



China-Africa Economic and Trade Relationship Report 2023

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Preface

At the opening ceremony of the 8th Ministerial Conference of the Forum on China-Africa Cooperation held in 2021, President Xi Jinping announced that China would work closely with African countries to jointly implement the “Nine Programs”, and proposed promoting the building of a high-level China-Africa community with a shared future, which provided the direction and blueprint for China-Africa cooperation in the new era, and guided China-Africa economic and trade cooperation to a new height. The international situation has been complicated and volatile and global economic growth has been under tremendous pressure over the past two years, but China and African countries have worked together to overcome difficulties, and achieved remarkable results in China-Africa economic and trade cooperation.

China-Africa Economic and Trade Relationship Report 2021 was released at the second China-Africa Economic and Trade Expo in 2021, and received good response. The third China-Africa Economic and Trade Expo will be held in Changsha, Hunan Province from June 29 to July 2, 2023. The Secretariat of the China-Africa Economic and Trade Expo entrusted again the Chinese Academy of International Trade and Economic Cooperation (CAITEC) and China-Africa Economic and Trade Promotion Council to produce the *China-Africa Economic and Trade Relationship Report 2023*, which analyzes and summarizes the characteristics and achievements of China-Africa economic and trade cooperation in 2021 and 2022, and discusses the prospects of China-Africa economic and trade cooperation. The report consists of the comprehensive part and provincial cooperation part, and is available in three languages: Chinese, English and French.

We hereby express gratitude to the organizations and institutions for the strong support we received during the compilation of the report, including the Ministry of Commerce, the Ministry of Culture and Tourism, the General Administration of Customs, the National Financial Regulatory Administration, the Civil Aviation Administration of China, the State Administration of Foreign Exchange, the China-Africa Development Fund, the China-Africa Production Capacity Cooperation Fund, the Department of Commerce of Hunan Province, the Department of Commerce of Shandong Province the Department of Commerce of Hubei Province.



Comprehensive Part

I. Overview

Changes of the world, of our times and history are unfolding today in ways like never before. Faced with complicated changes, China and Africa have supported each other, overcome obstacles together, and pursued common development as the two sides compose a new chapter in China-Africa practical cooperation and jointly build a high-standard China-Africa community with a shared future. At the Eighth Ministerial Conference of the Forum on China-Africa Cooperation (FOCAC) held in Senegal in November 2021, China and Africa took a long view and jointly formulated and released the 2035 Vision for China-Africa Cooperation, which set the orientation and goals of medium- and long-term cooperation. President Xi Jinping announced that China would collaborate closely with African countries to implement the “Nine Programs” as the first three-year plan of the Vision. In the past two years, a fresh impetus was given to China-Africa pragmatic cooperation in the new era, and mutually beneficial China-Africa economic and trade cooperation has entered a new stage.

China-Africa trade in goods staged a robust recovery. Since 2021, China-Africa trade in goods has reversed the drop seen in 2020, registering significant increases in both imports and exports. In 2021, China-Africa trade in goods reached US\$254.29 billion, a year-on-year increase of 36%. In 2022, China-Africa trade in goods climbed by 10.9% year-on-year, reaching US\$282 billion. China has remained Africa’s largest trading partner for 14 consecutive years. Specifically, China’s export of transportation equipment such as vehicles to Africa has increased rapidly. China’s import of agricultural products from Africa has increased remarkably, with an average annual growth rate of 11.4% in recent years. China has extended zero-tariff treatment to 98% of tax items for products exported by least developed countries to China. A growing number of high-quality and featured African agricultural food products have entered the Chinese market at a faster pace. China offers broad prospects for African exports. New digital economy models such as e-commerce platforms, “streamer marketing”, “livestreaming shopping”, and e-payment have accelerated the matching of products and markets between China and Africa.

China-Africa trade in services keeps expanding. New progress has been made in China-Africa trade in services in many fields. The internationalization of RMB is being advanced in Africa, and the local currency settlement and swap arrangements between China and Africa have made significant strides. The two sides continue to set up branches of financial institutions in each other’s markets, and the level of financial facilitation has steadily improved. Africa has become an emerging outbound tourist destination favored by Chinese people. China-Africa air routes are being resumed, and the tourism business of Chinese citizens traveling to Egypt, Kenya, South Africa and other African countries has been reopened. Services in information technology such as cross-border e-commerce, mobile payment, and cloud outsourcing cooperation bring innovative cooperation models to China-Africa economic and trade cooperation.

Chinese investment in Africa is becoming increasingly active. In 2021, China’s direct investment in Africa registered significant growth despite the COVID-19 pandemic, with investment flows increasing from US\$4.23 billion in 2020 to US\$4.99 billion, a year-on-year increase of 18%. China’s investment in Africa mainly occurs in traditional industries such as construction, mining and manufacturing. At the same time, Chinese companies have stepped up their investment in, inter alia, agriculture and agricultural product processing, financial services, and aerospace. New energy vehicles, medical medicine, and electronic information manufacturing have become new highlights of investment in the field of manufacturing. In the field of agriculture, Chinese enterprises’ investment in the agricultural industry chain as well as the application of smart agricultural technology and equipment have driven the transformation and upgrading of African agriculture. Economic and trade cooperation zones in Africa built with the participation of Chinese enterprises are important

platforms for China's investment in Africa. In recent years, enterprises in the zones have more diversified business, resulting in increases in investment amount and local job creation. Equity funds such as China-Africa Development Fund, the China-Africa Fund for Production Capacity Cooperation, and the Silk Road Fund have increased investment and adopted innovative investment models, which have strongly supported new infrastructure construction and the development of emerging industries in Africa.

There are many highlights in infrastructure cooperation. Despite pressure caused by the COVID pandemic, African debt risks, among others, Chinese enterprises were the first to resume work and production in the African market, and maintained a growth momentum in terms of contracted projects in Africa. Africa remains the second largest market for China's overseas contracted engineering projects. In 2021, Chinese enterprises signed new contracts worth US\$77.88 billion in Africa, a year-on-year increase of 14.7%. In 2022, Chinese enterprises in Africa registered a turnover of US\$37.84 billion, a year-on-year increase of 2%. Chinese enterprises have built lots of high-quality infrastructure projects in the fields of transport, electric power engineering, communications engineering, and water conservancy facilities, which have considerably promoted Africa's economic recovery and people's wellbeing. In particular, the increasing number of industrial manufacturing projects built by Chinese enterprises in Africa has assisted Africa's industrialization.

China-Africa development cooperation addresses real problems. At a time when Africa faced a host of difficulties such as the COVID-19 pandemic and food insecurity, China provided timely and effective assistance to Africa, demonstrating again the strong brotherhood between China and Africa. On the one hand, in view of the major stumbling blocks to Africa's economic and social recovery, China has provided various forms of assistance in such fields as agriculture and poverty reduction, medical and health care, social public facilities, education and capacity building. On the other hand, China has donated a wealth of anti-epidemic materials to African countries and fulfilled its commitment to providing vaccine aid. So far, China has provided 190 million doses of COVID-19 vaccines to 27 African countries, and the annual production capacity of vaccines through localized cooperation in Africa has reached approximately 400 million doses. At the same time, China has worked closely with international agencies including the World Food Programme and the United Nations Development Programme to provide food aid and disaster relief materials to African countries struck by natural and humanitarian disasters and to assist in post-disaster reconstruction.

Concerted effort is made for China-Africa economic and trade cooperation under the multilateral framework. At the African continent level, China-African Union cooperation on the Belt and Road Initiatives has entered into the implementation stage. The two sides have conducted sufficient exchanges in response to the pandemic, food, energy, production capacity investment, infrastructure, quality standards, statistics and other fields. China actively supports the establishment of the African Continental Free Trade Area (AfCFTA). In October 2021, the Ministry of Commerce of China and the AfCFTA Secretariat established an expert group mechanism for economic cooperation as a working platform for China to support the construction of the AfCFTA and deepen China-Africa experience exchange and practical cooperation in the field of trade and investment facilitation. China has also collaborated with local African financial institutions including the African Development Bank on projects in the fields of agricultural product processing, water supply and sanitation, transport, electric power and energy. At the global level, China and Africa jointly launched the Initiative on Partnership for Africa's Development, calling on the international community to step up its support for Africa. To help relevant African countries relieve debt burdens, China has fully implemented the G20 debt service suspension initiative, with the largest amount of debt relief among the G20 member states.

II. Trade in Goods between China and Africa

(I) Overall Situation

Since the outbreak of the COVID-19 pandemic, China-Africa trade in goods has shown full resilience. Despite a decrease in 2020, bilateral trade volume registered a strong recovery in 2021 and further expanded in 2022.

In 2021, the COVID-19 pandemic spread further worldwide, but China-Africa trade cooperation saw strong recovery, with the import and export trade in goods reaching US\$254.29 billion, a year-on-year increase of 36%, accounting for 4.2% of China's total trade in goods volume. China's exports to African countries reached US\$148.37 billion and its imports from Africa reached US\$105.92 billion. The total import and export volume between China and Africa in 2021 and its growth rate was the highest since 2012. In 2022, China-Africa trade volume further increased, reaching US\$282 billion, a year-on-year increase of 10.9%, accounting for 4.5% of China's total trade in goods volume. Of this, China's exports to Africa reached US\$164.49 billion and its imports from Africa reached US\$117.51 billion. The three indicators hit an all-time high, and China has remained Africa's largest trading partner for 14 consecutive years.

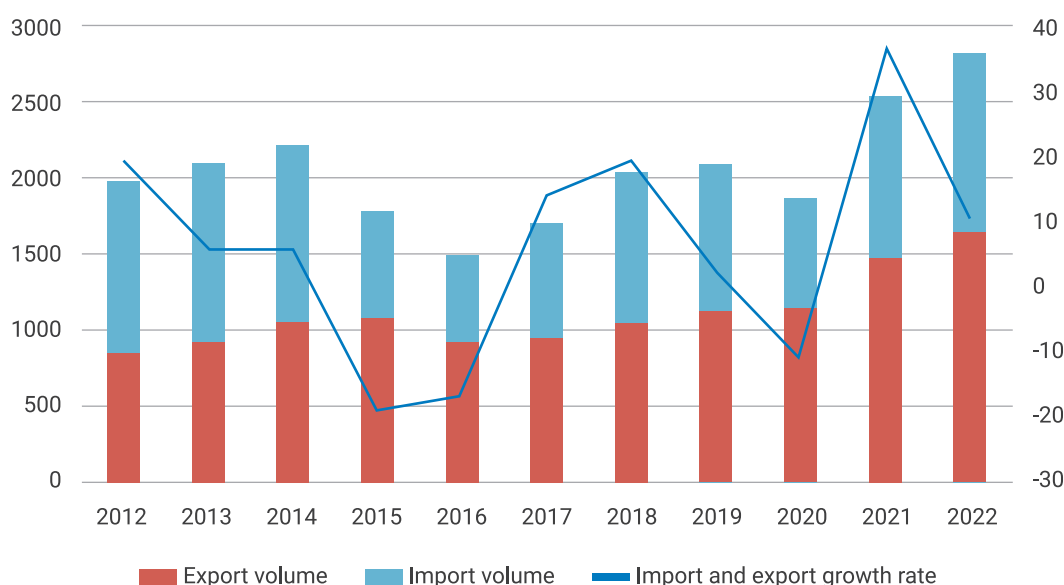


Figure 1-1 China-Africa Trade from 2012 to 2022 (Unit: US\$100 million, %)

Source: China Customs Statistics

In 2021, China's volume of trade with Africa's top ten trading partners totaled US\$174.98 billion, accounting for 68.8% of China-Africa trade volume. South Africa, Nigeria, Angola and Egypt have long remained as China's top four trading partners, and the Democratic Republic of the Congo ranked fifth for two years in a row. South Africa is China's largest trading partner and largest source of imports in Africa, with bilateral trade volume between China and South Africa reaching US\$54.35 billion in 2021, accounting for 21.4% of China-Africa trade volume. Of this, China's exports to South Africa reached US\$21.12 billion and its imports from South Africa reached US\$33.23 billion. China's trade deficit with South Africa stood at US\$12.11 billion. The trade volume between China and the Democratic Republic of the Congo reached US\$14.40 billion, up by 58.2% from the previous year, ranking top among China's top ten African trading partners in terms of growth rate. Moreover, Egypt's exports to China increased significantly, a year-on-year increase of 84.8%.

Table 1-1 Imports and exports between China and its top ten trading partners in Africa in 2021

Unit: US\$100 million, %

No.	Country/Region	Imports and exports	Exports	Imports	Imports and exports on a year-on-year basis	Exports on a year-on-year basis	Imports on a year-on-year basis
1	South Africa	543.5	211.2	332.3	50.7	38.6	59.6
2	Nigeria	256.8	226.4	30.4	33.3	34.9	22.4
3	Angola	233.4	24.9	208.5	41.4	42.6	41.3
4	Egypt	199.8	182.7	17.1	37.3	34.0	84.8
5	Democratic Republic of the Congo	144.0	27.6	116.4	58.2	36.9	64.3
6	Ghana	95.7	81.1	14.6	12.2	20.0	-17.4
7	Algeria	74.3	63.5	10.8	12.7	13.5	8.4
8	Kenya	69.7	67.4	2.3	25.2	24.5	50.5
9	Tanzania	67.5	61.4	6.1	47.1	47.1	47.3
10	Morocco	65.1	56.9	8.2	36.6	36.3	38.3

Source: China Customs Statistics

In 2022, China's volume of trade with its top ten trading partners in Africa reached US\$190.14 billion, accounting for 67.4% of China-Africa trade volume. The growth rate of China's import and export trade with African countries has slowed down somewhat compared with 2021. South Africa, Angola, Nigeria, the Democratic Republic of the Congo and Egypt remained China's top five trading partners in Africa, with Liberia among the top ten. China's volume of trade with Nigeria, Egypt and other countries has declined, while its trade with the Democratic Republic of the Congo grew by 51.7%, the highest among those of the top ten trading partners in Africa.

