th National Congress,



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thus ushering China on a new journey of building a modern socialist country in all respects. This year also marks the 20th anniversary of the founding of the African Union (AU), and Africa is embracing new development opportunities. In response to the shared aspiration of developing countries, President Xi put forth the Global Development Initiative (GDI) in 2021. At the High-level Dialogue on Global Development this June, China specified 32 measures in collaboration with partners to support global development, ranging from poverty reduction, sustainable development to boosting of ICT industry. Highly compatible with AU's Agenda 2063, the measures are set to bring about promising

prospects for our cooperation.

Dear guests,

Since I arrived in Rwanda, I have conversations with officials, experts and Chinese businesspeople. All of them are willing to synergize joint efforts to promote the all-round cooperation. An array of projects are helping transform the Rwandan landscape, including the New Bugesera International Airport Expressway, 200-Borehole-Well, Nyabarongo II Hydropower Plant, IPRC Musanze Extension. Rwanda is the first sub-Saharan country to obtain loan from Asia Infrastructure Investment Bank (AIIB). Rwandan dried chili began to enter Chinese market, and Rwandan coffee became extremely popular among Chinese customers. We are now pushing for the restoration of direct air flight from Rwanda to China. Rwandan students taking courses in Chinese universities are returning to their campuses in China. I would say, initiatives including the BRI, GDI, FOCAC, as well as the 2021 Initiative on Partnership for Africa's Development, provide effective platforms to deepen the bilateral relations and advance the beneficial cooperation. I am ready to work with Rwandan friends to promote the cooperation in all areas.

To conclude my remarks, I wish this seminar a complete success. I thank you for your attention ■

China's One Belt One Road Initiative (BRI) benefits for Africa



Why does China inspire Africa?

Before we discuss "BRI", let me touch on why China inspires Africa in general.

First of all, modern China is just about 73 years old. Thus not much older than most post-colonial African States. It would therefore, not be wrong to imagine that socially China could be looked at by the African States as a "big brother or Sister". Africans have therefore, watched this big brother, grow from scratch to a superpower, both economically and politically within just one generation.

Secondly, China has developed using her own socio-economic models. China's development

models are looked at as an alternative to the Western free market-based approach. China's rapid growth has taken place in the past three to four decades, meaning that the majority of African leaders were still in school, still learning the syllabi that were set in the schools and colleges by their former colonial masters.

Despite the cold war, there was a general promotion of the idea that the western neo-liberal ideology would spread internationally unchecked. This was compounded by the fact that due to the cold war, unproductive money was pumped into the pro-western governments to give the impression that this was the only system that works. The kind of a doctor who keeps prescribing pain killers and sleeping pills.

The pace of economic change in China has been extraordinarily rapid since the start of the economic reforms three decades ago. Its economy has undergone a massive transformation and is now the largest in the Asia-Pacific region. It has shifted from a predominantly agricultural one to becoming an industrial powerhouse and is now far more service-oriented. These African leaders are therefore; very conscious of the fact that there is a big difference between the "economic theories" they were taught in class and practice. These leaders do certainly remember the negative effects of the 80s and 90s Structural adjustment programs (SAPs).

Unlike the pieces of advice given to Africa under SAPs to mainly desist from government economic interventions, The Chinese development model is based on continuous and selective state interventions in markets and firms with the objective of shaping the course of economic development. It would not

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« « **page 10** be surprising therefore, that African Statesmen and women believe that they have more to learn from China than from the West.

This Chinese development model, which includes a strong role for the state, a focus on investment, and an export-oriented economy has produced around four decades of extraordinary growth. China did not need four hundred years of African Slaves to build the foundation for her economy. A big lesson to the world and a big lesson to Africa that there are alternative ways to doing things.

The Communist Party of China factor: The western multi-party economic system has not helped either. The CPC has been at the forefront of China's economic development. It has been around for more than seven decades. My reading is that the CPC will still be around a number of decades ahead. In any partnership; marriage, political, or business venture, there is minimum desire; that is: A reliable partner. Full stop! And as the Americans would call it "period!" So if I were an African president (unfortunately my likelihood of being one is 0%) would I want to deal with policymakers whose policies are to change in 4 to 10 years or one that is likely to be there 50 years ahead, therefore, a partnership that is secure for me, good for me my children and grandchildren?

Back to One Belt One Road Initiative

Apologies for my long epilogue, but I hate plunging my readers into a deep end.

First of all, China has a long trading relationship with Africa, that got to the pre-colonial era.

As an East African, I look at the BRI as the revival of trade routes along China's ancient Silk Road linking China to East Africa. Unlike "fort Jesus", this trade was transactional in goods and services, not collecting African Slaves; can you imagine Fort Jesus, an assembly to collect lesser humans (black Africans) to serve superior Christian westerners?

BRI is being promoted by Chinese leaders as a symbol of China's commitment to Africa and a revival of old friendship, but also as a global development flagship for shared development.

I strongly appreciate President Xi Jinping's statement at the last China Africa Forum when he clearly stated that, "Chinese funds are not for 'vanity projects' in Africa but are to build infrastructure that can remove bottlenecks in the continent's development". Inadequate infrastructure funding is the biggest bottleneck to African development.

I still vividly remember the American CIA stooge Zairian president Mobutu's rhetoric about "barrage Inga". Inga dam under his "objective quatre vingt" (vision 1980). What and where would Zaire (DR Congo) be if this dream had been turned into reality? Inga Dam would have been the world's biggest hydropower project that is capable of providing the entire African continent with electricity Middle East and beyond, not only electrifying Africa but also giving DR Congo a constant income from other African states, Middle East and European countries.



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Couldn't his western backers for three decades at least help him build that dam? This single project could have probably redeemed Mobutu ghost if he had died with at least that one positive achievement.

Now I understand that a Chinese company is mobilising resources to construct this mega project. Even if DR Congo Congo was to sing a "build-operate hand over deal" of 50 years with this Chinese company, wouldn't that be more of benefit than the years lost under Belgian Colonialism and CIA patronage?

Africa's biggest problem is the lack of infrastructure. Our colonial infrastructure was deliberately developed to link the African resources to the oceans that would export raw materials to their colonial masters.

« « *page 11* It takes a Rwandan importer five times more to get a container from Mombasa Kenya to Kigali that the amount it takes to move it from Japan to Mombasa. Some years back, China offered to grant a loan that would have extended the Nairobi –Mombasa standard gauge railway to Malaba in western Kenya, then, Kampala Kigali, with another line to Southern Sudan. The dream still exists and we can pray that it materializes in our lifetime.

