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Interpreting the Dynamics of the Belt and Road Initiative (BRI) in Relation to Africa's Infrastructure Exigency

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Abstract:- The Belt and Road Initiative (BRI) conceived back in September 2013 deals with China's ambitious campaign to invest billions of dollars in infrastructure projects which are intended to connect China with the rest of the world, along the ancient Silk Road. It is a gigantic project sprawling to countries in Asia, Africa, Europe and South America. This encircles investment projects in infrastructure in numerous fields such as construction, communication, energy, transportation, power and even automation. Beijing has outlined "policy coordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bonds," as the five major goals of cooperation under the BRI.[1]

According to China, the BRI is a programme designed to serve governments and their people for good outcomes and this notion has already gained global endorsements, that is not to say that there has not been doubts and misgivings from certain quarters regarding the conception of the initiative. That notwithstanding, the BRI, an idea aimed at pushing for global economic cooperation continues to make strides. As a work in progress, it is not a geo-political programme concocted to push for grand hegemony or anything of that kind. The Chinese government stresses at every opportunity that the success of the BRI would depend largely on global control and ownership through continued partnership, joint collaboration and shared dividends among partners.

The burgeoning relationship between China and Africa in the past few decades has remained one of the core topics in many academic discourses with many taking the view that the alliance is very much needed and one that would yield positive fruits for both parties in the short and long term. Something China itself has described as a win-win partnership. But critics, such as the U.S and its allies have denounced it as pure exploitation of Africa's minerals, an allegation, Beijing has repudiated without hesitation.

This paper, therefore, seeks to examine the impact so far of the BRI in Africa in line with China's five major goals of mutual benefits, coupled with urgent measures needed to mitigate Africa's infrastructure drawback.

The history of China and Africa relationship is a long one. A history that can be traced to as far back as the late 13th and early14th century with the sojourn of Moroccan scholar Ibn Battuta to China and Chinese voyages during the Ming Dynasty that rounded the coast of Somalia in the days of the Anjuran Empire down to the Mozambique route.[2]

The Africa-China partnership has experienced steady growth since then. The Forum on China- Africa Cooperation (FOCAC), a significant arrangement in the history of the two partners was birthed in 2000 as a forum for joint consultation, discussions and framework for progressive cooperation.

China's foreign policy and FOCAC are closely linked as it is seen as the one stop shop for all businesses between Africa and China, be it economic, political, cultural, or social. With the emergence of the BRI in 2013, this cooperation was given a new route and an extension of some sorts.

As designed to serve all governments, the BRI has its own benchmark areas which indeed include Africa.[3] These are: (1) trade, finance and investment; (2) productive capacity (mostly agriculture and manufacturing); (3) connectivity of infrastructure and facilities; (4) ecological and environmental protection; and (5) tourism, cultural, social and educational exchanges.

Chinese businesses are everywhere in Africa, from the North to the South, the West to the East, it is estimated that about 10,000 Chinese companies are presently operating in Africa,[4] with majority of them in South Africa, Ethiopia and Nigeria. The number is still growing as Chinese businesses (private and state owned) including banks continue to pour into the continent. The strength and length of this alliance continue to increase and expand, particularly with the overwhelming reserves of natural resources in the area which China needs to maintain its industries and other productions that serve the over 1.4 billion people in the country.[5]

Governments of Africa have welcomed BRI as an additional reinforcement needed to meet the ever pressing hunger for infrastructure projects.[6] Therefore it is right to say that the financing from the

Beijing government through BRI will not only open up more businesses for both partners but ultimately achieve their goals and aspirations as evolving economies.