Table 1-2 Imports and exports between China and its top ten trading partners in Africa in 2022

Unit: US\$ 100 million, %

Country/Region	Imports and exports	Exports	Imports	Imports and exports on a year-on-year basis	Exports on a year-on-year basis	Imports on a year-on-year basis
South Africa	567.4	242.0	325.4	5.0	14.8	-1.3
Angola	273.5	41.0	232.5	16.3	65.0	10.6
Nigeria	239.0	223.0	16.0	-6.6	-1.1	-47.2
Democratic Republic of the Congo	219.0	51.2	167.8	51.7	85.8	43.7
Egypt	181.9	171.7	10.2	-8.8	-5.8	-40.1
Ghana	102.7	79.3	23.4	7.6	-1.8	59.9

Continued Table

Country/Region	Imports and exports	Exports	Imports	Imports and exports on a year-on-year basis	Exports on a year-on-year basis	Imports on a year-on-year basis
Kenya	85.2	82.5	2.7	22.9	23.0	19.3
Tanzania	83.1	77.7	5.4	23.7	27.1	-11.3
Liberia	75.4	75.2	0.2	32.0	32.3	-36.9
Algeria	74.2	62.8	11.4	-0.1	-1.1	5.8

Source: China Customs Statistics

(II) China's Exports to Africa

In 2021, China's exports of goods to Africa reached US\$148.37 billion, a year-on-year increase of 29.9%. China's exports of goods to Africa's top ten export markets totaled US\$104.09 billion, accounting for 70.2% of China's total exports to Africa. The top five markets for China's exports are Nigeria, South Africa, Egypt, Ghana and Kenya, with China's exports to Nigeria and South Africa both exceeding US\$20 billion, and its exports to Egypt exceeding US\$18 billion, which are all all-time highs.

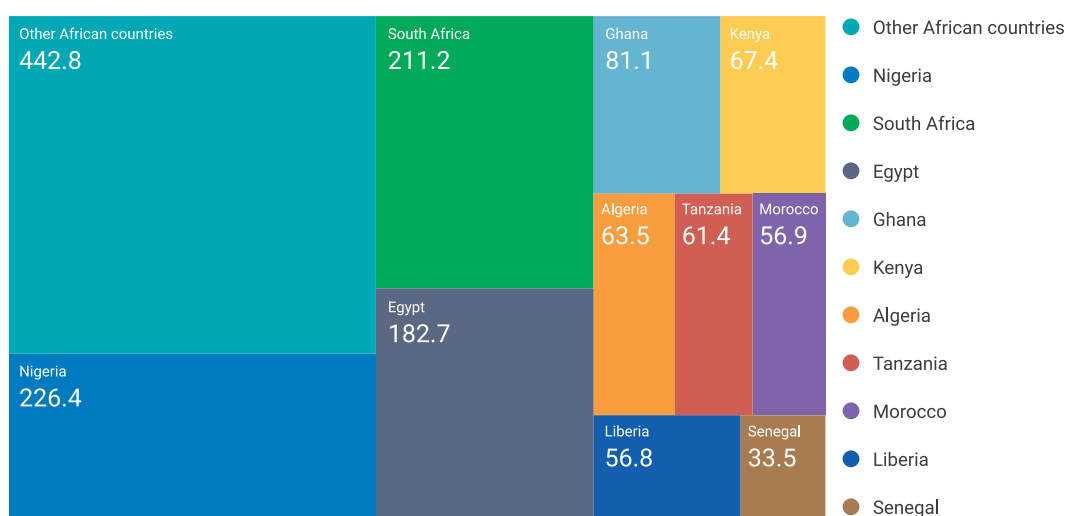


Figure 1-2 China's main export target countries in Africa in 2021 (Unit: US\$ 100 million)

Source: China Customs Statistics

In 2022, China's exports of goods to Africa reached US\$164.49 billion, a year-on-year increase of 10.9%. China's exports of goods to its top ten export markets in Africa totaled US\$112.27 billion, accounting for 68.3% of China's total exports to Africa. South Africa, Nigeria, Egypt, Kenya and Ghana remained China's top five export markets. South Africa overtook Nigeria to become China's largest export market in Africa, while Kenya moved up to fourth and Ghana fell to fifth. China's exports to the Democratic Republic of the Congo grew robustly, at a rate of over 85%.

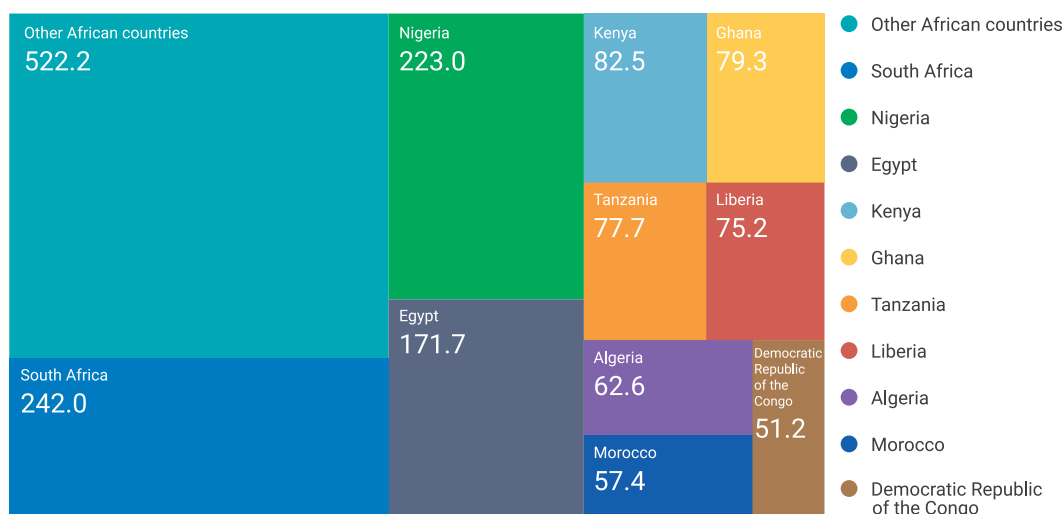


Figure 1-3 China's major export target countries in Africa in 2022
(unit: US\$ 100 million)

Source: China Customs Statistics

China exports a wide variety of products to Africa, mainly including mechanical and electrical products, textile raw materials and textile products, base metals and related products. In 2021 and 2022, China's top large commodity exports to Africa were mechanical and electrical products, audio equipment as well as their parts and accessories, with export values of US\$36.46 billion and US\$41.75 billion, respectively, accounting for 24.6% and 25.4% of the total exports in current years. In recent years, the export of base metals and their products has increased considerably, reaching US\$24.13 billion in 2022, overtaking textile raw materials and textile products to become the second largest category of China's commodity exports to Africa. Vehicles and other transport equipment are also one of China's major exports to Africa. In 2021, China's exports of vehicles, aircraft, ships and transport equipment to Africa reached US\$13.68 billion, an increase of 55.8%, and exports further increased in 2022, exceeding US\$15 billion.

Table 1-3 China's major commodity exports to Africa in 2021 and 2022

Unit: US\$ 100 million, %

No.	Commodity category	2021		Commodity category	2022	
		Value	Growth rate year-on-year		Value	Growth rate year-on-year
1	Category 16: Mechanical and electrical products, audio-visual equipment and its parts and accessories	364.6	21.7%	Category 16: Mechanical and electrical products, audio-visual equipment and its parts and accessories	417.5	14.5%
2	Category 11: Textile raw materials and textile products	244.5	25.3%	Category 15: Base metals and their products	241.3	21.5%
3	Category 15: Base metals and their products	198.6	35.7%	Category 11: Textile raw materials and textile products	235.3	-3.8%
4	Category 17: Vehicles, aircraft, ships and transport equipment	136.8	55.8%	Category 17: Vehicles, aircraft, ships and transport equipment	150.0	9.7%

Continued Table

No.	Commodity category	2021		Commodity category	2022	
		Value	Growth rate year-on-year		Value	Growth rate year-on-year
5	Category 7: Plastics and their products; rubber and its products	105.1	37.0%	Category 7: Plastics and their products; rubber and its products	123.7	17.7%
6	Category 6: Products of the chemical industry and its related industries	100.6	55.4%	Category 6: Products of the chemical industry and its related industries	103.9	3.2%
7	Category 20: Miscellaneous articles	87.0	20.9%	Category 20: Miscellaneous articles	91.8	5.6%
8	Category 12: Shoes, hats, umbrellas, etc.; feather products; artificial flowers; human hair products	69.8	24.0%	Category 12: Shoes, hats, umbrellas, etc.; feather products; artificial flowers; human hair products	72.9	4.4%
9	Category 13: Mineral material products; ceramics; glass and its products	44.9	11.8%	Category 13: Mineral material products; ceramics; glass and its products	54.5	21.4%
10	Category 18: Optical, medical and other instruments; clocks and watches; musical instruments	28.9	30.5%	Category 5: Mineral products	47.2	94.8%
11	Category 5: Mineral products	24.2	51.0%	Category 18: Optical, medical and other instruments; clocks and watches; musical instruments	22.3	-22.8%
12	Category 8: Leather, fur and its products; bags and suitcases; gut products	18.1	36.9%	Category 8: Leather, fur and its products; bags and suitcases; gut products	18.9	4.4%
13	Category 2: Plant products	15.5	4.6%	Category 10: Wood pulp, etc.; wastepaper; paper, cardboard and their products	17.4	43.1%
14	Category 4: Food; beverages, wine and vinegar; tobacco and products	15.3	15.5%	Category 4: Food; beverages, wine and vinegar; tobacco and products	16.6	8.5%
15	Category 10: Wood pulp, etc.; wastepaper; paper, cardboard and their products	12.1	14.3%	Category 2: Plant products	14.0	-9.9%

Source: Ministry of Commerce of China

(III) China's Imports from Africa

In 2021, China's imports of goods from Africa reached US\$105.92 billion, a year-on-year increase of 45.6%. China's imports of goods from the top 10 African countries as import sources totaled US\$88.24 billion, accounting for 83.3% of China's total imports from Africa. The top five import sources are South Africa,

Angola, the Democratic Republic of the Congo, the Republic of the Congo and Zambia. China’s imports from South Africa reached US\$33.22 billion, accounting for 31.4%, far more than those of other African countries.

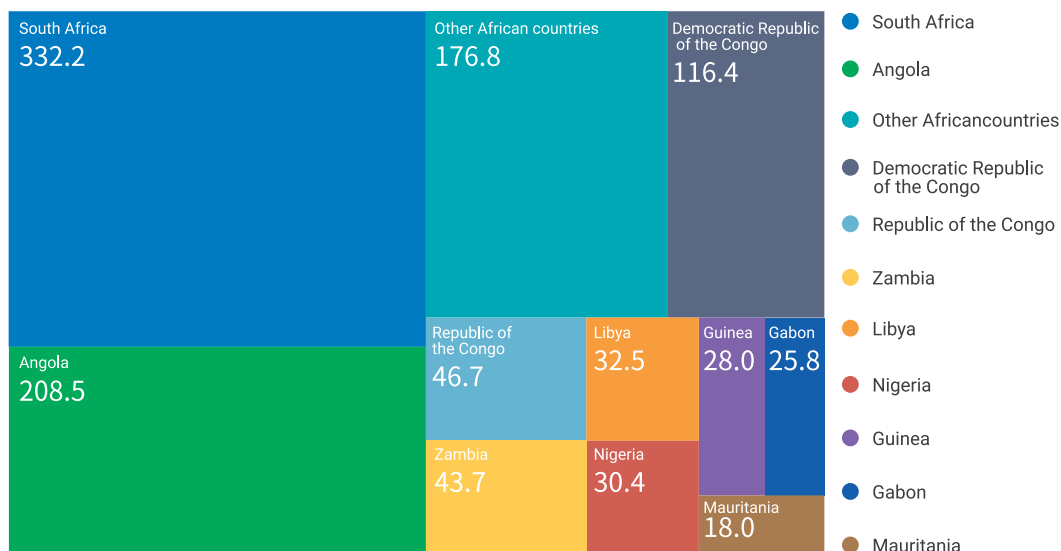


Figure 1-4 China’s main import sources in Africa in 2021
(unit: US\$100 million)

Source: China Customs Statistics

In 2022, China’s imports of goods from Africa increased swelled, reaching US\$117.51 billion, a year-on-year increase of 10.9%. China’s imports of goods from the top 10 African countries as import sources totaled US\$99.29 billion, accounting for 84.5% of China’s total imports from Africa. The top five import sources are South Africa, Angola, the Democratic Republic of the Congo, Zambia and the Republic of the Congo, with South Africa and Angola being China’s top two imports sources in Africa since 2016.