BRI and the African Free Trade Area (AfFTA)

The operational phase of the AfCFTA was launched during the 12th Extraordinary Session of the Assembly of the Union on the AfCFTA in Niamey, Niger on 7 July 2019. Start of trading under the AfCFTA Agreement began on 1 January 2021. However, no trade has as yet taken place under the AfCFTA regime.

Africa is not going to implement AfCFTA, by flying goods on the continent. Thus BRI is seen as a catalyst for African regional economic integration and competitiveness, because BRI has concentrated on helping Africa develop its infrastructure connectivity.

BRI will not just help Africa interconnect but there will be more trickle down effects as well. Advocates of One Belt One Road Initiative point to the potential for by-products, such as increased private Chinese investments in an infrastructure project, an area that China is known to be excellent in; real estate, agriculture, (china feed one-third of the world population) among others.

Africa interconnectivity as well to world markets

Let us look at some of BRI's achievements in the last few years of its operationalization. The already mentioned standard gauge railway connecting Mombasa to Nairobi—the biggest investment in Kenya since its independence—is a flagship BRI project in East Africa's largest economy. The bigger dream should connect other hinterland as mentioned before. The electric railway from Addis Ababa to Djibouti is another BRI endeavor.

From Djibouti, the Maritime Silk Road connects planned and completed Chinese port clusters in Sudan, Mauritania, Senegal, Ghana, Nigeria, Gambia, Guinea, São Tomé and Príncipe, Cameroon, Angola, and Namibia. Another route links Djibouti to Gwadar, Hambantota, Colombo, Myanmar, and Hong Kong. The final arc of this corridor connects Walvis Bay (Namibia Southern Africa) to Chinese port clusters in Mozambique, Tanzania, and Kenya before also connecting to Asia Pacific and Eastern Europe. This will certainly be a game changer, and of course, there are many who will not be happy with these developments. I need not mention them.

My response and conclusion to Critics of BRI

One of the biggest accusations is that China is putting Africa into some kind of a "debt trap". Let us face the fact. No country on this planet is purely benevolent. How much does Africa owe to

their former colonial masters, who should in the first place be our debtors, and at what cost? How much do we owe to the western arms suppliers? So, I would rather have my children and grandchildren inherit a loan that built a railway, a road, or an airport.

Yahya Abdul-Aziz Jammeh of the Gambia, Mobutu Sese Seko of Zaire, Sani Abaca, of Nigeria, and other kleptomaniacs will not leave a railway or a road hidden in an unknown Swiss bank account. This will even be made difficult if it is a regional or continental project that will be supervised by multi-stakeholders.

BRI projects will have positive net benefits for African countries, provided our African leaders negotiate properly and manage the initiative properly. In addition, under BRI, I strongly believe that African relationships can be placed on more equal footing than the relationship with their Western former colonizers, and neo-colonial masters; Of course, "Equal footing" is naïve no one can be equal to his funder, but the magnitude of patronage differs.

Like it or not, four centuries of Western dominance are coming to an end, and a new world order is at the corner. Africans understand this and no one is going to stop them partner with those who have the future ■

Mweusi Karake, is veteran journalist, and former Head of Public Relations/ Corporate Communication at the Common Market for Eastern and Southern Africa, (COMESA), currently based in Kigali, Rwanda.

BRI is a call for collaboration with the rest of the World



Let me begin by congratulating the China-Africa Review for hosting this. Actually, this is the first webinar I attended that specifies the BRI, the topic, and that is proposed by an African entity. This is also a good opportunity for me to self-congratulate a little bit; if I may on behalf of Peking University over the past, I believe 4 years; Peking University has organized a scholarship program whereby we bring in senior, mid-rank officers from along the world including Africa. I understand several of our participants on the webinar today were Alumni of the Dongfang scholarship program.

Let me also observe that it really is a miracle for us, although I have never been to your wonderful country, Rwanda, it really is a miracle for us observing from afar how thorough the

transformation that Rwanda has gone through over the past 20+ years. When I was a college graduate, we used to watch on TV about civil strife and other problems in the country, but over the past 2 decades, Rwanda has seriously transformed itself; your growth, and stability is a major part of the African Renaissance that I would like us to talk about.

I also noticed that the Rwandan government was the first to sign an e-commerce cooperation agreement with the Chinese company, Alibaba, to tap into the world trade program and this is a major marker of success and is also an indication of foresight in terms of another developing country cashing in on the fast developing digital economy. I was asked to talk about the Belt and Road Initiative and rather than saying how important it is, I think I put it in the subtitle.

This is an opportunity for Sino-African connectivity. It is something we did both work on. And you also noticed in the main title I did not put China's Belt and Road Initiative. Belt and Road as an idea was proposed by China, that's alright, but it needs still to be broadly accepted for the rationale to work and that's I guess, were accepted.

In the introduction, it was mentioned, lots of things have been said about the Belt and Road, the program is about 10 years old and there is also a new global development initiative. So, what we are seeing is that people understandably either with or without fallacies or either with or without more understanding, they have their own opinions.

I will go through each of these here as the ambassador of China now [➡➡➡ page 14](#)

« « page 13 emphasized this. both are high quality Belt and Road and also more recently, there is a global development initiative(GDI). The initiative certainly was formerly announced by the Chinese President, but the nature of this for me as a scholar is one of the international development, which is defined to be governments of higher income countries providing official international support by economic development of poorer countries through bilateral and multilateral channels.

As we always say in textbooks, governments don't trade, governments support the trade. In the end, it would be the companies and individuals that take advantage of the opportunities governments provide.

The idea of the initiative is very Chinese and actually goes back to Dr. Sun Yat-sen. should we say his book on the international development of China in 1920 has offered many of the false insights that our leaders today and certainly we as scholars in China subscribe to. I just put in the chat box of our webinar in English language representation of Dr. Sun's writing on that subject. It is very different from that of international development using the same vocabulary on the European and North American experiences. This isn't marked in extension of colonialism if anything back in 1920, China would be colonized nor is this meant to be charity or generosity rather it focuses on taking advantages of available opportunities to grow yourself.

So, the ideas of what we

call today a community with a shared future actually resonates quite well with the overall rationale in Dr. Sun's proposal appeal should we say that "All Are Equal". In other words, the founding stone of Chinese thinking rejects a hierarchy; this is the partnership. Those are the ideas but then the initiative as I said is also based on China's own experience in utilizing international development support, but many countries did that, if you look at studies how and why China received World Bank's loans but became more successful than others.