Keywords:- *Africa, Belt and Road, Cooperation, Development, Infrastructure, Win-Win.*

I. INTRODUCTION

When BRI was first conceived, Africa found limited space in the programme and assumed it was probably not designed to accommodate her. This however changed a few years into the initiative and was iterated by the Chinese government at the FOCAC Summit in 2018 where the government pledged to open the windows wider to encompass the entire countries within the continent. Historically, this was significant as Africa has always been a part of the extension of the Belt and Silk Road. The first few African countries to sign up to the scheme were South Africa, Ethiopia, Kenya, Egypt and soon after, Djibouti, particularly with the opening of the Chinese military base in that country.[7]

Source: *"Key Geopolitical Policy in Focus: China's Belt and Road Forum." Foreign Brief, 13 May 2017, www.foreignbrief.com/daily-news/key-geopolitical-policy-focus-chinas-belt-road-forum/.*

China is already involved in infrastructural projects in many African countries, and with the birth of BRI, things are expected to improve between China and Africa. BRI offers a clear and centralized agenda and unified effort in narrowing down infrastructural development in Africa. The need for connectivity in and within Africa is important and BRI hopes to leverage on the opportunities it provides. In Angola for example, there is a railway line which is functional on the side of Angola but under-utilized because their neighbours (Democratic Republic of the Congo and Zambia) have not been able to connect with this railway to fasten up transportation and movement of goods along that line.

Before now, capital for infrastructural development in Africa was provided by various Chinese banks under individual bilateral agreements entered into by China and the country involved. Since BRI came into effect, capital flow has been centralized and monitored through the activities of the Asia Infrastructure Investment Bank (AIIB) and the Silk Road Fund (SRF). This has been made possible with the signing of the memorandum of understanding between China and the African Union (AU) in 2015. This agreement covers China assignment to build high speed rails, ports and roads in Africa. China has been lured to take up the mission of linking the East and the West of Africa by expanding the traditional trade route which begins in Kenya, Uganda, Rwanda, Burundi, Democratic Republic of Congo, and Central Africa Republic to a more western part of Africa starting from Doula in Cameroon.[8]

BRI also has its people-to-people agenda which China is pushing through soft power methods. Through China's slogan of "peaceful development", it has continually walked on the path of a peace-loving and development minded global citizen with only the intentions to connect and build for win-win outcomes in mind.

Chinese officials have made this rhetoric their mantra and there is no doubt that it has won the country many admirers.[9] BRI in its grand design and in its core falls within the space of peaceful development as echoed by China; with serious commitment to peace and economic growth along the belt and road and prosperity for all parties concerned.

BRI underscores China's resolve to take a larger chunk of global business activities and its desire to export capacity in areas where there have been underproduction; particularly in the iron and steel industry. With every zeal and determination, the BRI carried with it a high degree of a political pledge in China to collaborate with willing countries in trade and investment flows.

The Key Sectors for BRI are:

- Energy and power
- Infrastructure projects
- Public utilities
- Construction, transport and logistics
- Technology, media, telecoms and information technology
- Financial markets

The above essentially represents what the BRI is all about; China's dream of a new world, outlined by frees flowing ideas, goods, services and people-to-people relations. China hopes that with the success of this programme, the world will witness common prosperity, lesser conflicts, reduced competition and extinction of global power play.

This whole agenda has not been too smooth from the onset; of course, it has met several hiccups along the way, particularly harsh criticism from the western media that sees China as the "Leviathan" whose thirst for power and more power is pushing her into this expansionism disguised as trade connectivity.[10] The West is worried; it sees this programme as Beijing's tool to unsettle the global economic order.

But China continues to march on, to actualize its dream of connecting the world, BRI aims to continue in the construction of more seaports, airports, roads and other facilities required for smooth and easy development of trade in the countries along the route. This idea is to make sure that all those countries, irrespective of their geographical or economic size or even economic development will have an equal playing field and opportunity to improve trade with the rest of the world.[11]

Entering into its 6th year, China can proudly say that the BRI has been able to meet the yearnings and aspirations of many countries particularly those in the global South-South. Many of these countries can now relate with other stronger economies on fairer terms than they could when BRI was not in existence.

In the context of Africa and her quest for infrastructural development, the BRI is totally in connection with the A.U's Agenda 2063, which has at its core to link the 55 African countries through efficient transport network which would include modern railway lines, modern highways among others. So, far through BRI, China has carried out some infrastructural projects in Africa and is today Africa's largest investor in infrastructural projects.