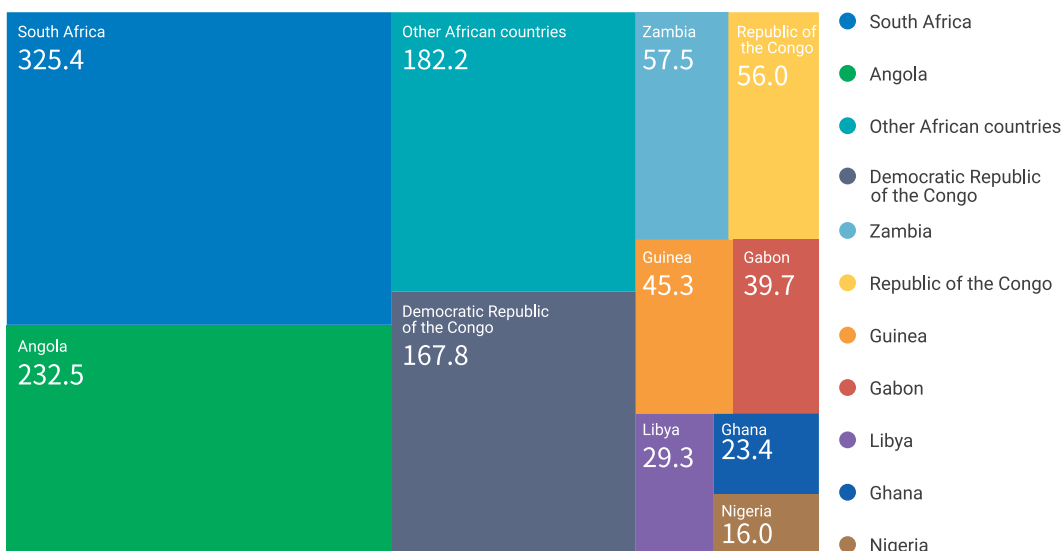


Figure 1-5 China’s main import sources in Africa in 2022
(Unit: US\$100 million, %)

Source: China Customs Statistics

China's imports from Africa are highly concentrated, mainly mineral products and metals and their products. The import value of non-resource products such as agricultural products has also been increasing in recent years. Africa is an important source of China's mineral imports. China's mineral imports from Africa reached US\$62.58 billion and US\$67.09 billion in 2021 and 2022, respectively, accounting for 59% and 57% of total imports. The import value of base metals and their products has also grown rapidly, approaching US\$25 billion in 2022, mainly from the Democratic Republic of the Congo, Zambia, and South Africa.

China is the second largest destination for African agricultural exports. In recent years, Africa's agricultural exports to China have grown at an average annual rate of 11.4%. In 2021, Africa's agricultural exports to China jumped by 18.2% year-on-year. In January 2022, China and Kenya inked the trade protocol for the export of Kenyan fresh avocados to China. The first batch of African fresh avocados exported to China was packaged and shipped in Kenya and arrived in Shanghai Port in August. Furthermore, agricultural products including coffee from Ethiopia, sesame from Tanzania, peanuts from Senegal, pears and oranges from South Africa, and stevia from Rwanda are increasingly seen on the Chinese market.

Table 1-4 China's major imports from Africa in 2021 and 2022

Unit: US\$ 100 million, %

No.	Commodity category	2021		Commodity category	2022	
		Value	Growth rate year-on-year		Value	Growth rate year-on-year
1	Category 5: Mineral products	625.8	39.1%	Category 5: Mineral products	670.9	7.2%
2	Category 15: Base metals and their products	185.8	60.2%	Category 15: Base metals and their products	246.3	32.51%
3	Category 14: Jewelry, precious metals and its products; imitation jewelry; coins	156.0	90.6%	Category 14: Jewelry, precious metals and its products; imitation jewelry; coins	164.4	5.4%
4	Category 2: Plant products	31.6	27.9%	Category 2: Plant products	31.4	-0.6%
5	Category 9: Wood and its products; charcoal; cork; knitting products	16.0	12.9%	Category 9: Wood and its products; charcoal; cork; knitting products	15.2	-4.9%
6	Category 4: Food; beverages, wine and vinegar; tobacco and products	9.7	-7.6%	Category 4: Food; beverages, wine and vinegar; tobacco and products	12.0	23.1%
7	Category 11: Textile raw materials and textile products	8.8	12.0%	Category 11: Textile raw materials and textile products	8.5	-4.1%
8	Category 6: Products of the chemical industry and its related industries	8.7	6.0%	Category 6: Products of the chemical industry and its related industries	8.2	-5.6%
9	Category 16: Mechanical and electrical products, audio-visual equipment and its parts and accessories	4.9	35.4%	Category 16: Mechanical and electrical products, audio-visual equipment and its parts and accessories	6.6	34.1%

Continued Table

No.	Commodity category	2021		Commodity category	2022	
		Value	Growth rate year-on-year		Value	Growth rate year-on-year
10	Category 7: Plastics and their products; rubber and its products	4.1	10.4%	Category 7: Plastics and their products; rubber and its products	5.2	26.0%
11	Category 1: Live animals; animal products	2.0	13.1%	Category 10: Wood pulp, etc.; wastepaper; paper, cardboard and their products	2.1	5.0%
12	Category 10: Wood pulp, etc.; wastepaper; paper, cardboard and their products	2.0	-24.4%	Category 1: Live animals; animal products	1.7	-14.7%
13	Category 8: Leather, fur and its products; bags and suitcases; gut products	1.5	69.5%	Category 8: Leather, fur and its products; bags and suitcases; gut products	1.4	-6.2%
14	Category 3: Animal and vegetable oils, fats, waxes; refined edible fats	0.7	-4.1%	Category 3: Animal and vegetable oils, fats, waxes; refined edible fats	0.4	-40.6%
15	Category 17: Vehicles, aircraft, ships and transport equipment	0.7	119.7%	Category 17: Vehicles, aircraft, ships and transport equipment	0.4	-46.7%

Source: Ministry of Commerce of China

In 2022, China granted zero-tariff treatment on 98% of exports to China to 18 least developed countries, including Central Africa, Chad, Djibouti, Eritrea, Guinea, Mozambique, Rwanda, Sudan, Togo, Benin, Burkina Faso, Guinea-Bissau, Lesotho, Malawi, Sao Tome and Principe, Tanzania, Uganda and Zambia. As from March 1, 2023, China operates zero tariffs on 98% of tariff items of products originating in Ethiopia, Burundi and Niger. To date, China has granted zero-tariff treatment on 98% of tariff items of products from 21 African least developed countries. This embodies the spirit of friendly cooperation between China and Africa, assists the least developed countries to accelerate their development, while also promoting economic and trade exchanges between China and Africa and driving Africa to export more high-quality non-resource products to China.

III. Trade in Services between China and Africa

(I) Overall Situation

China-Africa trade in services has developed steadily in recent years. Due to the impact of the COVID-19 pandemic, China-Africa volume of trade in services decreased sharply in 2020, but rebounded somewhat in 2021. South Africa and Egypt have been the top two African countries in China's trade in services with Africa in recent years. According to the latest statistics, the volume of trade in services between China and South Africa was US\$1.34 billion in 2021, a year-on-year increase of 59.5%, and China's trade in services with Egypt reached US\$890 million, a year-on-year increase of 22.4%.

The main areas of China-Africa trade in services include transport, construction, travel services, government services, telecommunications, computer and information services, etc. There is great room for cooperation

in the fields of digital economy, network communication, cultural tourism, financial services, and environmental protection.

(II) Financial Services

China has fostered cooperation in banking and securities supervision with many African countries. By the end of 2022, the National Financial Regulatory Administration (formerly the China Banking and Insurance Regulatory Commission) had signed nine memorandums of understanding on regulatory cooperation with financial regulators in eight African countries, including Egypt, Ghana, Mauritius, Morocco, South Africa, Nigeria, Tunisia and Zambia, to foster regulatory cooperation and improve the level of cross-border financial regulation. By the end of 2022, the China Securities Regulatory Commission had signed three memorandums of understanding on regulatory cooperation with securities and futures regulators in Egypt, South Africa and Nigeria. This is of great significance for advancing bilateral regulatory exchanges and cooperation in the field of securities and futures and promoting the healthy development of their respective capital markets.

Table 1-5 Memorandum of Understanding signed between China Securities Regulatory Commission and securities (futures) regulators in African countries (by the end of 2022)

Country	Institution name	Document name and type	Date of signing
Egypt	Egypt's Capital Market Authority	Memorandum of Understanding on Cooperation in Securities Regulation	June 2000
South Africa	Financial Services Board (FSB) of South Africa	Memorandum of Understanding on Cooperation in Securities and Futures Regulation	October 2002
Nigeria	Securities and Exchange Commission of Nigeria	Memorandum of Understanding on Cooperation in Securities and Futures Regulation	June 2005

Source: China Securities Regulatory Commission

The internationalization of the RMB has made considerable progress in Africa, and local currency settlement and swap arrangements have steadily promoted financial facilitation between China and Africa. The China-Africa Cross-border RMB Center, a major financial outcome of the first China-Africa Economic and Trade Expo, was officially approved by the head office of the Industrial and Commercial Bank of China to be established in its Hunan Branch on July 23, 2020. On November 21, 2022, the China-Africa Cross-border RMB Settlement Center (Zhejiang), authorized by Bank of China Zhejiang Branch, was inaugurated in Jinhua. This Center will promote the use of cross-border RMB for trade with Africa and provide financial services for China-Africa industrial cooperation as well as economic and trade development. Bank of China Johannesburg Branch is the first RMB clearing bank in Africa designated by the People's Bank of China, and, like Bank of China (Zambia), is a direct participant in the Cross-Border Interbank Payment System (CIPS). Currently, there are 49 indirect CIPS participants in Africa¹. The RMB clearing banking service of the Bank of China (Mauritius) was officially launched at the end of 2022, making Mauritius the third African country after South Africa and Zambia to have an RMB clearing center. People's Bank of China has signed agreements on

¹ Source: Cross-Border Interbank Payment System

local currency swaps with the central banks of South Africa, Morocco, Egypt and Nigeria, totaling 73 billion yuan, which facilitate the two-way cross-border flow of RMB.

The number of branches of Chinese financial institutions is increasing in Africa. By the end of 2022, China's development financial institutions, policy banks and large state-owned commercial banks had set up 15 branches in Africa, providing strong financial support for China-Africa economic and trade cooperation.

Table 1-6 Chinese financial institutions' branches in Africa (by the end of 2022)

Name of institution	Host country	Name of branch office and date of establishment
China Development Bank	Egypt	China Development Bank Cairo Representative Office (2009)
The Export-Import Bank of China	South Africa	The Export-Import Bank of China's Representative Office for East and South Africa (1999)
	Morocco	The Export-Import Bank of China's Representative Office for Northwest Africa (2015)
Industrial and Commercial Bank of China	South Africa	Industrial and Commercial Bank of China's Africa Representative Office (2011)
Agricultural Bank of China	Republic of the Congo	China-Congo African Bank (2015)
Bank of China	South Africa	Bank of China's Johannesburg Branch (2000)
	Zambia	Bank of China (Zambia) (1997)
	Kenya	Bank of China's Nairobi Representative Office (2012)
	Angola	Bank of China's Luanda Branch (2017)
	Morocco	Bank of China's Morocco Representative Office (2015)
	Mauritius	Bank of China (Mauritius) Limited (2016)
	Tanzania	Bank of China's Tanzania Representative Office (2016)
	Djibouti	Bank of China (Djibouti) Limited (2019)
China Construction Bank	South Africa	China Construction Bank's Johannesburg Branch (2000)
Bank of Communications	South Africa	Bank of Communications' Johannesburg Branch (2020)

Source: National Financial Regulatory Administration (formerly the China Banking and Insurance Regulatory Commission)

Chinese financial institutions have assisted in the progress of China-Africa economic and trade cooperation through various means such as co-financing and platform building. In November 2022, the China Development Bank and the French Development Agency (AFD) carried out the first third-party market partnership to finance a wastewater treatment project in the Hann Bay in Dakar, Senegal. It is an important project for implementing the initiative adopted at the Eighth Ministerial Conference of the FOCAC. When completed, it will effectively reduce the discharge of untreated industrial and domestic wastewater into the Bay to improve the water quality and the living environment, and mitigate the spread of sewage-related infectious diseases in the region. Bank of China's Johannesburg Branch signed a memorandum of understanding with the Johannesburg Stock Exchange (JSE) in April 2022 to help Chinese investors learn

about the South African capital market, playing a positive role in boosting China-South Africa economic cooperation. The “Global Matchmaker” is an open intelligent cross-border integrated matching service platform built by China Construction Bank (CCB). In 2022, CCB’s Johannesburg Branch held a special wine matching event on this platform, which reduced transaction costs and information asymmetry, and assisted in the matchmaking of the Chinese and South African markets.

Financial institutions in African countries are also expanding their business in China. By the end of 2022, ten banks from Africa had established ten branches in China. Attijariwafa Bank, which is Morocco’s largest commercial bank, set up a representative office in Beijing in 2022 to further develop its business in the Chinese market and foster bilateral financial cooperation.