They are certain essential elements here, one is that when they awarded the international support projects, China provided matching funds for the aided projects. It was not just waiting for someone to do a project in our territory and certainly we had a goal of government approach to support this aid project. To make the administration, we created one window entity to administer this support and then China took on the sovereign responsibility in that same reason, so certainly banks are banks we follow whatever they accord. Original development banks, world bank, or policy banks whatever bank, you need to repay to continue to get the loan.

Just to give you an idea this came from the World Bank document that gives a summary of the economic support to China through the World Bank how we spent after 2003. Actually the data is good up to 2003. If you look how we spent the World Bank on transport, energy and mining, rural development, urban

development; those were the major sectors and certainly they were education, so in other words, what we propose in the belt and road very much based on how we spent international support.

Interestingly you will see that the majority of the flow capital into China more than one percent; is actually a private capital. In terms of official development assistance or DA or the loans from the World Bank that were fairly low, they are less than 1%. But the loans from the world bank from this multilateral institutions were extremely important because the continuation of those loans were the vote of institutional confidence to help enable the inflow of private capital into China and we hope this can happen in other countries as well. So, the belt and road, as I said, grew from our own experience.

China's trajectory of growth in many ways is a part of East Asian Growth Paradigm. Japan was the one that came up with idea of Flying Geese. It talked about the time continuing in the country, so the same product gets to be made in different countries as the passage of time of course Japan itself moved on to more advanced product but with clothing for example, in the beginning was made in Japan and later on was made in other countries, so this is what is called the Flying Gees.

In some ways the criticism of Belt and Road is similar to the criticism of the so called Flying Gees. China was an active part of the Flying Gees pattern but today probably in some sectors, China is in more of leading » » page 15

◀◀ *page 14* probation, but nevertheless, it is not just the transfer of projects, it is not just the transfer of technology. It's several things' one is emphasis on domestic savings, you need the cash; you can't always rely on foreign support and secondly, investment in education, technical and vocational training. Earlier the ambassador has mentioned China has trained a certain number of technicians in Rwanda and other African countries.

This is far more important than the transfer of capital investment because in the end you'll need your workers on the ground to be able to do the job. The import of foreign technology and if necessary raw materials on that basis goes to industrialization. Here I heard earlier on the comment in the introduction that you thought that the Belt and Road was about mega projects, no that's not true, that's not necessarily true. It's really about inviting a participating country, the ambassador mentioned 140 countries signed up to this, inviting them to work with us here in China to fit new countries into new economies into the international hierarchy, should I say, well it's a hierarchy in reality but it is in the

International supply chains and if necessary if we don't really have the cash you can practice countertrade for your different forms of compensation trade.

Actually I double checked as of 1990, some 40% of Chinese export earnings actually came from exporting raw materials in exchange we imported technology; we imported

railroads from Japan, port construction. If you ever been to Hainan the entire road to the highway of Hainan came from World Bank loans. So, resources for finance is not new to us we were on the providing end of resources, but in the end all this goes to if you look at this simple summary of strategies, then you'll be able to export consumer products that fit the needs of consumer markets. So, throughout this all, they will still be gaps but then the industrial policy of the country is to promote competition in the niche products.

Earlier I mentioned, the e-commerce, if you look at the electronic vehicles, the EV sector in China that is a niche market Chinese companies cannot help to compete and succeed against established international automobile companies, fossil fuel companies because they are established for some 200 years; we cannot possibly compete but then we can compete in niche markets in electric vehicles.

Similar logic applies when we encourage thinking in countries like Rwanda and other African countries when we think of the government policy to affect industry growth. So, the Belt and Road as the ambassador summarized in more thorough language it was policy coordination infrastructure, trade, finance, people to people, but if there is a contribution the belt and road initiative makes to this basket of ideas in sort of this Easter Egg is that we really are making an open-ended invitation.

It's a collaborative project, but then the essential pursuit

here under the Belt and Road is to treat the low and middle income countries see that as a potential growth in consumption and this is very important, This is not a burden, it is not just opportunity to take advantage of in terms of resources.

These markets can emulate China's transformation for the past 40 years, can transform themselves from being the net exporter of resources to be importers of finished products. Others matters like tariffs, corporate incentives, increased rates they matter as well, but the essential difference is to say, well, let's try to be farsighted, the economy may be lower in income now, but there is an opportunity to grow to become the major consumer of your own products as well.

I was reading in South China morning post the other day, now you have avocados being exported en masse in China from Kenya. Also the ambassador of Rwanda to China took advantage of the TikTok network and started to sell coffee. I read somewhere that he was able to sell the same amount of coffee within 5 minutes as was sold in the whole previous year, so there are lots of opportunities without thinking small, thinking related to the individuals to the ground including residents in the countryside. So how all this comes together, you hear from Chinese officials, you hear from scholars, and also you hear from critics and skeptics from other societies.

Underlying all this Belt and Road or Chinese forum policy in general is partly that and FOCAC and other forums, is we value ▶▶▶ *page 16*

◀◀◀ *page 16* interdependence; this interdependence is underpinned by security, peace, development, ecology, those are the four essential points and actually the Chinese government notion of holistic view of security encompasses traditional national security pursuit of peace, development, and protection of ecology and on that basis, we emphasize sovereignty, equality and again going back to Dr. Sun, it's not just recent years there are no differences of course we need to learn from each other in terms of civilization differences we encourage dialogue, we work through multilateralism and that's what we mean by win-win.

In summary, the Belt and Road as an Idea like I said is an invitation, it's call for collaboration and much for this in terms of future projects will depend on how the participating entity beginning with the government going down to cooperation and individuals interact with us and the quality of interaction is as important as the final product of what we call cooperation. Well, in terms of benefits, it's not just for Africa; it's for China, it's for the rest of the world economy.

I think the next benefit would be more and more African societies and individuals through participating in the BRI certainly not exclusively, so get into a higher stage of international supply chains and product chains and very much like what I said earlier on this so called Flying Geese idea, which grew out of Beijing experience in the 1930s, I'm not saying Africa today is like that.

The more constructive discussion in this regard between Chinese and African stakeholders is to get into the design stage of borrowing. A very simple example we all would use here in China when we deal with poverty alleviation. You have two cool persons all scaled to the same amount loan or even grant, one person spends it on drinks or fireworks, that's a one-time consumption and another person spend it to buy a very simple bicycle and gets into transportation business and hoard food products around and earn some middle income, which person gets a better result? Certainly the second person.

Burden is real but then when the borrower spends it, how the loan providers factors in those possible choices and being part of that choice really matters. For instance, if I loan some money to the person who hoards food around and then

I also purchase the food he hoards around, it is going to be a win-win.