Some of the completed projects include but not limited to the railway line linking the Kenyan capital to the port of Mombasa, and new railway lines linking Uganda, Burundi and South Sudan which are close to completion. Through BRI, China has also pumped in funds in the construction of the railway project in Tanzania which connects it with Zambia.

Additionally, a large number of ports, such as Mombasa, Lamu, Dar-es-Salaam and Lagos, which are all important to the smooth sailing of trade in African, have been completed or refurbished with the funds from the BRI.

II. BRI AS AN EXTENSION OF THE EXISTING RELATIONSHIP

China and Africa has had a long history of partnership particularly when it comes to trade. With the introduction of BRI, the relationship just got a boost and expected to scale hurdles that could have previously been overlooked due to dearth of financing.

Though BRI is all about trade and connectivity, the Chinese military base in Djibouti gave it a new twist and trajectory and has formed the core of criticisms directed in the China-Africa partnership.[12] The U.S, in particular, are worried as they perceive the Chinese military presence as an epitome of China's aggression along the Belt and Road, while some might agree with the U.S, the government in Beijing has unequivocally accused the U.S of trying to overshadow the benefits of the BRI just because it feels vulnerable without a total control of affairs in the tiny country of Djibouti.

The Chinese government in its list of African countries in the Belt and Road, 39 countries were mentioned and the BRI idea is to provide more financing ranging from countries in the North like Tunisia to those in the south like South Africa. Only 20% of Africa's governments' external debts are owed to China, the rest are owned to the West, and this according to China means the reportage from western media has not been fair.[13]

The current total investment of China in Africa has been estimated to be around $5 billion per year according to a report from the China Africa Research Initiative (CARI) at Johns Hopkins University. The report further found that Chinese loans are not a major contributor to debt crisis in Africa, pointing out only six countries where China, among several other creditors, is abating to heavy borrowing.[14]

To the Chinese government, there is a distinction between prior infrastructural and trade agreements with African countries and what BRI has in stock. One clear distinction is that BRI will create a balance in trade, increase connectivity and improve capital financing. Ultimately, China intends to impact on GDP per Capita with new projects and investments in Africa. When examining China's BRI, it is important to look at what it would achieve in the long haul, rather than the naysayer's prediction of doom which is based on mere sentiments.

China's multifaceted relations with Africa can be explained with the introduction of the BRI, and the need for a clearer understanding of gains of the BRI to non-policymakers in Africa is essential. Some have perceived it as China's clandestine agenda to further indebt Africa and by extension impoverish her. This school of thought cannot be completely dismissed as it is imperative that clarity is made for easier acceptable or otherwise of the initiative.

However, it will be outrageous to say that the BRI is a gimmick and dangerous without getting a proper understanding of its roadmap. So far, there have been testimonies to the benefits of the BRI, with many countries in Africa pushing for more trade and financial engagement with China along the BRI. Many Chinese enterprises have invested strongly in the renewable energy sector in Africa, turning the African continent into an emerging market for Chinese photo-voltaic devices. With BRI and new money, we expect to see a continued focus on the energy sector which is anticipated to yield positive results for both African countries and China.

One area observers are keen to see improvement is in the overall quality of projects by the Chinese in Africa. They also expect to see keener adherence to environment standards as against what was witnessed many years before BRI.[15] Since many of China's infrastructure projects address a desperate need for Africa, there is the obvious tendency that the call for better quality will be brought to the fore.[16]

China's non-benign economic practices cannot be ignored. Its military ambition and coercive tactics in some African countries like in South Sudan cannot be overlooked. Nonetheless, it is critical to make a clear distinction between the good and the evil. The detriments and the benefits when put on the scale will determine where Africa would sway and at the moment, there is no doubt that the benefits have outweighed the detriments and BRI is welcomed in Africa as an extension and less arguably a supplement to the existing Africa-China trade and investment relations.[17]