**Table 1-7 Bank branches established by African countries in China
(by the end of 2022)**

Name of institution	Location in China	Name of the organization in China and date of establishment
Afriland First Bank	Beijing	Afriland First Bank’s Beijing Representative Office (2003)
FirstRand Bank Limited	Shanghai	FirstRand Bank Limited’s Shanghai Representative Office (2007)
National Bank of Egypt	Shanghai	National Bank of Egypt’s Shanghai Branch (2008)
First Bank of Nigeria PLC	Beijing	First Bank of Nigeria’s Beijing Representative Office (2009)
ZENITH BANK PLC	Beijing	Zenith Bank Plc’s Beijing Representative Office (2011)
Ecobank Ghana Limited	Beijing	Ecobank Ghana Limited’s Beijing Representative Office (2012)
Access Bank Plc	Shanghai	Access Bank Plc’s Shanghai Representative Office (2014)
Banque Misr	Guangzhou	Misr Bank’s Guangzhou Representative Office (2016)
Bank of Africa	Shanghai	Bank of Africa’s Shanghai Branch (2018)
Attijariwafa Bank	Beijing	Attijariwafa Bank’s Beijing Representative Office (2022)

Source: National Financial Regulatory Administration (formerly the China Banking and Insurance Regulatory Commission)

(III) Air Transport

The increasing cooperation between China and Africa in various fields leads to a growing demand for air passenger and cargo transport between China and Africa. Up to now, China has formally signed civil air transport agreements with 27 African countries and established bilateral airworthiness relations with 12 African countries², providing the foundation for institutional China-Africa cooperation in air transport services.

As the epidemic control is relaxed, China-Africa air transport services are being resumed. According to

2 Information Office of the State Council of China. *China and Africa in the New Era: A Partnership of Equals*. November 26, 2021.

the Official Airline Guide (OAG) statistics, 2,600 flights were operated between China and Africa every year before the pandemic, transporting 850,000 passengers per year. Nearly half of China-Africa air routes were operated by Ethiopian Airlines. Chinese tourists were Ethiopian Airlines' largest customer group, who travelled to Africa via Guangzhou, Shanghai, Beijing, Chengdu and other cities. In 2022, China's international air routes carried 1.861 million passengers, up by 26% over the preceding year³. The African continent's value-added tourism industry, which promotes the development of other industries, will provide important market support for China-Africa air transport services.

(IV) Tourism

Africa is rich in tourism resources. Chinese tourists are attracted by its unique natural resources and diverse cultures and customs. Tourists in Africa have traditionally been European and American tourists. In recent years, the Chinese market has received greater attention. Before the COVID-19 pandemic, countries such as Egypt, South Africa and Kenya had become emerging outbound tourist destinations favored by Chinese citizens. The increasing number of flights, convenient visa application, increasing economic cooperation and the willingness to carry out cultural exchanges have created a good foundation for China and Africa to foster tourism cooperation. In terms of ordinary passports, China operates mutual visa abolition policy with Mauritius and Seychelles. Morocco and Tunisia unilaterally allow Chinese citizens visa-free entry. 15 countries including Egypt, Togo and Cape Verde unilaterally allow Chinese citizens to apply for visas upon arrival⁴.

To implement the Forum on China-Africa Cooperation Dakar Action Plan (2022-2024) in the area of cultural and tourism cooperation, the Ministry of Culture and Tourism of China has held three seminars on topics related to the sustainable development of tourism in African countries since 2021 to share practical experience in tourism development and help African countries revive their cultural and tourism industry. The seminars were attended by nearly 300 government officials, experts, scholars and practitioners in the field of culture and tourism from 14 African countries. The Ministry of Culture and Tourism of China also held two seminars on tourism cooperation between China and African countries, which were attended by approximately 60 representatives from tourism authorities, research institutions, industry associations and tourism businesses in 10 African countries and the African Union, providing policy reference and intellectual support for China-Africa cooperation in tourism. Furthermore, international tourism exhibitions are an effective platform for promoting China-Africa tourism products and experiences, giving strong impetus to China-Africa cultural and tourism cooperation. In 2021, China (Guangdong) International Tourism Industry Expo set up an international cultural tourism exhibition area for African countries. In the 2022 China International Tourism Mart themed "Smart Innovation for the Future - Serving High-quality Development of Tourism", the embassies of Benin and Tanzania in China attended the relevant activities.

As the epidemic comes to an end, the service of Chinese tourists to Africa has resumed. Since February 6, 2023, China has allowed on a pilot basis domestic travel agencies and online travel enterprises to resume outbound group travel and "air ticket + hotel" business for Chinese citizens travelling to 20 countries, including Egypt, Kenya and South Africa. The first group of Chinese outbound tour groups has gone to Egypt and Kenya. Many African countries that place a high value on tourism have included

3 Civil Aviation Administration of China. 2022 Civil Aviation Industry Development Statistical Bulletin. May 10, 2023.

4 Source: <http://cs.mfa.gov.cn/>.

the revitalization of tourism in their national development plans. The reopening of outbound group tour services for Chinese people will revitalize the African tourism market and give impetus to Africa's post-COVID economic recovery.

(V) Information Technology

Based on constant innovations in business forms and business models, information technology services featuring cross-border e-commerce, mobile payment, and cloud outsourcing cooperation have become an important area of China-Africa trade in services, injecting a key impetus to the high-quality development of China-Africa trade in services.

E-commerce platforms have played an important role in introducing high-quality African products to the Chinese market. At the China-Africa Internet Development and Cooperation Forum held in August 2021, China declared its willingness to formulate and implement the "China-Africa Digital Innovation Partnership Program" with Africa. The three-month "African Products Online Promoting Season", as part of the China-Africa Digital Innovation Partnership Program, kicked off in September 2021. In April 2022, the "Online Shopping Festival for High-quality African Commodities" was held as part of the FOCAC "Nine Programs". Featured African products were showcased through "platform-based promotion + livestreaming". On major e-commerce platforms such as Douyin, Kuaishou, Taobao, and Tmall, diverse e-commerce activities such as ambassador livestreaming, China-Africa supply and demand matchmaking event, debuts of African products, and high-quality African commodity hall have been held to promote the sales of over 200 types of high-quality featured products from 23 African countries in China. Chinese enterprises have built nearly 20 overseas warehouses in Africa as an important fulcrum of cross-border e-commerce, but this still fails to meet the growing demand for cross-border trade between China and Africa. There is great room for development in construction of overseas warehouses.

Chinese enterprises actively participate in the establishment of public service platforms such as electronic payment and smart logistics in Africa, and carry out win-win cooperation in connectivity. Opera, an information platform of Beijing Kunlun Wanwei Technology Co., Ltd., acquired a local financial services company in Nigeria. Chinese technology and experience have been employed to incubate OPay with a localized operating model, which has quickly evolved into one of the largest mobile payment networks in Nigeria. By the end of 2021, over 1,500 enterprises in 17 cities in more than 15 African countries had chosen Chinese enterprises as digital transformation partners, and 29 countries had adopted the smart government service solutions provided by Chinese enterprises⁵.

(VI) Radio and Television

Radio and television are an important vehicle for cultural exchanges and a bridge for building connectivity and mutual trust between China and Africa. On April 16, 2021, the inauguration ceremony of the CMG Africa was held in Nairobi, the capital of Kenya. On August 25, 2022, the National Radio Television Administration of China hosted the 5th Forum on China-Africa Media Cooperation, and over 50 African countries attended the opening ceremony. The documentary *Chinese Meet Africa* was officially released as one of the important outcomes of China-Africa media cooperation. On October 26, 2022, the "China Documentary Festival" Africa Stop jointly initiated by China Media Group and the Ministry of Culture and Tourism of China

5 Information Office of the State Council of China. China and Africa in the New Era: A Partnership of Equals. November 26, 2021.

was officially launched. Mainstream TV media in African countries such as the Democratic Republic of the Congo, Republic of the Congo, Cameroon, Benin, and Burkina Faso broadcast high-quality programs such as *China's Changes over the Decade* (Jie Ma Shi Nian) and *Stewardship*. China-Africa media cooperation has played a positive role in giving a real report on Africa, showcasing China's image, cementing the friendship and building consensus between the Chinese and African peoples. The two sides have fostered cooperation in advancing technical exchanges, content sharing, personnel training and other areas.

IV. China's Investment in Africa

(I) Overall Situation

China's direct investment in Africa has basically remained between US\$3 billion and US\$5 billion in recent years. China's direct investment in Africa in 2021 increased substantially compared with 2020, with direct investment flows reaching US\$4.99 billion, a year-on-year increase of 18%, accounting for 2.8% of China's total outward direct investment flow. The stock of direct investment in Africa increased slightly to US\$44.19 billion, approaching the pre-COVID level, accounting for 1.6% of China's total outbound investment stock.

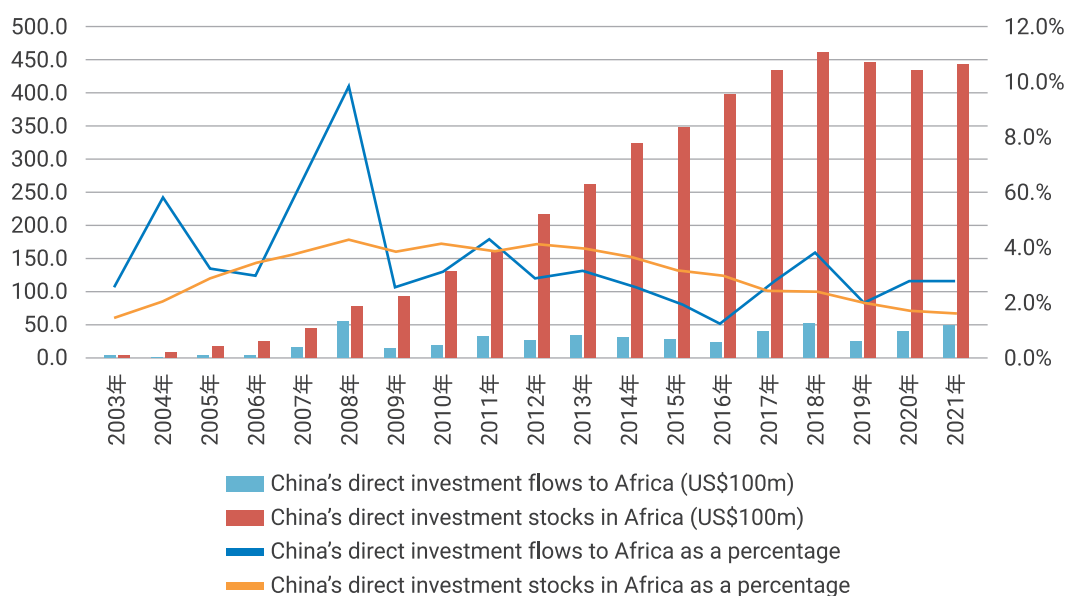


Figure 1-6 China's direct investment in Africa from 2003 to 2021

Source: Statistical Bulletins of China's Outward Foreign Direct Investment over the years

At present, China's direct investment in Africa is distributed in 52 countries. In 2021, China had direct investment flows in excess of US\$100 million in 16 African countries, an increase of six from 2020. They are the Democratic Republic of the Congo, Zambia, Guinea, South Africa, Kenya, Niger, Mauritius, Nigeria, Egypt, Algeria, Republic of the Congo, Ghana, Angola, Seychelles, Zimbabwe and Tanzania. The direct investment flows to the 16 countries totaled US\$4.67 billion, accounting for 93.6% of China's direct investment flows to Africa. Driven by the China-Mauritius free trade agreement, China's direct investment flow to Mauritius soared from US\$45.77 million in 2020 to US\$240 million in 2021.

In terms of investment stock, the top ten African countries for China's direct investment by the end of 2021 were South Africa, the Democratic Republic of the Congo, Zambia, Ethiopia, Angola, Nigeria, Kenya, Algeria, Zimbabwe and Tanzania, which accounted for 63.5% of China's direct investment stock in Africa.

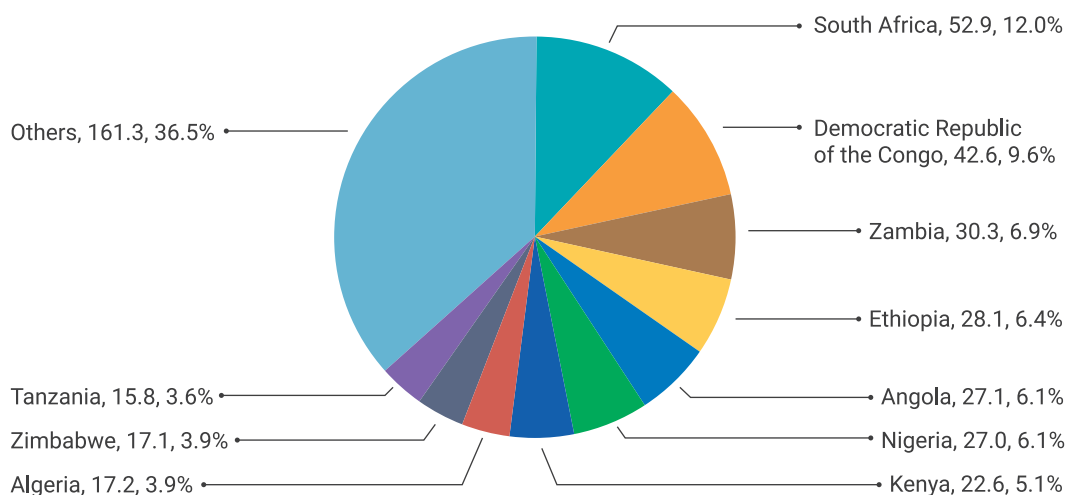


Figure 1-7 Stock of China's direct investment in Africa by country by the end of 2021 (unit: US\$100 million)

Source: Statistical Bulletins of China's Outward Foreign Direct Investment over the years

In terms of industry distribution, China's direct investment in Africa is still focused on construction, mining and manufacturing industries, while Chinese companies are stepping up investment in industries such as agriculture and agricultural product processing, financial services and even aerospace. By the end of 2021, the top five sectors for China's direct investment stock in Africa were construction, mining, manufacturing, finance, and leasing and business services, accounting for 87.1% of China's total investment stock in Africa. China's stock of investment in Africa's mining and construction industries increased by 12.3% and 8.2% respectively, while the stock of direct investment in leasing and commercial services as well as manufacturing fell by 11.3% and 2.4% respectively.