By coincidence, I have a student who works in the ministry of commerce and his portfolio he relayed to us these remarks that Mr. Xi made. The remarks cover at least two dimensions, one is in foreign aid, which basically means we should conceive of aid projects that can help individuals or small and Medium enterprises to earn income may not be what some may criticize, some prestige projects like road or railway.

So, In other words, we aim at Small and Medium enterprise, we aim at individuals. And secondly, the small and beautiful basically is Chinese way of framing China companies need to factor in the mirage of risks, in terms of the recipient of the investment projects certainly not just the loan projects. You have exchange rates, you have change of governments, you would have legal environments, so it's a different way of saying yes, we can be proactive but nevertheless we need to be prudent.

The third dimension by extension, in my understanding, I actually participated in some of the governmental meetings on the global developmental initiatives, why after BRI you need another initiative that is named the global development, the emphasis is number one aligning the agendas of concrete projects with the UN 2030 sustainable development goals, but more importantly we want to use Chinese interest in investment or in development cooperation as a leverage to get multinational banks, to get third country cooperation to go well. It is also a different way of saying let's share the risks in terms of both systemic and project specific, so that's my understanding. The totality of this is to have shared quality outcomes through sharing responsibilities ■

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Achievements of Belt and Road Initiative in Southern Africa



The effects of the Belt and Road Initiative (BRI) have continued to be felt all over the world especially in Africa as a developing continent and in Southern Africa in particular.

This article will highlight some of the projects that have been undertaken in Southern African countries because of BRI and the achievements

that have emanated from these projects.

Belt and Road initiative was not started to develop only roads as the name may depict but as Mr Kandjoze (the Namibian Minister of economic development) put it, 'The Belt and Road Initiative advocates for peace and cooperation, openness and inclusiveness, mutual learning, and mutual benefit. It promotes policy coordination, facilitates connectivity, unimpeded trade, financial integration, and people-to-people bonds as its major goals, advances practical cooperation in all fields and works to build a community of shared interests, responsibility and destiny featuring mutual political trust, economic integration, and cultural inclusiveness,'

It is with the above understanding that the BRI benefits to Southern Africa will be approached in this article. It is not only roads that have been improved by the BRI, but a connection between Southern Africa and China that benefits both parties beyond roads and infrastructure.

The Southern African countries included here are Namibia, South Africa, Botswana, Angola, Zambia, Mozambique, and Malawi. See infographic on next pages.

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CHINA RELATIONS WITH SOUTHERN AFRICA COUNTRIES.

A connection that benefits both parties beyond roads and infrastructure.

NAMIBIA

Some of the major benefits of BRI in Namibia are evident in projects like the Husab Uranium Mine, the Walvis Bay Container Terminal, and several roads construction projects to mention just a few.

Husab Uranium mine which is located near the town of Swakopmund in Namibia was constructed as a result of the long standing relationship between Namibia and China and is said to be the third largest Uranium mine in the world. This is one of the examples of the benefits of BRI which advances practical cooperation between China and the countries where BRI projects are implemented. The Mine started producing uranium oxide for the export market in December 2016, which was celebrated as a significant event in the history of Namibia. Mining is expected to last nearly 20 years.

The total investment for the Husab Mine is over US\$ 5 billion, and more than US\$ 2 billion was required to build the Mine. This is a significant investment in Namibia that has multiple benefits to the people of Namibia and Africa in general. According to Namibian uranium Association this mine will add 5-7% to Namibia's GDP. It is said that more than 4 500 temporary jobs were created, thereby assisting the National Agenda of the Republic of

Namibia by reducing unemployment. The mine is operational and is said to have more than 1600 permanent employees and six hundred contractor employees, making it one of the biggest employers in the Namibia in addition to substantial royalties that are received from the proceeds of the mine.

As most countries are striving to become international trading Hubs, Namibia is not left behind. A \$400-million-U.S. container terminal was developed in Walvis Bay built by China Harbour Engineering Company Ltd. The construction work started in 2014 when the African Development Bank provided the 300 million U.S. dollars funding.

The terminal is built on forty hectares of land reclaimed from the sea by China Harbor Engineering Company Ltd (CHEC). The container handling capacity of the new terminal was increased from the original 350,000 containers to 750,000 per annum. Over the five years of construction, the project employed more than 2,000 Namibians and provided on-site training to over eight hundred local employees who gained new skills that can be used elsewhere.

BOTSWANA

In January 2021, Botswana became the 46th African nation to sign up to BRI. This at the back foot of the relationship between the government of Botswana and China that allowed the development of Botswana innovation Hub. The innovation hub is the first stage of the development of a Science and Technology Park that is designed to include offices, industrial units, and hotels. The project is estimated to cost US\$56 million. The Main Contractor for construction of the innovation hub facility is a joint venture between Caitec Botswana and Jiangsu Zhengtai Construction Group Co. Apart from the huge capital investment, employment of construction staff is an added advantage to reduction of unemployment in Botswana.

ANGOLA

China and Angola signed a Memorandum of Understanding (MOU) for cooperation on the Belt and Road Initiative (BRI) during the 2018 Forum on China-Africa Cooperation (FOCAC). This cooperation was evidenced by the arrival of Chinese medical experts in October 2020 to assist Angola in fighting the COVID 19 pandemic. Several other projects that indicate the benefits of BRI include the following:

- Chinese enterprise Huawei expects to complete a technology park worth 60 million U.S. dollars soon.
- The Belo Monte substation which is a power project undertaken by Chinese firm and is expected to provide electricity to 300,000 households and benefit more than 2.5 million people.
- The Chinese ambassador to Angola, Gong Tao indicated several projects that have been undertaken by Chinese enterprises which include:

- o Repair/ built 2,800 km of railways,

- o Build 20,000 km of roads, and

- o Built more than 100,000 sets of social housing, more than 100 schools, and more than 50 hospitals

- Guangde International Group which invested 230 million U.S. dollars in the "Vida Gude" shopping centres, which has eleven factories where they sell made in Angola furniture. The shopping centre has roughly two hundred employees and the factories employ 1,185 people.

- The construction of hospitals in the cities of Dundo and Mbanza Kongo; and water supply systems in different municipalities.

- The construction of the electrical production plant of Soyo, supported by the Industrial and Commercial Bank of China and built by China Machinery Engineering Corporation (CMEC).

SOUTH AFRICA

In December 2010, South Africa was invited to join China in BRICS group of emerging economies. BRICS is an acronym that was developed to represent Brazil, Russia, India, China, and South Africa. This was yet another milestone in the relationship between China and South Africa where in the same year China was South Africa's largest trading partner.