III. BRI - OPPORTUNITY OR RISK?

The records show that quite a large number of BRI projects have hitherto been completed in Africa. However, it is important to state that some of these projected were commissioned and started before 2013 of the BRI birth. Some of these projects include seaports, railways and inter-city highways. One example that readily comes to mind is the Standard Gauge Railway (SGR) project in Kenya. President of Kenya, Uhuru Kenyatta signed the deal with the Chinese in August 2013 when he visited the country; this was not at the time an agreement under BRI. This railway links Mombasa port with Nairobi and will eventually connect with neighbouring landlocked countries in the sub-region such as Uganda, South Sudan, Burundi and the Democratic Republic of the Congo.[18]

The continued presence of China in Africa and its involvement in the infrastructure development in the continent has continually generated polarized views and reactions within and outside the shores of the continent. From the perspective of many including African policy-makers, China is a partner in progress and a comrade at arms. Since independence of many African countries, the West has been the consisted or traditional financiers to projects in the region. The U.S, U.K and France through their sister allies (The World Bank and the IMF) have been addressing the huge infrastructure fund gap in Africa, however, the terms and conditions of their funds have always been seen as arbitrary and stringent by many African lenders; particularly the emphasis on democratic governance (Western standard) and respect of the rule of law.

In total contrast, the government in Beijing has no political strings attached to its funds and pays attention strictly to the task of infrastructural development, these has been lauded and seen as a better alternative than what the west offers and the ensuing rift between China and the west thus is very understandable.[19]

Many African leaders have made their opinions clear on their countries' relationship with China and reiterate that the BRI concept fits perfectly well in the African developmental plan particularly as it relates to infrastructural building. Kenya is one clear example of this with President Kenyatta hailing the initiative as a new lease of life for Africa. For many landlocked countries like Ethiopia, BRI has opened up new opportunities, particularly more trade with Europe. In the past few years, Ethiopia has become a busy manufacturing center, and this is with the assistance of the BRI.

The defining BRI project in the country, which is the standard gauge railway line, connects Addis Ababa to a port of Djibouti, which ultimately facilitates imports and exports.[20]

Despite the positives as seen in Kenya, Ethiopia and even Djibouti, many scholars still view China and its BRI scheme as a ploy to worsen the already debt crises being witnessed in some countries in the continent. In Zambia and Tanzania, opinions are divided but with the majority accusing China of indulging in debt trap diplomacy. Their argument is that China has compounded their debts and that of many other countries in the region and fear that when these debts are not paid, vital national assets would be forfeited to the Chinese.[21]

The report that in 2015, China confiscated and took control of Hambantota port in Sri Lanka for 99 years lease for its failure to pay up on its loans is still fresh in the minds of many Africans and observers fear that Djibouti might walk the same path. Djibouti, a very tiny African country with a population of 884, 017 people are located in the horn of Africa, very close to Somalia has a debt to Gross Domestic Product (GDP) ratio of 88%, with China responsible for the chunk of its debt.

The Duraleh container terminal in the country seems to have fallen under the control of China presently, in February 2018, there was a report that the government of Djibouti has suspended its contract with the U.A.E based company previously managing the facility. China's state-owned company, the China Merchant Holdings (CMP), the same outfit currently in possession of Hambantota controls 23.5% of the port in Djibouti. This situation has led many to conclude that in the nearest future, China will own and control the entire facility as Djibouti is likely to default on the loans.[22]

A troubling report from Kenya suggested that the country was about to lose its port in Mombasa. A leaked document from the office of a top government official in that country detailed how the port was used as collateral for the $3.2 billion loan China gave the government of Uhuru Kenyatta for the development of SGR, a project that was initiated before BRI but later linked with BRI for an expeditious outcome. If the reports are correct, it leaves the Mombasa port at the mercy of the Chinese in the event of a default.

However, there were prompt responses from the Kenyan and Chinese governments, refuting the claim, but the debate is still unsettled as many still believe the governments of the two countries are keeping vital information away from their knowing.

Questions will continue to be asked about the detriments of borrowing, in particular when it has to do with Africa's reinvigorated partner, China. China for now will continue to be a major bilateral financier in Africa, through its institutions registered under the BRI and for Africa, the importance of reaching a fair deal will always form the nucleus of the concerns of the Africans.