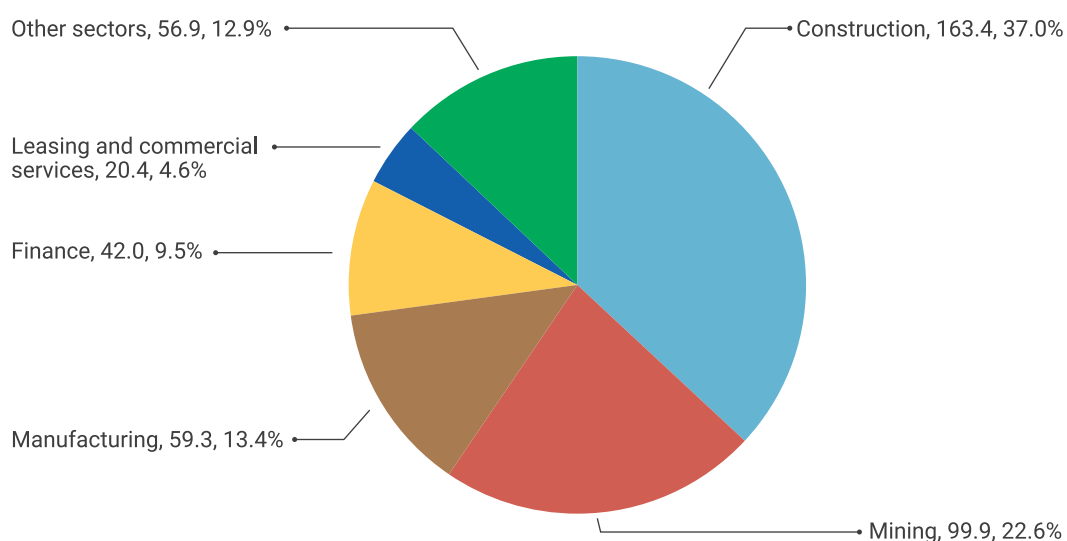


Figure 1-8 Stock of China's direct investment in Africa by industry by the end of 2021 (unit: US\$100 million)

Source: 2021 Statistical Bulletin of China's Outward Foreign Direct Investment

(II) Energy and Minerals

Africa is rich in energy and mineral resources, promising great potential for exploitation. Mining, smelting and processing of mineral resources are important areas of China-Africa investment cooperation. By the end of 2021, China's stock of direct investment in Africa's mining industry reached US\$9.99 billion, accounting for 22.6% of China's investment stock in Africa. Spurred by the African countries' demand for exploitation of mineral resources such as oil, natural gas, lithium and iron ore, Chinese enterprises seized the opportunity to invest in or put into operation a number of large-scale energy mining and mineral smelting projects in Uganda, Mozambique, the Democratic Republic of the Congo and other countries from 2021 to 2022, increasing the value-added and export of energy mineral resources in African countries.

In the oil and natural gas areas, the Lake Albert Oil Development Project in Uganda, in which China National Offshore Oil Corporation invested, commenced construction in 2022. The oilfield covers an area of 1,518 square kilometers and has proven geological reserves of over six billion barrels. The project will also build the first crude oil pipeline in East Africa with a length of 1,443 kilometers to support Uganda in realizing the external transport of crude oil. The first Coral floating liquefied natural gas (FLNG) projects developed in Mozambique Area 4, in which China National Petroleum Corporation invested, realized the first LNG shipment in November 2022. This is the first cargo of LNG export from East Africa by sea, making Mozambique an LNG exporter.

In recent years, the smelting of mineral resources has become the focus of China's investment in Africa. The construction of smelting plants can directly drive the development of heavy industry in Africa and contribute to local job creation. The first phase of Dinson Iron and Steel project, Africa's largest steel plant invested and built by Dinson Iron and Steel Company, which is a subsidiary of China Tsingshan Holding Group in Zimbabwe, began construction in October 2022. The project is equipped with one 1.5 km × 600 m carbon steel plant and iron ore and chromium plant, with an annual capacity of 1.2 million tons. It is expected to create 4,000 to 5,000 jobs.

(III) Manufacturing

In recent years, Chinese investors investing in Africa's manufacturing industry have diversified and the areas of investment have expanded, playing a positive role in spurring Africa's economic development, social progress and local employment. By the end of 2021, China's stock of direct investment in African manufacturing industry reached US\$5.93 billion, accounting for 13.4% of China's stock of direct investment in Africa.

Building materials manufacturing has been a traditional sector for Chinese investment in Africa. Due to the growing consumption of building materials in African countries and the shortage of local supply, the production of ceramics, glass fiber, cement and other materials has become popular areas for Chinese enterprises to invest in Africa. In July 2022, KEDA Industrial Group's African subsidiary invested in the fifth phase of the architectural ceramics production project in Ghana and the Kisumu ceramic sanitary ware production project in Kenya, with an aggregate investment of US\$67.0762 million. In December of the same year, Jushi Egypt for Fiberglass Industry S.A.E launched its fiberglass production line with an annual output of 120,000 tons. After the project is put into operation, the production capacity of Jushi Egypt's fiberglass base reaches 340,000 tons per year, making Egypt one of the world's leading fiberglass production bases. It will generate US\$100 million in foreign exchange for Egypt every year.

Automobile manufacturing has been a key industry for development in African countries in recent years. As the demand for automobiles in African countries grows, many Chinese automakers such as China FAW Group, Beijing Automotive Group Co., Ltd., and Chery Automobile have invested in the construction of automobile assembly and manufacturing plants in Africa and are developing the new energy vehicle market actively. In January 2021, Dongfeng Motor and the Public Enterprise Ministry of Egypt signed a framework agreement on new energy vehicle projects, which marks an important beginning for Egypt's new energy vehicle strategy and will promote the local production of electric vehicles in Egypt. In March 2022, the first motorcycle production line invested by the Chinese enterprise NIODIOR Group in Angola was officially put into operation. In April of the same year, Isuzu additionally invested approximately US\$82 million in its South African plant to launch the latest derivative of D-Max bakkie, a heavy-duty pickup truck. This investment will generate 1,000 direct jobs and 24,000 indirect jobs at the local plant.

Due to a large shortage of chemical fertilizers in Africa, chemicals manufacturing dominated by fertilizer production is also a key project introduced by African countries. In 2021, the United Capital Fertilizer Co., Ltd., invested by a Chinese enterprise in Zambia, commenced construction, with an investment in excess of US\$300 million. The price of local fertilizers in Zambia is expected to be halved after it is put into operation. In March 2022, China Wuhuan Engineering Co., Ltd. and Yunnan Tian'an Chemical Co., Ltd. signed an agreement with Algerian Fertilizers and Phytosanitary Products Industrial Group (ASMIDAL) and Algerian Mining Group (AMNAL) to jointly establish Algerian Chinese Fertilizers Company, which plans to invest in the construction of Algeria's first phosphate integration project. The project will have an annual capacity of 5.4 million tons after completion.

In addition to traditional sectors, Chinese enterprises pay high attention to investment and cooperation in high-tech fields such as medical and pharmaceutical and electronic information manufacturing. During the COVID-19 pandemic, Chinese enterprises expanded their investment in the field of medical and health care in Africa, which strongly supported the establishment of Africa's medical and health care system. In April 2021, Sinovac and Vacsera signed an agreement to manufacture Sinovac vaccines in Egypt. In July 2021, Vacsera produced the first 650,000 doses of Sinovac vaccines, marking successful local production. Humanwell African Pharmaceutical Co., Ltd., which invested in Mali, worked flat out to ensure normal production during the epidemic, which greatly eased the shortage of drugs in Mali and neighboring countries, and supported the epidemic response in West Africa. In terms of electronics manufacturing, OPPO signed a memorandum of understanding with the Egyptian Information Technology Industry Development Agency (ITIDA) in September 2022 to establish a mobile phone factory in Egypt, with an initial investment of US\$20 million. It is expected to produce 4.5 million mobile phones per year and generate nearly 900 jobs in 2023.

(IV) Agriculture

In recent years, China's direct investment in agriculture in Africa has exhibited a steady growth trend, mainly in Mauritania, Uganda, Nigeria, Egypt, Ghana, Zambia, Madagascar, Zimbabwe, Tanzania, and South Africa. The areas of investment cover the cultivation and processing of crops and cash crops, livestock breeding and fisheries.

Chinese enterprises' investment in agriculture in Africa focuses on driving the modernization of agriculture in host countries through investment in the industrial chain and agricultural processing industry. The 20,000-ton yeast product expansion project of Angel Yeast (Egypt) Company officially started at the end

of 2022. After completion, the total production capacity of the company's yeast products will reach 60,000 tons per year. The project will harness Egypt's advantages in trade facilitation, location and scale to further develop the Middle Eastern, African and other international markets.

China's investment in agriculture in Africa also focuses on promoting the use of smart agricultural technologies and equipment in Africa, supporting the digital transformation and upgrading of African agriculture sector, and offering new driving force for Africa's economic growth. In response to the "Poverty Reduction and Farmer Benefit Program" and the "Digital Innovation Program" under the FOAC "Nine Programs", the China-Africa Development Fund signed a strategic cooperation agreement in 2022 with Guangzhou XAG to discuss supporting Chinese smart agricultural enterprises in introducing China's advanced digital technology and equipment to African agricultural sector and empower the development of smart agriculture in Africa under the new model of "investment, loan, aid and donation". With this project, the China-Africa Development Fund introduced XAG's UAV products and related innovative technologies to the Mozambique Agricultural Park Project and the Harvest Farm run by Ghana branch of China Geo-Engineering Corporation (CGC), boosting grain production in Ghana and Mozambique.

(V) Construction of Economic and Trade Cooperation Zones

China-Africa economic and trade cooperation zones have become an important vehicle for investment in Africa. In recent years, China has been involved in the planning, construction or operation of an increasing number of economic and trade cooperation zones in Africa, and business fields have become more diversified, covering resource utilization, agriculture, processing and manufacturing, commerce and logistics. There are some classic cases, such as China-Egypt Suez Economic and Trade Cooperation Zone, Zambia-China Cooperation Zone, Ethiopia Eastern Industry Zone, China-Sudan Agricultural Cooperation Development Zone, and Djibouti International Free Trade Zone.

Economic and trade cooperation zones are an important boost to China-Africa cooperation and Africa's economic development. The economic and trade cooperation zones built by China in African countries have received support from the host countries in terms of tax preference, supporting government services, security measures and so on, becoming important platforms for Chinese enterprises to invest in African countries. The construction of economic and trade cooperation zones in Africa has not only encouraged many Chinese-funded manufacturing, agricultural and commercial service enterprises to invest in African countries, created lots of local jobs, and increased local tax revenue, but also contributed to the improvement of the industrial chain as well as industrialization in the host countries. For example, Zambia-China Cooperation Zone, which was invested and built by China Nonferrous Metal Mining (Group) Co., Ltd (CNMC) in 2007, consists of the Chambishi Zone in Kalulushi City, Copperbelt Province, Zambia, and the Lusaka Zone near Lusaka International Airport. To date, nearly 100 Chinese enterprises have settled in the zone, invested over US\$2.5 billion, paid over US\$800 million in taxes and fees, and created over 10,000 jobs in Zambia.