As mentioned above, BRI encompasses development projects as well as relationship building between China and other Countries. Some of the benefits of these relationships can be demonstrated by the examples below:

- China investment where Industrial & Commercial Bank of China (ICBC)'s took a 20% stake in one of South Africa's largest banks (Standard Bank)

in 2007 for a staggering USD 5.5bn. This is quite a huge Foreign Direct Investment (FDI) in South Africa.

- A \$2.5-billion loan from the China Development Bank to fund Power utility Eskom received its Kusile power station

- A \$10-billion investment from Chinese automaker Beijing Automotive Industry Company (BAIC) to expand its plant based in Coega, Port Elizabeth

- A Hisense Group factory which is an appliance manufacturer that assembles items like television sets, fridges etc, and a Hebei Jidong Development Group cement plant

- China's Powerway Renewables and Suntech Power holdings involved in renewable energy projects in South Africa

- Numerous China Malls that have developed in most of the big South African Cities which have contributed in availing goods to the public at relatively affordable prices and employing several South Africans to manage the businesses

- As of 2015/16, it is reported that there were over 140 medium-sized or large Chinese companies in South Africa with a combined investment of US\$13 billion, employing around 30,000 South Africans. This is because of Initiatives of which BRI is the main driving factor that has enabled large Chinese investments which has increased both FDI and employment.

CHINA RELATIONS WITH SOUTHERN AFRICA COUNTRIES.

A connection that benefits both parties beyond roads and infrastructure.

ZAMBIA

Muna Ndulu a Professor of Law Cornell Law School and Director of Cornell University Institute for African Development stated that "Zambia's underdevelopment is not the result of too much foreign investment but a lack of foreign investment". It is this lack of foreign investment that has stagnated infrastructure and other growth not only in Zambia but in Africa in general.

It is with the above notion that China investments in Zambia are appreciated. China started investing in Zambia as far back as the 1970s when it built a railway linking landlocked Zambia with Tanzania which eliminated the country's dependence on South Africa and Rhodesia, which were then led by white-minority governments. The criticism of that project then, is like the current criticism from the west regarding Chinese investments in Zambia. The west criticises investments in Zambia, yet the same west is not providing the required investments in Zambia while China has invested substantially.

Alex Ng'oma, a political analyst at the University of Zambia in one of his statements, states that "Zambia at the moment appears to be much better than it's been in a very long time," because of investments made by China. "We've got roads being built in areas where we didn't imagine it, we've got hospitals and schools and things like that." He continues to say.

China's presence and investments are seen in the vast networks of roads that have been built thus radically updating the ageing transport infrastructure. Surgeries that have been built as well as schools not to mention traders that have changed the trading outlook in Zambian cities.

Several Chinese state-owned farms for

example Jonken farm have accelerated commercial farming in Zambia. There are also private Chinese entrepreneurs who are farming on a small scale thus all contributing to sustainable food self-sufficiency in Zambia.

Multi-Facility Economic Zones and industrial parks such as the ones in Chambishi and Lusaka towns have completely changed the landscape.

Other projects that have developed because of the cooperation between China and Zambia include:

- The construction of a 750 megawatts power project in Zambia funded by the Exim Bank of China as well as other financiers
- The construction works of the Kafue Gorge Lower Hydropower Station not far from Lusaka, the country's capital
- Many state-owned companies like Aviation Industry Corporation of China (AVIC), Sino Hydro Corporation, China Jiangxi International, China Henan Cooperation, China Sichuan and many others have invested heavily in Zambia.

China is therefore contributing to Zambia's development regarding infrastructure projects in roads, bridges, airports, power, schools, hospitals, mining, and agriculture just to name a few. Lusaka times in 2018 reported that Zambia-China trade in 2016 was estimated at \$2.6 billion, and Chinese investment in Zambia by 2018 was approximately \$4billion.

MALAWI

Malawi has not been left behind as far as China and BRI projects are concerned. The following are some of the projects that evidence the contribution that China has made to development of Malawi:

- The concessional loan for Lilongwe Water Program worth 67.7 million U.S. dollars
- An \$80 million loan from the Export Import Bank of China to construct a university for science and technology
- Construction of the Parliament

Building, Bingu National Stadium and conference centre, and

- The construction of a dual carriageway in Lilongwe worth 50 million dollars grant and a 15 million dollars grant for the construction of 5 community technical colleges.

These are all evidence of the achievements of BRI within Malawi. For this reason, Malawi will never be the same again due to this infrastructure boost. This boost could not be achieved by the colonizers whose interest has only been criticism of China's presence in Africa using the "debt trap propaganda".

MOZAMBIQUE

China Railway 20th Bureau Group Corp, or CR20G, which is a subsidiary of China Railway Construction Corp Ltd, is helping farmers in Mozambique stable and high yields by introducing China's practical agricultural technologies and employing modern machinery.

CR20G built a rice processing plant in Xai-Xai, capital of Gaza province in Mozambique in 2017 with the help of the China-Africa Development Fund. This project is said to be China's largest rice planting project in Africa for more than four years. In June 2021 the project harvested (2,400 hectares) and 16,600 metric tons of rice and created a total of 14,000 jobs for Mozambicans in farming.

Other major projects include:

- The popular 680 meters Maputo-Katembe bridge which opened to traffic in November 2018 and is said to be the longest of its kind in Africa. The project is said to have created

3,788 jobs during its construction.

Mozambique: Maputo- Katembe Bridge- Photo courtesy: zwnews.com

- The development of offshore natural gas in Area 4 in the northern Ruvuma Basin which is critical to the economic development of Mozambique and the energy sector in Africa in general.
- The Nacala Corridor Railway, Maputo Bay Bridge, the EN6 Highway, and the Beira fishing port have all been completed and put into operation.

• Several resort hotels and housing projects undertaken and operated by Chinese companies have sprung up and these have improved tourism in Mozambique by offering the required accommodation.

- Exim Bank of China financed the digital TV transformation project which was implemented by StarTimes

By 2021, nonfinancial direct investment by Chinese organisations in Mozambique had reached almost \$2 billion, and total investment was almost \$8 billion.

All the above-mentioned projects are just those that stand out and not the only ones where China has invested tremendously in Southern Africa. Many jobs have been created, roads have been constructed, housing has been developed, Agriculture has been improved, people have gained skills that they did not have before, and all this thanks to BRI and the cooperation between China and African countries ■



China's BRI changing lives and the face of Africa



In the Kenyan capital Nairobi, a Chinese-built and financed tollway or Nairobi express highway as it is commonly known, was opened late July. The 27.1 km road linking Jomo Kenyatta International Airport and Nairobi city was financed by the state-owned China Communications Construction Company while the construction work was carried out by the China Road and Bridge Corporation (CRBC). The project is one among China's Belt and Road Initiative (BRI) projects that are changing the face of Africa.