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For now, opinions are still divided on whether China is truly benign in its affairs with Africa and the introduction of the BRI into the mix. The future holds the answer and it is envisaged that things will continue to improve between Africa and China.[23]

IV. BRI: PROGRESSIVE AND COHERENT DRIVE IN AFRICA

Africa and China have been described as natural partners in so many ways in the past and also in the present. The presence of the Chinese in Africa can be seen almost everywhere; one would argue that it is from Cape to Cairo. China has been involved in oil pipelines in South Sudan to railways in Djibouti to even fishing fleets in Ghana and The Gambia. On the part of Africa, this partnership is making it possible to access loans which it needs desperately and to some extent, expertise in the form of technology transfer. With a teeming population, one which is expected to double by 2050, the continuity of this partnership particularly with the introduction of BRI should be well articulated to meet the challenges ahead.[24]

Evidently, more and more African countries have recognized the relevance and significance of the BRI for African infrastructure development, and are willing to push China into expanding the programme; the success of BRI in Africa and globally is essential for a free market system and building of a common community.[25]

Critics are deviant and have refused to see any positives in the Chinese initiative; all they see is a country trying to entrap its partners by pilling up loans that might never be repaid; while carting away mineral resources and equally hoping for take-over of strategic national assets in the future.[26] But optimists argue that the Chinese are better than the West and have shown better prospects, going forward. The further postulated that for Africa to truly be economically independent it needs infrastructure that improves standards of living and China is providing that.

Progressively, China has maintained a pattern in Africa in line with BRI and this is concentrated around research and development (R&D). Under R&D it has streamlined activities to cover information technology, agriculture and education. These areas are strengths for China after their proven successes back home and exporting them to Africa helps more Chinese companies gain investment edge in new economies.

Technology, in particular, has been one field China has leveraged in Africa due to its slow start when compared to the other countries outside the region. China has found little or no rivalry in this line of business and one testimony is Huawei's huge presence in so many African countries. Huawei has successfully built half of the 4G networks in Africa and most of the 2G and 3G. When it comes to the smartphone market in Africa, Transsion (Chinese manufacturer) is top on the list of sales at 34% of market share with Huawei coming closest to 10.5% and 13% in value.[27]

With such domination, China hopes to go even farther through BRI projects to capture the over one billion people market in the region. With 5G in the fridges and about to be launched, China and the AU have agreed to work in partnership to ensure Africa is not left behind when this latest technology hits the market.

One successfully experimented digital projects of the BRI is the PEACE cable which is a fiber network that links Asia to Africa and sprawls to Europe at a speed of 16 terabytes per second. Huawei is making this technology possible[28] and has made provisions for any telecommunication company interested in the invention to connect and use the cable to increase its own local network service.[29]

One curious area, however, is that of artificial intelligence (AI) which China has been actively involved in Africa. Africa's data-privacy laws are less restrictive than those in the West; it's possible therefore for AI companies to take advantage of surveillance technologies there. Cloudwalk, a Chinese owned company signed a cooperation agreement with the government of Zimbabwe for a mass facial-recognition programme. This project intends to improve the ability of AI algorithms to detect faces with darker skin shades, a dilemma faced by many devices.[30] As part of the deal, Cloudwalk will build a smart banking system for Zimbabwe to help it integrate finance with technology and to improve surveillance technology at airports, railway and bus stations.

In the area of digital television, StarTimes, a Chinese owned firm has taken television viewing from being a luxury to a routine for many in Africa; StarTimes has captured Africa's bourgeoning middle class. Success of this sort usually encourages other investors to come on board.

In the field of agriculture, the Chinese government has been a major player in agro development in Africa in the past few years and with BRI, it is expected that it will push more investments in that area through more private sector participation in conjunction with most governments of Africa.[31] While many BRI will concentrate in hard infrastructure, like ports and roads, the initiative also has in its core the motivation to support agriculture and improve logistics which will help farmers reach not only domestic markets but those across the borders.[32]

Agricultural technology demonstration centers, which are usually privately owned and operating in Africa has hitherto been backed by China's Ministry of Commerce (MOFCOM), and this represents the most high-profile investment in agriculture in Africa; but the BRI is now about to take center stage and replace MOFCOM in a new arrangement that will be worked out by China.