Table 1-8 Some of economic and trade cooperation zones in Africa by the end of 2021

No.	Name	Host country (region)	Chinese implementing enterprise	Date of establishment	Type of park
1	Mauritius Jinfei Economic Trade and Cooperation Zone	Mauritius	Shanxi Jinfei Investment Co., Ltd.	Aug. 2006	Including product processing as well as logistics and warehousing, business and trade, education and training, real estate, tourism and catering, green energy, etc.
2	Zambia-China Cooperation Zone	Zambia	China Nonferrous Metal Mining (Group)	Aug. 2006	Multifunctional economic zone; one zone and two parks: Chambishi Park is a comprehensive park focusing on nonferrous metal industry, and Lusaka Park is a modern airport industrial park featuring trade and logistics, value-added processing, modern office and free trade zone
3	Yuemei (Nigeria) Textile Industrial Park	Nigeria	Yuemei Group Co., Ltd.	Jul. 2007	Light industrial park
4	Lekki Free Trade Zone	Nigeria	China-Africa Lekki Investment Limited	Nov. 2007	Comprehensive park; a tripartite cooperative commercial project among China, France and Nigeria. It is dominated by manufacturing and warehousing & logistics, supported by urban services and real estate
5	Ethiopian Eastern Industry Zone	Ethiopia	Jiangsu Yongyuan Investment Co., Ltd.	May 2008	Comprehensive economic park that focuses on processing trade industries. The key industries include textiles, medicine, building materials, leather, household appliances, agricultural and sideline products processing, commerce and trade, logistics and transportation
6	Nigeria-Guangdong Economic and Trade Cooperation Zone	Nigeria	Guangdong Xinguang International Group China-Africa Investment Co., Ltd.	Jun. 2008	Comprehensive park where light industry, furniture, building materials, hardware, wood processing, etc. are leading industries, raw material processing is the main industry, and engineering, marketing and trade develop simultaneously
7	China-Egypt TEDA Suez Economic and Trade Cooperation Zone	Egypt	China-Africa TEDA Investment Co., Ltd.	Jul. 2008	Including transportation equipment production, textile and garment production, petroleum equipment production, high and low-voltage electrical appliance production, fine chemicals, new building materials, high-tech industries, research and development services, warehousing, logistics and trade services, etc.

Continued Table

No.	Name	Host country (region)	Chinese implementing enterprise	Date of establishment	Type of park
8	Soluxe International Industrial Park in Chad	Chad	Soluxe International Business Limited	Sept. 2011	Heavy industry park
9	Shandong Industrial Park in Africa (Uganda)	Uganda	Changyi Deming Import & Export Co., Ltd.	Dec. 2011	Industrial park, covering communications, textiles, plastic products, building materials, beverages, packaging, new energy, mining, construction, electric power, glass and hardware industries
10	China-Sudan Agricultural Cooperation Development Zone	Sudan	China Shandong International Economic and Technical Cooperation Corporation	May 2012	Agricultural park under "one zone and multiple parks" model, focusing on cotton, sesame, peanuts, animal husbandry, agricultural machinery and other industries
11	Beira Economic and Trade Cooperation Zone in Mozambique	Mozambique	Anhui Huan Foreign Economic Development (Group) Co., Ltd.	Jun. 2012	A comprehensive park that focuses on textiles and garments, hardware and machinery, light industry and household appliances, processing of material provided by clients, logistics and distribution. It integrates export processing zone, bonded zone, commercial and trade areas, and living areas
12	China-Mauritania (Hongdong) Marine Economic Cooperation Park	Mauritania	Hongdong Fishery Co., Ltd.	Sept. 2012	Fishery industry park
13	Jiangsu-Shinyanga Agricultural Industrial Park	Tanzania	Jiangsu JOC Technology Engineering Co., Ltd.	Jan. 2013	An agricultural park focusing on the whole industrial chain of cotton
14	Hisense Home Appliance Industrial Park	South Africa	Qingdao Hisense China-Africa Holdings Co., Ltd.	Mar. 2013	An industrial park focusing on the production of household appliances
15	Huajian Ethiopian Light Industry City	Ethiopia	Dongguan Huabao Shoes Co., Ltd.	May 2013	Light industrial park
16	Industrial Park for Comprehensive Utilization of Lake Victoria Resources	Tanzania	Henan Yukuang Kaiyuan Mining Co., Ltd.	Nov. 2014	Park for comprehensive utilization of resources

Continued Table

No.	Name	Host country (region)	Chinese implementing enterprise	Date of establishment	Type of park
17	China-Uganda Overseas Economic and Trade Cooperation Zone	Uganda	Sichuan Youhao Hengyuan Agricultural Development Co., Ltd.	Feb. 2015	An agricultural park with a whole industrial chain of "research, planting, breeding, processing, storage and trade"
18	Belt and Road Industrial Park (Nigeria)	Nigeria	Guangdong Zhongni Industrial Co., Ltd.	Jan. 2016	Processing and manufacturing
19	CNBM Zambia Industrial Park	Zambia	Sinoma Cement Co., Ltd.	May 2016	Comprehensive basic building materials industrial park
20	China-Kenya (East Africa) Economic and Trade Cooperation Zone	Kenya	China Wuyi Industrial Co., Ltd.	Aug. 2016	Comprehensive park
21	Abidjan Trade and Logistics Park	Côte d'Ivoire	Fujian Rongxintong Building Materials Development Co., Ltd.	Sept. 2016	Business and logistics park
22	China-Egypt ManKai Textile Industrial Park	Egypt	Ningxia Mankai Investment Co., Ltd.	Jan. 2018	Light industrial park, mainly for textile and garment, warehousing and logistics, e-commerce and other related industries
23	International Free Trade Area in Djibouti	Djibouti	China Merchants Group and Djibouti Ports and Free Zones Authority	Jul. 2018	Export processing and trade & logistics park, covering logistics, commerce and production & processing; production and processing industries include home furnishing and building materials, electrical appliances, automobiles and accessories, machinery and equipment, furniture, electrical and electrical products, etc.
24	Ogun Hunan Economic and Trade Cooperation Zone, Nigeria	Nigeria	Hunan Cangjie Overseas Investment Co., Ltd	Aug. 2022	Non-resource products processing and export, building materials, electronics, hardware and agricultural processing, etc.

Source: based on publicly available data (incomplete statistics)

(VI) Fund and Equity Investment

In order to leverage Chinese enterprises' investment in Africa, the Chinese government has set up funds dominated by equity investment, such as the China-Africa Development Fund, the China-Africa Fund for Production Capacity Cooperation and the Silk Road Fund, which have eased enterprises' financing difficulties in their early investment phase, reduced the corporate investment risks, and promoted China's investment in Africa.

The establishment of China-Africa Development Fund (CAD Fund) was announced by the Chinese government at the Beijing Summit of the FOCAC in 2006, with a design scale of US\$5 billion. Undertaken by the China Development Bank, it was officially launched in 2007 and its capital increased to US\$10 billion. By the end of 2022, the CAD Fund had invested US\$6.6 billion in 39 African countries, leveraging US\$31 billion of China's investment and financing in Africa. The actual investment totaled US\$5.085 billion, and the initial design scale of US\$5 billion was completed. From 2021 to 2022, the CAD Fund overcame the impact of the epidemic and promoted the growth of investment in Africa, with an additional decision-making investment of US\$520 million and an additional actual investment of US\$409 million in 2021, and the corresponding figures reached US\$628 million and US\$395 million in 2022.

China-Africa Fund for Production Capacity Cooperation Co., Ltd. (hereinafter referred to as "China-Africa Production Capacity Fund") was established at the end of 2015 as a medium- and long-term development investment fund for investment in Africa in response to the "Ten Cooperation Plans" put forward at the Johannesburg Summit of the FOCAC in 2015. Since its establishment, the China-Africa Fund for Production Capacity Cooperation has focused its investment on the construction of highways, railways, and aviation networks, and industrialization in Africa. Up until now, the Fund has invested in 25 projects with more than US\$2 billion in Egypt, Ghana, the Democratic Republic of the Congo, Ethiopia, South Africa, Angola and other African countries. And the investment projects covered manufacturing, energy, mineral resources, digital technology and other industries, which has improved the local economy and people's wellbeing and create jobs. Representative projects include working with Transsion Holdings to promote the development of digital technology in Africa, investing in Jushi Egypt Fiberglass Co., Ltd. to drive the upgrading of African manufacturing industry, among others.

V. China-Africa Infrastructure Cooperation

(I) Overall Situation

Infrastructure cooperation has been a competitive area in China-Africa economic and trade cooperation, providing important support for improving Africa's investment environment and people's wellbeing and promoting the economic growth of African countries. The Chinese government has always encouraged enterprises and financial institutions to participate in construction of infrastructure projects in Africa in various ways, in order to contribute to Africa's economic and social development. In recent years, despite the double whammy of the epidemic and economic downturn, Chinese enterprises are the first to resume work and production in the African market, and have built a number of high-quality infrastructure projects, which have greatly supported the local economic recovery. In 2021, Chinese enterprises signed new contracts with a value of US\$77.88 billion in Africa, a year-on-year increase of 14.7%, accounting for 30.1% of the total value of new contracts signed by Chinese enterprises for foreign contracted projects; Chinese enterprises achieved a turnover of US\$37.12 billion, down by 3.2% year-on-year, accounting for 24% of total completed turnover. In 2022, the value of new contracts signed reached US\$73.22 billion, down 6% year-on-year, accounting for 28.9% of the total value of new contracts signed for foreign contracted projects; the completed turnover reached US\$37.84 billion, up by 2% year-on-year, accounting for 24.4% of the total completed turnover. Africa remains the second largest market for China's overseas contracted engineering projects.

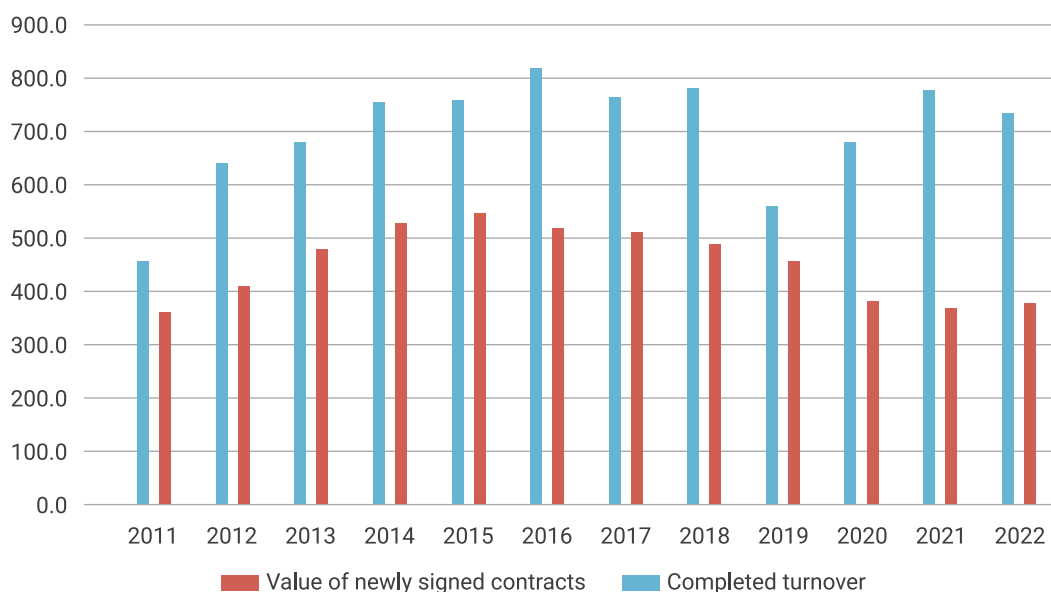


Figure 1-9 China's engineering contracted projects in Africa from 2011 to 2022 (Unit: US\$100 million)

Source: Ministry of Commerce of China, Annual Report on China International Project Contracting

In terms of distribution of fields, transportation construction, general construction, and electric power engineering construction are the top three industries for Chinese enterprises' contracted projects in Africa, accounting for 63.1% of the completed turnover of engineering contracted projects and 59% of the value of newly signed contracts in 2022. Moreover, communications engineering construction, petrochemical engineering, water conservancy facilities, industrial construction, etc. are also the main business areas.

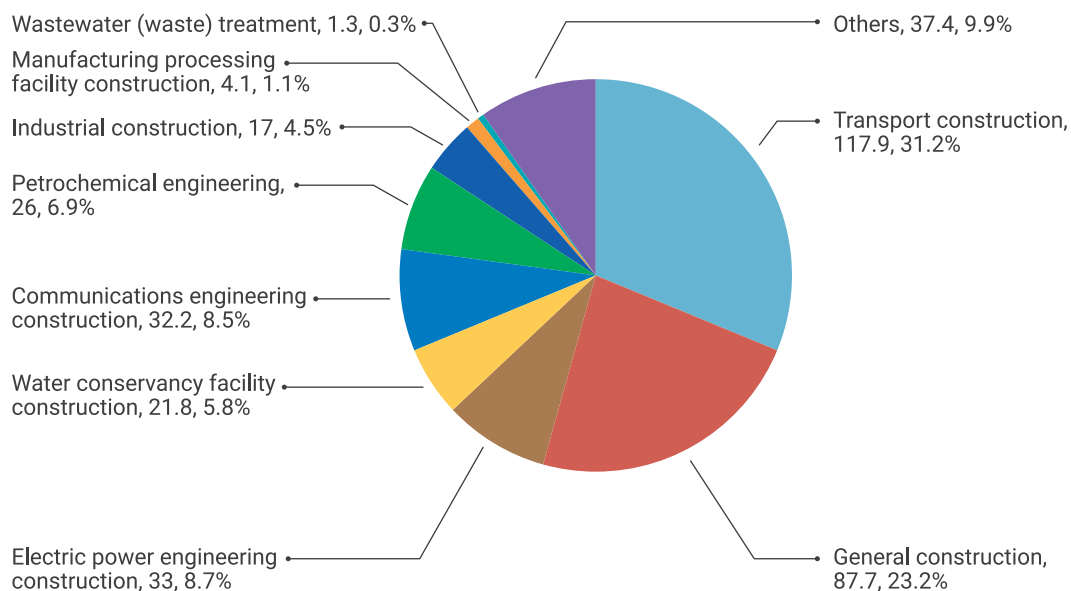


Figure 1-10 Completed turnover of Chinese enterprises' contracting projects in Africa by industry in 2022 (unit: US\$100 million)