The Nairobi express highway reduced traffic congestion on Mombasa road where motorists have been spending hours in traffic jam especially during rush hours. Traffic Jams in Nairobi are

estimated to cost the Kenyan economy Sh100 billion every year, which would translate to about Sh11 million per hour, according to a study commissioned in 2019, by the Nairobi Metropolitan Authority (NaMATA).

The Nairobi express highway was financed through public private partnership (PPP). It is argued that under this model, the governments' loan burden and budget deficits are reduced.

During the Forum for China and Africa Cooperation meeting (FOCAC) which took place in November last year in Senegal, China pledged to continue to offer grants, interest free loans, concessional loans and other financial support to African countries. "Innovative ways of financing will be explored to support Africa's infrastructure development," according to a statement released after the FOCAC meeting.

Chinese economists, Justin Lin and Yan Wang, argue that, "conventional development aid is inadequate to address the bottlenecks to growth in many developing and emerging market economies, including those in sub-Saharan Africa." They further say that China relied on a combination of aid, trade, and investment to kick-start Africa's structural transformation process. "China's own experience since the 1978 economic reforms period demonstrated the country's impressive ability to lift hundreds of millions out of poverty through a gradual and contained approach around markets," according to Lin and Yan.

Therefore, it is no surprise that China applies the same approach when dealing with other developing economies, including Africa. China's developmental approach is [➡➡➡ page 25](#)

◀◀page 24 different from the western model and, "challenges the Washington Consensus, based on free markets and economic liberalization," according to a paper by the Italian Institute for International Political Studies (ISPI). The paper further reveals that, "Beijing's approach to cooperation is about "focusing on development and improving people's lives" and "providing the means for independent development" of each country. This is contained in China's 2021 White Paper on International Development Cooperation.

Following these principles, China's engagement and economic relationship with Africa, is more focused on trade, investment, development finance, and other forms of cooperation that promote Africa's growth,



China's own experience since the 1978 economic reforms period demonstrated the country's impressive ability to lift hundreds of millions out of poverty through a gradual and contained approach around markets

rather than dependent on loans and aid. China-Africa cooperation therefore, hinges on mutual economic interests which have contributed to promoting Africa's economic transformation.

The BRI provides a means of bridging the trade-finance, and more broadly, the overall financing gap in Africa. Currently, Africa ranks behind other regions in terms of its overall level of regional trade integration.

The African Continental Free Trade Area (AfCFTA) is responsive to Africa's integration aspirations, as envisaged in the African Union's Agenda 2063, a blue print for transforming Africa into a global powerhouse of the future. China's Belt and Road Initiative (BRI) and the AfCFTA are like two sides of the same coin that complement each other in Africa's development trajectory ■

Gerald Mbanda is a researcher and Publisher- Africa China Review. Twitter @Geraldmbanda

PHOTO: Bank of Kigali's Chief Operations Officer, Mr Benjamin Mutimura, hands over the award to one of the best performing students.



BRI makes a difference for Uganda



Early August 2022, the 183Mega watts Isimba hydro dam station developed a technical fault with its automated system which led to government of Uganda warning of a possible nationwide blackout.

In the same warning, the minister for energy and mineral resources Ruth Nankabirwa revealed that Uganda was planning to import 60Megawatts of electricity from Neighboring Kenya to fill the gap that was created by the faulty part of the dam.

The over \$567 million Isimba is one the country's Belt and Road Initiative (BRI) flagship projects in Uganda. It was funded by a loan from Exim bank of China with its construction

completed in 2019.

Uganda has in the past had inadequate electricity for both industrial and domestic use. It was not easy for Uganda to have electricity all through seven days of the week without load shedding. Ugandans born before 2006 understand this better!

Uganda electricity generation capacity was below 800 megawatts before the completion of Isimba and yet the country needed more than 1000 megawatts to meet its consumption demand. The isimba station made it a reality and since 2019, Uganda has generated surplus electricity of which excess have been exported to neighboring countries.

The 600 Megwatts Karuma hydro electricity dam is another electricity BRI project under construction and also funded by a \$1.7billion loan from Exim Bank of China.

Karuma is expected to start operations next month. Once it opens, Uganda shall be generating electricity two times more than its consumption demand. The fault at Isimba or any other power station would not injure the country more once Karuma starts operation.

The western media have always presented BRI projects as debt traps for Africa until the fault at Isimba showed Ugandans how these projects are pro - people and not traps as earlier presented.

President Yoweri Museveni in 2015 during the African peer review mechanism forum in Johannesburg South Africa presented 11 strategic bottlenecks that [➡➡➡page 27](#)



◀◀*page 26* have hindered African social and economic transformation. Third on the list was un-developed or under-developed infrastructure.

The understanding of president Museveni was that Uganda needed more physical infrastructure including roads, railways and electricity dams to enable connect the fragmented African markets but also having enough electricity in order to reduce the cost of doing business in the country.

He had previously shared his encounter with World Bank leaders whom he had asked to fund a railway project in Uganda but refused arguing that countries that build such

huge projects do so using their own money.

This is the same explanation the western styled world bank leadership groups were giving to other global south countries. The BRI announced in 2013 by president Xi Jinping is now solving the challenge and filled the gap with ease.

Besides the negative Western media propaganda against China-Africa partnership projects in Africa, these projects have continuously made a positive impact on the Ugandan population.

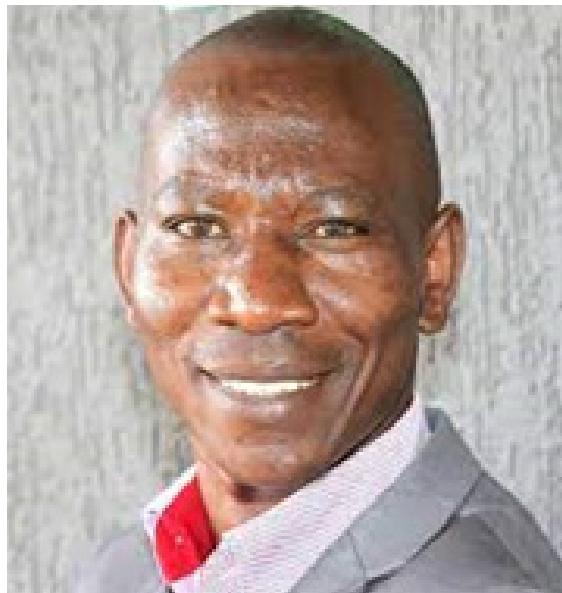
The BRI have also seen the implementation and construction of the Standard Gauge Railway (SGR) in Kenya.