V. BRI PROJECTS IN AFRICA IN MICROCOSM

A lot of projects have been completed in Africa under the auspices of BRI, particular railway projects. One notable example is the electrified cross-border railway line connecting Ethiopia's capital, Addis Ababa, to the Red Sea port of Djibouti in 2018. This project was 70% bankrolled by China's Exim Bank[33] and built by China Railway Group and China Civil Engineering Construction.[34]

The Doraleh multipurpose port in Djibouti, built by China State Construction Engineering Corp (CSCEC), was commissioned in May 2017.The port, with a contract amount of $421.7 million and a designed handling capacity of 7.08 million tonnes a year, is CSCEC's first hydraulic project in the continent of Africa. The entire port's terminals have direct access to the Addis Ababa–Djibouti railway, which enables landlocked Ethiopia to have access to the sea.[35]

The BRI financed Djibouti International Free Trade Zone (FTZ) on which construction started in January 2017, opened in July 2018. Covering an area of 48.2sq km, the zone is operated by a joint venture with investment by Chinese businesses, including China Merchants Holdings and Dalian Port Corp as well as the Djibouti Ports and Free Zone Authority.

Not less than 20 companies from the commerce, logistics and processing sectors have signed letters of intent to register with the zone, as infrastructure in the first phase, which covers an area of 6sq km, has been totally completed and inaugurated. The FTZ since its commissioning has become an important junction connecting other countries in the region involved in the BRI and make Djibouti, the small country in the horn of Africa, a marine logistics hub linking Africa, Asia and Europe.

Before this huge accomplishments in Ethiopia and Djibouti, Kenya's 845 km Mombasa to Nairobi railway line was formally completed and commissioned in 2017, with a concessionary loan from China's Exim Bank financing 80% of the total budget which was estimated at $3 billion. The project was constructed by China Rail and Bridge Corporation, with the Kenyan government citing it as one of the success stories of BRI in the country.[36]

In 2017 Sinopec acquired Chevron's interests in the Cape Town refinery including the South African and Botswana petrol retail businesses and this jolted many academics that were quick to conclude that it was a BRI idea and it's only going to get more intensified from that point.[37]

Another conspicuous project in Africa under the BRI is the Mozambique's Maputo Bridge, constructed in 2018 by China Road and Bridge Corporation, and the TIPAZA Cherchell Ring Expressway Project in Algeria,[38] which was also constructed by a consortium championed by the China State Construction Engineering Corporation.[39]

The Abuja-Kaduna railway, as the first segment of the Lagos-Kano standard-gauge project, the first standard gauge railway in Nigeria and West Africa, was officially commissioned and started business operation in July 2016.The railway, constructed by China Civil Engineering Construction Corporation, is the first overseas railway fully adopting the Chinese railway standard. Covering 186.5km, it mitigates traffic troubles along the route and creates a better business atmosphere for the development of regional economy and society.[40]

The China-Egypt Suez Economic and Trade Co-operation Zone, located in the Ain Sokhna district of Suez province East of Cairo, has become a phenomenal project for China and Egypt's relations under the BRI.

The zone, on which building started more than a decade ago, is operated by the China-Africa TEDA Investment Company. It has attracted nearly 80 enterprises with investment of more than $1 billion, and employs more than 3,500 people and created 30,000 job opportunities through the industries that surround it.[41]

In January 2016 the second phase of the zone, which covers an area of 6sq km, was commissioned. In the same year, infrastructure construction for 2sq km of the second phase was fully completed, and currently eight industry-leading businesses are already involved with an investment worth of $200m.

VI. OPPORTUNITIES FOR INTERNATIONAL AND AFRICAN COMPANIES ALONG BRI AND OUTBOUND APPROVALS FOR INFRASTRUCTURAL PROJECTS IN AFRICA

The BRI is designed to be a two-directional concept intended to promote Chinese outbound investments and encourage international investment into China and along the Belt and Road routes. BRI and its financial clout offers opportunity for African governments and companies alike to work with the Chinese in harnessing potential and developing projects along the route. African governments and companies may joint-venture alongside, or subcontract to, Chinese corporations seeking to implement BRI projects. Additionally, Further, Chinese businesses could attract local partners to work along the routes for development of projects in their host countries.