Source: Ministry of Commerce of China

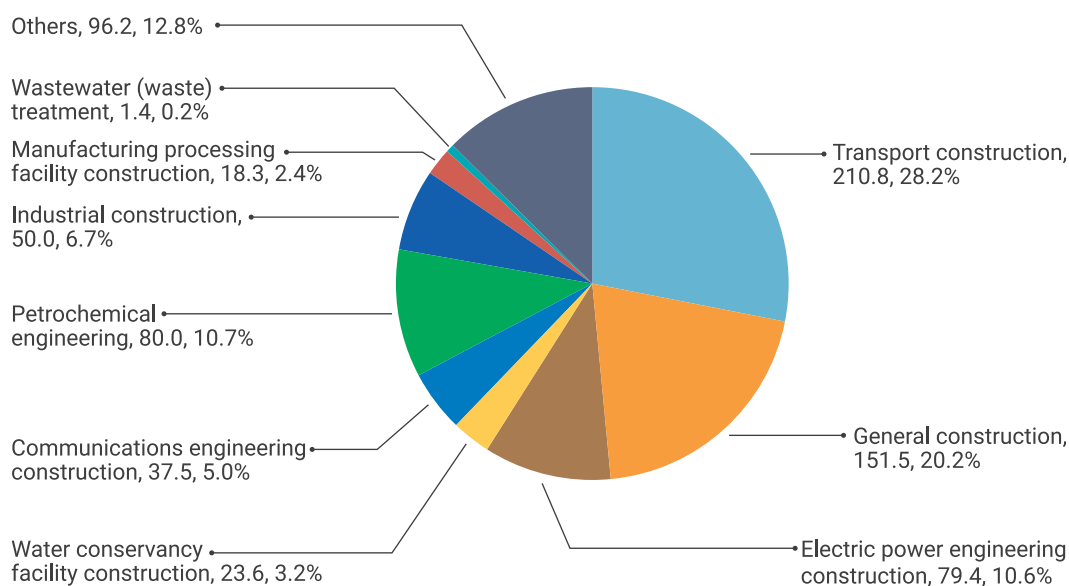


Figure 1-11 Turnover of newly signed contracts for Chinese enterprises' contracting projects in Africa by industry in 2022 (unit: US\$100 million)

Source: Ministry of Commerce of China

(II) Transportation

In recent years, Chinese enterprises have been deeply involved in the construction of the transportation area in African countries. Projects include construction of new railways, terminals, airports and renovation and upgrading of old bridges, and outstanding results have been achieved. The projects have significantly improved local traffic network, reduced logistics costs in Africa, and promoted local social and economic development.

Chinese companies actively undertake airport projects in African countries to compensate the underdeveloped land transport. The Xai-Xai Airport project in Mozambique, which was built with China's aid and was handed over and put into use at the end of November 2021, covers an area of 1.4 million square meters, with a total building area of 9,150 square meters and a designed annual throughput of 220,000 passengers. It is designed and managed by China Aviation International Construction and Investment Co., Ltd. The completion of Xai-Xai Airport will help Gaza Province give exploit its geographical advantages, accelerate regional integration, and promote the development of resource exploitation, tourism, processing and manufacturing, infrastructure construction, trade and investment, and other industries, giving a new impetus to the development of the region. The new airport of M'banza-Kongo, capital of Zaire province, Angola, undertaken by SINOHYDRO Corporation Limited, commenced construction in December 2021. M'banza-Kongo was the capital of the ancient Kongo Kingdom and a World Heritage Site. After completion, it will fundamentally solve the existing transportation problems in M'banza-Kongo, and facilitate the urban development of Zaire Province as well as the spread of local world heritage culture.

Chinese enterprises have exploited their comparative advantages to undertake a number of railway construction projects in Africa. The Egypt's 10th of Ramadan Railway, built by China Railway and AVIC International Consortium, was put into trial operation in July 2022. It is the first electrified railway in Egypt and one of the flagship projects of China-Egypt cooperation under the Belt and Road Initiative. The project will provide efficient and convenient commuting services for five million residents traveling

between Cairo's old city and the new capital, and will play a key role in developing the economy of eastern Egypt and advancing Egypt's industrialization. The completion ceremony of the first phase of the Lagos Rail Mass Transit (LRMT) Blue Line project in Nigeria, which was built by China Civil Engineering Construction Corporation (CCECC), was held on December 21, 2022. It is the first light rail line completed in the state. The project will help ease urban traffic congestion, reduce air pollution, improve travel experience, improve the business environment and promote urban economic development. By December 31, 2022, the Mombasa-Nairobi Standard Gauge Railway (SGR) in Kenya had been in safe operation for 2,041 days. As a benchmark project of the Belt and Road Initiative jointly built by China and Africa, this 472-kilometer-long railway adopts Chinese standards and technical equipment, and is financed by the Export-Import Bank of China, and built and operated through service contract by China Road & Bridge Corporation, a subsidiary of China Communications Construction. In the past five years of operation, the Mombasa-Nairobi railway achieved eye-catching economic performance, bringing significant economic and social benefits to Kenya. In 2022, the railway operated an average of six passenger trains per day, transporting 2.401 million passengers, a year-on-year increase of 19.8%; operated 17 freight trains per day, transporting 481,000 TEU of containers for 6.265 million tons of goods, a year-on-year increase of 15.7%. Furthermore, other projects are underway, including the reconstruction and upgrading project of the Suez Canal Railway Bridge in Egypt, jointly undertaken by Sichuan Road and Bridge and Chengdu Building Materials Institute, and the repair and upgrading project of the Walvis Bay-Arandis Railway in Namibia, undertaken by China Gezhouba Group Co., Ltd.

Chinese enterprises have been involved in a number of road and bridge construction projects in African countries, contributing to local infrastructure connectivity. The opening ceremony of the highway and bridge project in Upper River District of the Gambia built with China's aid was held on October 9, 2021. The project is an important milestone in the implementation of the Gambia National Development Plan (2018-2021). The bridge, which completes the Gambia's national highway network, will promote the free flow of people, goods and services in the Gambia, thereby improving people's wellbeing, economic development and public services. The construction project of the Magufuli Bridge in Tanzania, undertaken by China Civil Engineering Construction Corporation, is progressing smoothly. The project is a major project invested by the Tanzanian government to improve the people's wellbeing, and will become the longest bridge in East Africa and the longest extradosed cable-stayed bridge in Africa, which will greatly shorten the transportation time between Mwanza and Geita provinces and spur the economic development of Lake Victoria region.

Column: Nairobi Expressway, Kenya⁶

The Nairobi Expressway Project, which is invested, built and operated by China Road & Bridge Corporation, is a major project for improving people's wellbeing under the Belt and Road Initiative and is the first toll road project in Kenya. The 27.1-kilometer expressway connects Jomo Kenyatta International Airport, the Nairobi terminal of the Mombasa-Nairobi Railway, the Nairobi Ring Road and the central urban area. It commenced construction in September 2020 and was put into trial operation on May 14, 2022. After the project was put into operation, the travel time between the airport and the urban area has been reduced to 20 minutes from two hours, which significantly eases traffic congestion, reduces logistics costs, and promotes the local economic development. On 16 July 2022, the Nairobi Expressway was awarded the Afrika Mashariki Transport Awards 2022.

6 Source: Xinhua News Agency.

The Nairobi Expressway is the first high-grade expressway in Kenya built under the public-private partnership model, and is one of the representative projects by Chinese engineering contractors under a new model of infrastructure cooperation with Africa in new circumstances. Joseph Mbugua, Permanent Secretary of Kenya's Ministry of Roads and Transport, said that the Nairobi Expressway invested by China Road & Bridge is the first major project after the passage of Kenya's Public-Private Partnerships Act. It has attracted more international investment to Kenya and helped Kenya become an economic, transportation, diplomatic and tourism hub in East Africa.

The port and terminal projects undertaken by Chinese enterprises have greatly promoted the development of commerce and logistics sectors in African countries. The shipment and installation ceremony for the second phase of the Deepwater Port project in Kribi, Cameroon, undertaken by China Harbor Engineering Company, was held in October 2022, marking the substantive construction stage for the mainstay of the project's terminal. The project, which has a contract value of US\$794 million, includes the construction of 70,000-ton and 100,000-ton container terminals, which are expected to be completed in 2024. The project will improve the running efficiency of the Kribi deepwater port, boost Cameroon's economic development and help it become a maritime hub in West and Central Africa. In August 2022, the Kipevu Oil Terminal (KOT) in Mombasa project undertaken by China Communications Construction Group Co., Ltd. was officially put into operation. The project, which is Kenya's first modern world-leading oil and gas loading and unloading terminal, includes four new offshore berths and oil pipeline facilities, which can realize the import and export transshipment of five kinds of oil products: crude oil, heavy oil, gasoline, diesel and kerosene. After completion, it will significantly boost the oil and gas transit capacity of the Mombasa port, reduce the prices of refined oil products in Kenya, and give a strong impetus to the economic development of Kenya and even the East Africa as a whole.

(III) Power Engineering

Many African countries suffer from power shortages. In recent years, China has strengthened wide-ranging cooperation with African countries in the field of electric power engineering, having built many projects that benefit the local area in the long term. These projects not only drive China's electric power industry to "go global", but contribute to the development of the electric power industry in African countries as well.

Chinese enterprises have built a slew of hydropower projects, which effectively utilize the abundant hydropower resources of African countries. In March 2022, the Zungeru Hydropower Station, the largest hydropower station in Nigeria, which was built by a Chinese enterprise, was officially put into operation. In addition to power generation, the hydropower station also brings comprehensive utilization benefits such as flood control, irrigation, water supply, aquaculture, and shipping. It is currently the largest hydropower station under construction in Nigeria and an important project in the African region under the Belt and Road Initiative. The construction of the project created jobs for over 4,000 local people. After completion, the hydropower station can satisfy the electricity consumption of two cities like Abuja, and will play a critical role in easing power shortage in Nigeria, enhancing the stability and continuous power supply of the power grid, and improving the people's living standards. In May 2022, the Nyabarongo II Hydropower Project in Rwanda, undertaken by Sinohydro, officially commenced construction. This project is the largest project financed by the Export-Import Bank of China in Rwanda. When completed, this project will meet Rwanda's electricity demand, spur local economic development, and play a key role in providing clean water and conserving soil and water. The intake tower of the diversion tunnel of the Caculo Cabaça Hydroelectric Power Station in

Angola was capped in February 2023. The Caculo Cabaça Hydroelectric Power project, which is located in Dondo City, Kwanza Norte Province, Angola, about 230 kilometers from the capital Luanda, is currently the largest hydropower station undertaken by a Chinese-funded enterprise in Africa. When completed, it will meet more than 50% of Angola's electricity demand. The project will provide nearly 10,000 jobs during the peak construction period, which will significantly drive local economic and social development.

Thanks to state-of-the-art technology, rich experience and competitive costs, Chinese enterprises have also made significant strides in cooperation with African countries in the field of renewable energy power generation, including the 35.7MV distributed photovoltaic power station project and the 120MV wind power construction project in the Gulf of Suez built by China Gezhouba Group in Egypt, and the Guinea solar power station project built by China Railway Construction Corporation International Investment Co., Ltd. It is noteworthy that China Energy Engineering Group Co., Ltd. (Energy China) and AMEA Power, a renewable energy developer in the UAE, collaborated in 2022 to build the 500MW photovoltaic power station in Kangwongbo, Egypt, the first bilateral cooperation project. The project, located about 60 kilometers northwest of Aswan, Egypt, is currently the largest standalone photovoltaic project in Egypt. When completed, it will increase the proportion of new energy electricity in Egypt, promote a diversified power supply structure, reduce dependence on gas energy, and promote low-carbon, green and sustainable development of local society and economy.

Chinese enterprises also participate in power transmission and transformation projects in African countries to help build local power grids. Progress is being made in projects such as the 400 kV power transmission and transformation project in Tanzania undertaken by TBEA Co., Ltd., the Exadia 500 kV substation project in Egypt undertaken by China XD's Xi'an Electric Engineering Co., Ltd., and the Memve'ele hydropower station's transmission and transformation project in Cameroon built by China Financing.

(IV) Communications Engineering

Chinese communications enterprises have been developing in market and technology areas in Africa for many years, which has played an important role in the construction of communication projects and digital development in African countries.

Chinese enterprises have undertaken a wealth of information and communications infrastructure construction projects in Africa, participated in the construction of 4G and 5G networks throughout some African countries, and gained a good reputation. In September 2021, Zimbabwe initiated the third phase of the national mobile broadband project, which is a collaboration between Huawei of China and NetOne, Zimbabwe's largest network operator. When completed, NetOne's network coverage in Zimbabwe will increase from the current 75% to 85%. The project will also upgrade some existing base stations, expand 4G coverage and introduce 5G technology. In April 2022, Huawei collaborated with MTN Zambia, a Zambian mobile communications operator, to officially launch a pilot network for the fifth generation of mobile communications (5G). As a result, Zambia becomes one of the first countries in Africa to have a 5G network, which greatly improves the level of information and communications infrastructure and provides a hardware foundation for the country's ongoing digital transformation strategy. In September 2021, China and Benin concluded a framework agreement on concessional loans for the second phase of Benin's national broadband network project. In the second phase of the project, the backbone and metro optical network will be improved on the basis of the existing first-phase network, in order to improve the speed and security of Benin's network, achieve "full coverage" of a high-speed broadband network in Benin, and help Benin realize leapfrog development.