Its successful completion to the eastern border point of Uganda shall enable Uganda, South Sudan and Rwanda to also easily implement their SGR projects. The Chinese government has continued showing interest in funding these projects too and many are in their final stages of beginning construction.

The Sino-Africa partnership has enabled the establishment of these BRI projects, it's our responsibility within the various African countries to jealously guard them from misuse and mismanagement so that our people can enjoy the fruits ■

Mubarak Mugabo, is a Vision Group Journalist and China Africa Press Center Fellow.

BRI has delivered good net for Africa across all pillars



Since introduction in 2013, the China led Belt and Road Initiative (BRI) continue to be a formidable platform of international cooperation with peace and development as its key anchors. In Africa, nearly all the member states under the auspices of the African Union have signed cooperative agreements with Beijing to be part of BRI. Through the Initiative, Africa has harnessed its partnership with China to muster comprehensive investments and infrastructure upgrades spanning ports, railways, roads, telecommunications and energy installations.

While infrastructure construction remains the most visible component of BRI, the initiative is supported by four other pillars namely trade,

policy coordination, financial inclusion and cultural exchanges. These four pillars are often bypassed or not discussed enough in both popular and academic discourse yet in concert, they work alongside infrastructure construction give BRI the edge over other global development initiatives.

In Africa, Kenya is one of the most successful countries in harnessing the power and potential of BRI. Through the initiative, Kenya has operationalised signature projects like the Standard Gauge Railway running from the Port City of Mombasa to the administrative capital, Nairobi. Others include the Nairobi Expressway, the Lamu Port, ring of roads and the Konza smart city. The upgrades have greatly hoisted Nairobi's place as a regional transport hub with the SGR playing an important role in transportation of cargo, medicines and people during the Covid-19 global health crisis.

On the trade front, China is today Kenya's largest trading partner. To offset the arising trade imbalance, Nairobi has negotiated a raft of agricultural export promotion that recently enabled to be the first African country to export fresh avocados to the Chinese market. Other Kenyan products like coffee and tea are also increasingly becoming visible in Chinese cities.

BRI has been a veritable avenue of technology transfer besides creating thousands of jobs in Kenya. Today, Nairobi boasts of a critical mass of expertise in rail technology including a new breed of female engineers and drivers. The BRI's cultural exchange programmes have also seen many young Kenyans turn to China for higher education; fuelled by [page 29](#)

« « *page 28* generous Chinese government scholarships and increased acceptability of Chinese education by Kenyan government agencies and other employers.

Although China tends to court Africa as collective entity through the Forum on China-Africa Cooperation, where many of the policy discussions are hammered; implementation of FOCAC outcomes are mostly on bilateral bases.

In the last decade, Kenya has aggressively tapped into the opportunities offered by the BRI. The political goodwill buoyed by urgency to deliver public goods has been the biggest driver. Kenya's relatively well educated workforce and its geo-location as getaway to the East and Central African region has also been strategic in netting key BRI projects.

As a regional financial hub, Kenya has also been instrumental in aiding BRI's financial inclusion pillar. Chinese financial service providers such as WeChat and Alipay have sealed partnership deals with Kenya's Equity Bank that has operational footprints in East and Central Africa. On the other hand, Kenya Central Bank is considering using RMB as a reserve currency. All these action steps have spurred business transactions and e-commerce between China and African partners.

It is certainly clear that BRI has resulted in net good for African countries like Kenya. Yet, the implementation of the Initiative in the continent has also seen fair share



Although China tends to court Africa as collective entity through the Forum on China-Africa Cooperation, where many of the policy discussions are hammered; implementation of FOCAC outcomes are mostly on bilateral bases

African countries should as much as possible map their development programmes on the aspirations of the BRI. In many ways, BRI is aligned to the Africa Agenda 2063 and the African Continental Free Trade Area (AfCFTA). Such mapping will eliminate vanity projects and deliver maximum returns to the citizens.

One approach could be the adoption of the public private partnerships (PPP) in BRI implementation. Such arrangements promote sharing of responsibilities, decision making and resource allocation in the overall project's life ■

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of criticism. Some of the concerns surround the increased public debt which has been erroneously equated to attempts by Beijing to soak participating countries into unsustainable debt obligations. Numerous studies have however discounted such claims.

To overcome such misrepresentations and promote sustainable implementation of BRI in Africa, the implementing can undertake certain measures. The first is to proactively explain to the public the cooperative arrangements that African countries enter under BRI. This will ensure greater public buy-in; and scatter the prevailing disinformation.

China-Africa cooperation under 'Belt and Road' is based on consultation



I think it is the right time to talk about the topic considering the fact that Africa is currently facing severe infrastructure gaps and the fact that the next year, will be the 10th anniversary of the Belt and Road Initiative. The "the Belt and Road" initiative has aroused the international community's great attention to Africa's infrastructure.

In recent years, the United States and Western countries have obviously increased their attention to infrastructure construction in Africa. For example, the G7 group recently proposed the "Partnership for Global Infrastructure and Investment" (PGII). Of course, another important factor is that China-Africa "Belt and Road" cooperation has created good conditions

for the United States and the west to increase investment in infrastructure in Africa

A large number of infrastructure built through the "Belt and Road" initiative cooperation between China and Africa have become fixed assets of African countries, and no one can move them away. The explicit and implicit influence of a large number of infrastructure will gradually play a role. Therefore, it is too early to judge whether these infrastructures have shown all their influence.

China-Africa cooperation under "Belt and Road" is based on "consultation, sharing and joint construction", and fully respects Africa's autonomy. In fact, China is shaping respect for Africa's autonomy into a new norm, which has laid a foundation for Africa to adhere to its independent position in international cooperation in the future. The Chinese people are well aware that Africa's own development needs are best understood by itself.

China-Africa cooperation under "Belt and Road" requires more efforts to transform the "memorandum of cooperation" into a cooperation plan, and then from the cooperation plan to specific projects. China is unable to fully shoulder the responsibility of infrastructure construction in Africa. China sincerely welcomes international cooperation among three or more parties.

The construction of the "the Belt and Road" is ultimately a process of connecting facilities, achieving people to people exchanges, learning from each other, and breaking prejudice, discrimination and misunderstanding. To open up a path for a better future for [page 31](#)

« « page 30 mankind through international cooperation. The practice of the United States and the West in engaging in small circles, confrontation and zero sum games should be completely buried in the garbage heap of history.