Therefore, when discussing project cooperation with potential Chinese counterparties along the BRI philosophy – as compared to discussing general investment opportunities – foreign companies are likely to find a more receptive participants in China, due in part to the financial muscle the programme has been packed with.

The BRI itself is still evolving and has a long way to go before actualizing its goals to the optimum; but for now, there are greater focus by state owned businesses on countries that signed up to the initiative; shorter and easier outbound approvals and easier credit approvals within state owned banks are going to partners in the programme.

State Owned Enterprises (SOEs) in China have been packaging business plans for investment in the Belt and Road projects and countries, and have also shown admirable progress against those plans internally. Chinese companies will include detailed information on links to the Belt and Road in all of their approval requests.[42] One immediately repercussion is the number of previously abandoned projects being dusted off and started again as part of the BRI. These projects might become "white elephants" and fears are that the reinvigoration of them could have dire financial consequences on host countries as those at the short end of the stick.

There is a big potential for non-Chinese investors who need funding. They will only have to tap into the Chinese capital set aside for the BRI in countries principally in North and East Africa that were a part of the original design. One way to actualize this is to join forces with a Chinese Engineering, Procurement and Construction (EPC) contractor[43] to bring in Chinese banks and Beijing assurance.

Below are some critical issues to ponder when prospecting Chinese funding:

❖ *The Chinese EPC Contractor is the Key Route to the Banks*

It is important to remember that the contractor, not the borrower/sponsor, is the bank's customer. That means using the contractor to obtain good financing terms and better negotiation is crucial.[44]

➢ *Establish Finance Support Up-Front*

Contractors frequently promise finance on attractive terms, but the key is to understand the substance to that support as early as possible. Many projects stall when credit approval fails to see the light of the day.

➢ *To the Extent Possible Key Finance Terms Should be Agreed Up-Front*

Negotiate key points, such as pricing, parent support, and change of control, up front when the contractor is competing hard for the project. This is not always easy to achieve but on some occasions sponsors have stapled a finance term sheet to the back of terms agreed with the contractor.

➢ *China Inc. and Information Flow*

The sponsor will be surrounded by Chinese kit, EPC, debt and export credit cover. Information flows freely within China Inc. but does not flow so freely across to a foreign sponsor. It's critical to be aware of this.

➢ *Sustain Competitive Pressure as Long as Possible*

Chinese negotiations can drag and sometimes an EPC contractor will pull out because of unexplained outbound or state owned asset approvals difficulties, or because of credit approvals issues. Maintaining competitive tension as long as possible avoids the downside if this occurs and also keeps the pressure on the Chinese contractor.

➢ *Keep Documents and Structures Simple*

As far as possible, use structures that have been approved and negotiated before, as these can typically be negotiated and approved much more quickly. New structures are possible, particularly for strategically important projects, but the contractor, as the bank's customer, will need to assist to push these through. Partnering with foreign sponsors is a key aspect of the BRI.

This is an important aspect to being sensitive to host country concerns, diversifying risk for China and also an important element to China's SOE reforms which aim to see China's SOEs partnering with the private sector. It also should in theory reduce some of the moral hazard concerns that SOEs with strong policy support may build projects that don't need to be built.