Obviously, China is unable to fully shoulder the heavy responsibility of infrastructure construction in Africa. China welcomes international cooperation through three or more parties.

I think Africa's development needs support of the international community. China welcomed and created the circumstance for the international community to give more attention to Africa's development, to Africa's lack of infrastructure. You know that recently, Africa's continuation of the free trade area is beginning



China-Africa cooperation under "Belt and Road" requires more efforts to transform the "memorandum of cooperation" into a cooperation plan, and then from the cooperation plan to specific projects

and we noticed that lack of infrastructure, for example; electricity and transport. Many of these need investment, they need money, need support of the international community. So,

I think that China welcomes international cooperation.

This is also the Chinese experience, you know that China has 31 provinces, and all the provinces are very big. Without infrastructure connections, you would notice isolation and disconnection between the provinces. But, through the infrastructure connection, the love for the state, and their identity, I think it is very important for China, our story, and for the rest of the world.

Over the years, China's Communist Party has put forward China-Africa cooperation. We hold Africa dearly in our hearts. So, we can expand, we can get our relationship more and more close ■

Mr. Ma Hanzhi is an Assistant Researcher, China Institute of International Studies (CISS) Beijing.

Africa is more indebted to the West than China



Thank you for having me to discuss about the Belt and Road initiative, an initiative that was conceived in China. Initially, it was meant for Asian countries but later it was also extended to other parts of the world and as of now we have more than 70 countries involved in the plan including 90% of African countries. The plan itself is about infrastructure planning and implementation in which China or China institutions work with partner states to plan and implement those projects.

For African countries, this plan is very important, given the infrastructure gap that we have in this continent, whereby it has been estimated that by the year 2025, the continent shall have a budget gap of around \$175 billion,

of which \$100 billion will be a gap for financing and, therefore, for African countries, this plan is very important particularly given this moment that African continent is about to implement the African Continental Free Trade Area. It is very important that it can enhance and improve connectivity among African countries, thereby uplifting people under the poverty line and also improve doing business on the continent.

However, this plan is having several criticisms from several countries especially from the Western countries, saying that this plan has become a debt trap for African countries, but again you wonder what was happening before this plan came into existence, that we have had several African countries with debts from the World Bank and IMF and even from the bilateral financing from the Western countries.

Now, there are also other views concerning this plan, in which they argue that all these ports that have been constructed along the African coastlines are meant to facilitate Chinese businesses and you want to ask is it that these ports are meant for Chinese companies alone because they also can be used or they are actually used by companies from the Western countries. That kind of argument cannot hold water.

Now, how can African countries improve the benefits of this BRI or the Belt Road Initiative? We as Africans, have to make sure that we can corruption in all spheres, that is, we have to prove to the funders that our countries are corrupt free or at least we have minimized corruption because whenever the funders sense that your country is corrupt [➡➡➡ page 33](#)

« « *page 32* then they will even raise the interest rate in order to cushion the risks.

Another thing is that we have to make sure our countries minimize internal conflicts and also conflicts between neighboring countries because this also raises the risks whenever the funders feel that your country is having a lot of conflicts or you have conflicts with your neighbors it will affect the level of risk which means that even the interest or the conditions for the financing will increase.

We also have to improve on governance in the sense that we have to ensure that whatever we have is equitably distributed among our citizens, otherwise once we have poor governance the result will be that the people will be dissatisfied and also can cause a commotion. Also when these kinds of projects are about to be implemented the concerned communities have to be informed in advance, they have to be part and parcel of the program so that they find these projects to be their own, so that they will not be negative

The second point about how the continent can benefit more with this BRI is to ensure the plan of these



For African countries, this plan is very important, given the infrastructure gap that we have in this continent, whereby it has been estimated that by the year 2025, the continent shall have a budget gap of around \$175 billion, of which \$100 billion will be a gap for financing...

infrastructures strategically, How? This means whenever you want to borrow for these infrastructure complexes make sure that you choose these projects that are productive, that will enhance or will spur the economic activities and therefore alleviate poverty in the country.

Another point is about collaboration, collaboration among African countries. You will find that most of these projects actually extend from one country to another but you find that these countries whenever they go to negotiate about these projects they go individually. As we know that these projects are serving more than one country, so when these countries make it a regional projects then it can give them leverage in terms of bargaining power when they go to deal with funders.

The last one is about learning from other countries, particularly countries in Asia where this plan started, they know how to deal with this funding particularly they know how to deal with Chinese companies and Chinese funding, especially on debt management, and they know how to manage the debts, instead of accumulating huge debts so they always request for the debt with appropriate concessions so that they can be able to have manageable debts not become a burden to the citizens of the country ■

Dr. Bideli Ishuheri Nyamurinda, is an associate professor of Marketing and also the Director of Research and Innovation at the University of Rwanda.

China 'debt trap' for Africa is an exaggerated propaganda tool



I think that the degree to which this emphasis on unmanageable loans is exaggerated and also used as some kind of propaganda tool. If you look at many of the roads that are being financed by China through the BRI initiative, these are actually toll roads. We pay road tolls to use these roads. Now the money that we pay on toll roads is not going to come out of the pockets of the government, this is coming out of the pockets of the people that are using them.

I was in Nairobi when that new road, the flyover was being launched, in the beginning, there were very few motorists using it but as pointed out, the number of motorists using that highway has multiplied; that means that they collect a lot of money per day so the money

that was used to construct these roads can be paid back over a certain period of time using the money from these road tolls.

But also I think we need to cycle back to the late 1970s and early 1980s when we had the debt crisis in Africa of which we are all aware. No one was pointing fingers at Western countries or multilateral institutions that had lent us that money and that it was their fault that Africa was indebted.

Africa was castigated for borrowing too much, borrowing more than it could afford to pay back. So I think in many ways, what happens to our relationship with China or what happens to us Africans, as a result of that relationship is going to be as much about what China wants as what we want ourselves.

And I think that we are now a little more grown-up about these things and we are going to be able to make the right judgments about it, of course, there may be countries that have unaccountable government or countries led by governments that are not interested in managing things properly so it can't be China's fault that those governments may over borrow.

I think that it can't be a one-way street that has to point at China that, "you China you are giving Africans too much money, Africa is not going to be able to pay you back". It almost infantilizes Africans that Africans do not know what to do as far as their relationship with China is concerned ■

By Golooba Mutebi.

What China has built in Africa



Over **10,000**
kilometers of railway



Nearly **1,000**
bridges



Up to **100,000**
kilometers of roads



Almost **100** ports



Many schools
and hospitals



Data is from the establishment of the Forum on China-Africa Cooperation.