VII. BRI AND DISPUTE SETTLEMENT MECHANISM: THE SETTING UP OF CHINESE AFRICA JOINT ARBITRATION CENTER (CAJAC)

In the light of the bourgeoning trade and investment alliance between Africa and China, as well as the dynamic individual legal systems across the countries of the continent of Africa, arises the need for the exigent protection of businesses for both parties; thus the quest for a neutral and result driven mechanism for dispute resolution between partners was imperative. Subsequently, the Chinese Africa Joint Arbitration Center (CAJAC) was birthed to handle issues that might surface in the cause of business engagement between China and Africa enterprises.[45]

This idea was conceived in 2015 at the Forum of Chinese African Corporation (FOCAC), with China and 50 African countries in attendance. At this forum, the Johannesburg Action Plan was adopted and afterwards led to the creation of CAJAC in South Africa. The action plan was conceived with the hope that it would bolster trade and investment and equally synchronize business practices of the two parties. Two years after the creation of CAJAC in Johannesburg, the Nairobi arm of it was established after an agreement was reached between Beijing Arbitration Commission and the Nairobi Center for International Arbitration (NCIA) under the auspices of the China Law Society.[46]

CAJAC operates from various centers within Africa and China and each center is backed by an arbitral authority with the legal knowledge to deal with international commercial disputes, providing internationally recognized and enforced arbitration awards in accordance with the New York Convention. CAJAC currently are in Johannesburg, Nairobi, Shanghai, Beijing and Shenzhen.

Under CAJAC, the benefits for both parties as they engage in commercial partnerships are chiefly around these areas:[47] (1) the ability for parties to select at least one member of the arbitral panel from a committee of arbitrators, well trained in Chinese and African arbitration systems, (2) a more neutral and cost-effective mechanism (3) stronger protections for Chinese businesses in Africa.

CAJAC is built to be a globally recognized medium in service for the BRI. Banking on its huge experience in arbitration administration and abundant legal luminaries conversant with China-Africa economic and business practices, CAJAC is to provide both Chinese and African partner with fair, cost-effective, convenient and commercial arbitration services.[48]

VIII. CONCLUSION

The Africa and China alliance is blossoming as can be seen through various lenses and the inclusion of BRI has added more abutments to the relationship. Looking into to the future, Africa and China bond will continue to maintain sound momentum.[49] Many African countries have expressed their intention of continuous support and participation in the initiative.

There are still distractions from skeptics that have lost faith in Africa's awakening and future. This group of people keeps labeling the partnership a scam and repeatedly accuses China of leading Africa to the slaughter house.[50]

Interestingly, Africa and China have paid little or no attention to such innuendos and have been busy designing and redesigning programmes that will further improve their relations.

China and Africa share a common history of colonial past and have both realized that the only way to remain formidable is to stay resolute as partners. There is absolutely no doubt that the partnership does not have its turns and twists, but the future nonetheless looks bright for both parties; with mutual respect, shared aspirations and a resolution on both sides of the divide to drive the BRI and become pacesetters in the creation of a community of a shared future for all of humanity.

After many decades of colonial rule and slow development that followed, what African countries need most is infrastructure such as seaports, railways, airports, highways and even intra-city road networks. Lack of this infrastructure has drawn Africa back and made cost of living unbearable for many. With newly built railways and roads under the BRI drive, the people in many parts of the continent have witnessed improvement in trade and movement of people and by extension economic growth.

Through BRI, Africa has witnessed the setting up of many industrial zones with China trying to expend its own success story to the region. Six special economic zones have been created in Zambia, Ethiopia, Nigeria and Egypt to promote local industrial development and they have all gained remarkable success in terms of boosting commerce and attracting investment to these countries.

The BRI is still in its infant stage, and China still has much to share with its African counterparts. It is anticipated that in the nearest future, there will be some significant leap in cooperation between the two parties, especially in the areas of industry, technology and services.

Many private enterprises are waiting in the wings and spurring to move into Africa once the level of infrastructure improves, the need therefore to expedite action in infrastructural development becomes preeminent.[51]

On the downside, the prevailing conflicts as can be witnessed in the Democratic Republic of Congo, Central African Republic, Burundi, Cameroon, Libya, Mali, among others, is a serious test for the sustainability and continuity of BRI in some parts of the continent. The determination of both parties to surmount this hiccup is fundamental to the future of the initiative and alliance of Africa and China.

Conclusively, the importance of the BRI in Africa cannot be disparaged as China remains an important friend and partner of Africa in this new dispensation. The BRI, therefore, should be seen as a new conduit to further strengthen Africa and China relations, going forward.

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