Digital technology application projects undertaken by Chinese enterprises have spurred digital transformation in African countries. In December 2021, the governments of China and Rwanda inked a framework agreement on concessional loans for smart education projects in Rwanda. The smart education project, executed by Huawei, will build a private education network linking 63 institutions of higher education and 1,437 elementary and secondary schools in Rwanda, and will also build a campus network for these elementary and secondary schools. After completion, it will improve the level of information and communications infrastructure in the field of education in Rwanda, providing a solid foundation for digital and IT-based teaching. In 2021, ZTE was awarded the Airtel's Network Virtualization Transformation Project in the Democratic Republic of the Congo, in which ZTE assisted Airtel Group in upgrading the traditional TDM Gateway Mobile Switching Center (GMSC) to IP-based and virtualized GMSC. In-depth cooperation in the digital transformation of voice networks will be further deepened.

(V) Water Conservancy Facilities

Some African countries have always been plagued by water scarcity. Chinese companies have undertaken projects such as water supply infrastructure, waterworks construction and river management, helping more Africans gain access to clean water.

Chinese businesses have built many water supply projects in Africa to help address local water-related problems. In March 2021, China Railway 18th Bureau Group launched the construction of a water supply project in Toliara, Madagascar. The project, funded by the World Bank, intends to lay 57-kilometer-long water supply pipelines in urban and suburban areas, bringing tapped water to 480 households, and also build 200 centralized water rooms, benefitting an estimated 75,000 people. Toliara is a key port city in Madagascar. As the size and population of the city have mushroomed in recent years, the existing water supply system is unable to meet the local people's demand for water. The project will allow local residents to have easy access to safe running water. In May 2022, the local waterworks upgrade project, designed and built by China State Construction Botswana Co., Ltd., was officially handed over to Water Utilities Corporation Botswana. The new waterworks have solved the problem of drinking water shortage for local people. The water supply capacity of the waterworks, coupled with the original treatment capacity, has outstripped the demand, and the quality of the project is widely praised by the local government and people. The trial overall water diversion of Kenya's water supply tunnel project, built by China Gezhouba Road and Bridge Company, was completed in July 2022. When completed, the project will account for 13.7% of the water demand of the Nairobi Metropolitan Area, benefiting 1.28 million people. The project, located approximately 70 kilometers north of Nairobi, Kenya's capital, is an important part of the Nairobi water supply project in Kenya Vision 2030. The Cabinda water supply project in Angola, undertaken by China Railway Construction Corporation Limited, was completed and put into use in July 2022. This project, which is Angola's largest project for improving people's wellbeing in Cabinda Province, has a daily water supply capacity of 50,000 cubic meters, benefiting 600,000 local residents. It will go a long way to easing the shortage of water for residents.

Water treatment projects undertaken by Chinese businesses have contributed to local water security. A signing ceremony was held in November 2021 for the Lake Ahémé and river dredging project in Benin, which was undertaken by China Harbor Engineering Co., Ltd. This project, which includes the dredging of Lake Ahémé, the improvement of existing roads, mangrove planting, construction of foot bridges and fishing piers, is an important project for the Benin government to improve local people's wellbeing. In October 2022, China Road & Bridge Corporation signed a contract for the 9.46-kilometer river improvement project and river-crossing structure construction project in Ibadan, Nigeria, which will address the chronic

flood threat facing Ibadan, the capital city of Oyo State in southwest Nigeria, and is of great significance to improving the local people's wellbeing and ecological environment.

(VI) General Constructions

As the economy and society develop, the market demand for construction of public facilities in African countries is growing. Thanks to advanced construction technology and strength, Chinese construction enterprises have played an important role in the field of construction in Africa.

Chinese businesses have built a number of cultural, educational and stadium facilities projects, laying a foundation for the development of cultural and sports undertakings in African countries. Ghana's vocational and technical training institution upgrading project, undertaken by AVIC International, was completed in Kumasi, Ghana's second-largest city, in April 2022. The project, which officially started construction in November 2019, primarily includes the construction of an examination center for the Ghanaian Ministry of Education and a training center for 15 Ghanaian technical colleges. Moreover, this company provided 69 sets of modern vocational education and training equipment for 23 Ghanaian technical colleges, covering five specialties of machining, electrical and electronic engineering, welding, auto repair and civil engineering. On this basis, this company also collaborates with a number of Chinese vocational colleges to train Ghanaian teachers. In December 2022, the African Union Sports Council (AUSC) Region 5 Youth Games officially kicked off. The Gryffinsadda Indoor Sports Center in Malawi, built by China Railway 20th Bureau, was the venue for basketball, tennis, badminton and other competition items, making it one of the top venues for events in the Games. The successful completion of the project supported Malawi in hosting African sports events and has also made it one of Malawi's landmark buildings.

As urbanization in African countries advances, Chinese enterprises are involved in their urban construction. The new headquarters building of Ethiopia's largest commercial bank, which was built by China Construction Eighth Engineering Division and is located in the core business area of Addis Ababa, the capital, was completed in February 2022, giving a new impetus to the Ethiopian economy. The new headquarters building, which stands more than 200 meters, is currently the tallest in East Africa and has become a new local landmark. In March 2022, China Road & Bridge was awarded the bid for the road construction project at General Hospital of Niger. The project, located on the north side of downtown Niamey, the capital of Niger, includes the construction of a road linking the General Hospital to Tanimu Avenue and the road around the hospital, as well as drainage, lighting and other facilities, with a total length of approximately 3.92 kilometers. After completion, it will greatly facilitate traffic around the hospital, drive the economic development of the area, and ease traffic congestion in Niamey.

The number of industrial facility projects built by Chinese enterprises is increasing, boosting Africa's industrialization. The first phase of the PK24 Industrial Park in Côte d'Ivoire, built by China Harbor, was completed in December 2022. This project is located in the northwest of Abidjan, the economic center of Côte d'Ivoire, and covers an area of 127 hectares. The project will effectively promote the economic transformation of Côte d'Ivoire and inject new vitality into industrial construction, said Prime Minister of Côte d'Ivoire Patrick Achi in his speech at the completion ceremony. In November 2022, Energy China's Ethiopia Branch signed an EPC contract with Ethiopian Ovid Group for the Gebreguracha cement plant project. Located in Gebreguracha district, Oromia, Ethiopia, this project includes the construction of a new cement plant with a daily output of 5,000 tons of clinker. The cement plant will be equipped with plant buildings, clinker production lines, raw material preparation and storage system and other ancillary works. Urbanization is accelerating in Ethiopia, the second most populous country in Africa, but there is a shortage

of building materials for the housing construction market. The cement plant will go some way to meeting the market demand.

VI. China-Africa Development Cooperation

(I) Overall Situation

Africa is a key region for China's cooperation in development. China has always upheld the philosophy of "true, practicability, amity, and honesty", adhered to mutual respect and pursued common development in its development cooperation with Africa. When the COVID-19 pandemic broke out, China provided COVID vaccines and anti-epidemic materials to help Africa fight the epidemic. On the other hand, China supported the development of agriculture, health, education, infrastructure, social and public facilities in Africa through the provision of grants, interest-free loans and concessional loans, helping them cope with the impact of the epidemic and put economic and social development on track as soon as possible.

(II) Agriculture

Agricultural development and food security concern Africa's development prospects. The outbreak of the Russia-Ukraine conflict in March 2022 has drawn international attention to Africa's food security problem. China attaches great importance to sustainable agricultural development and food security in Africa by collaborating with Africa in agriculture, conducting agricultural training, assisting in the construction of agricultural facilities and providing relevant material and technical support. China boosts Africa's sustainable economic and social development capacity by means of agricultural development.

Setting up agricultural demonstration centers is an important model of China's agricultural aid to Africa. The construction of the Nigerian Agricultural Technology Demonstration Center project built with China's aid commenced in March 2021 and was officially handed over in December 2022. The demonstration center, which covers an area of approximately 31 hectares, will be operated and managed by Green Agriculture West Africa Co., Ltd., a subsidiary of CGCOC Group (Nigeria). The Demonstration Center will fulfill the functions of agricultural technology research and development, training on agricultural technology, agricultural machinery display as well as demonstration for agricultural product processing technology. The Agricultural Demonstration Center will help Nigerian agricultural practitioners master modern agricultural technologies and promote the transition from traditional agriculture to modern agriculture in Nigeria.

Column: China's *Juncao* (Fungus Grass) Aid Program

2021 marks the 20th anniversary of China's foreign aid in the form of *Juncao*. The *Juncao* technology is China's unique technology for cultivating edible medicinal fungi. Foreign aid in the form of *Juncao* is also a distinct agricultural aid project for China. The *Juncao* technology offers a new approach to the emerging industry of *Juncao* as well as *Juncao* ecological management, playing an important role in protecting the ecology, eradicating poverty, tackling climate change and promoting sustainable development.

In Africa, technical assistance in the form of *Juncao* has been provided to the Central African Republic, Rwanda, Lesotho, South Africa, Eritrea, etc., and has produced significant ecological, economic and social benefits. It offers comprehensive solutions to sustainable agricultural development in Africa, and has been extensively

and highly praised by local governments and people. China has also launched a cooperation project on human resources development for *Juncao* technical aid, which has trained nearly 7,000 trainees from 44 African countries and cultivated 21 international students from eight African countries with doctoral and master's degrees in *Juncao*. These graduates have become the envoys for spreading *Juncao* technology in their home countries and the backbone *Juncao* technology professionals for promoting local sustainable development. Many *Juncao* entrepreneurs have emerged in various African countries to help local farmers get rich.

China also supports African countries in enhancing agricultural processing capacity. The China-aided corn flour mill project in Zambia was officially handed over on June 3, 2022. The project includes three mills: the mill in Lusaka, the capital, will process 40 tons of corn per day and provide 50 jobs; the two mills in the Monze district, Southern Province and the Mpkia district, Muchinga Province process 240 tons of corn each per day, and provide 250 jobs each. After the project is handed over, China will also offer technical support to Zambia for three years. This project is important to Zambia's food security and people's wellbeing by contributing to agricultural development and grain self-sufficiency and creating jobs.

(III) Social Public Facilities

In order to meet the development needs of African countries, China has aided the construction of social and public facilities, including stadiums, conference centers and office buildings, which help host countries improve work and living conditions and advance modernization.

China helps African countries improve their cultural and sports facilities for the benefit of local people. The 4th Summer Youth Olympic Games will be held in Dakar, Senegal in 2026, marking the first time the continent hosts a world sporting event. To support the Senegal government in preparing for the Games, the project of maintenance of four stadiums in Senegal with China's aid was officially launched in June 2022. The project will greatly support Senegal in hosting the Youth Olympic Games by carrying out comprehensive maintenance for the Senghor Stadium in the capital city of Dakar and three local stadiums in the regions of Diourbel, Kaolack and Ziguinchor. The Ethiopian Science Museum, built with Chinese aid, was inaugurated in October 2022. The project, which is located in Addis Ababa city and covers an area of approximately 17.85 hectares, primarily includes science and technology museum, dome theater, children's playground and supporting buildings. Ethiopian Prime Minister Abiy Ahmed Ali said that the museum will provide a place for Ethiopian science and technology enthusiasts to seek knowledge, explore and invent and innovate, and will play a critical role in Ethiopia's science and technology as well as economic development⁷.

In view of Africa's development needs, China works to help it improve office facilities. In December 2022, the groundbreaking ceremony of the Economic Community of West African States (ECOWAS) headquarters building, built with China's aid, was held in Abuja, the capital of Nigeria. The project, which covers an area of approximately 70,000 square meters and has a building area of approximately 36,600 square meters, will be built over two years. When completed, this modern multi-functional office building will remove many hurdles to the operation of the ECOWAS headquarters, reduce operating costs, and improve working efficiency. It will become a model for cooperation between China and West African countries. The parliament building project of Zimbabwe, built with China's aid, was completed and accepted in June 2022, which is a

⁷ Source: China International Development Cooperation Agency.

landmark project to implement the Belt and Road Initiative and cement the relationship between China and Zimbabwe, and is also China's largest aid project in southern Africa. Despite the obstacles caused by the COVID-19 pandemic, the parliament building was successfully completed after nearly three years, which greatly improves the working conditions for the Zimbabwean cabinet and the Senate and the Parliament.

China is concerned about the people's wellbeing in Africa by aiding the construction of relevant facilities. To alleviate the problem of local drinking water shortage, China has aided the construction of a number of well-digging and water supply projects in Zambia, Ghana, Cameroon, Mozambique, Zimbabwe, Rwanda and other African countries. Rwanda's Eastern and Southern Provinces suffer from acute water scarcity, with no tap water supply in many regions. To alleviate local water shortage, China dug 200 wells in 11 districts in Eastern and Southern Provinces, all of which were delivered to local people by the end of April 2022. These solved the problem of drinking water for at least 110,000 people and eased health problems arising from the lack of clean drinking water.

(IV) Medical and Health Care

Medical and health care has been a priority area of China-Africa development cooperation. China's medical aid to Africa has played a positive role in improving the health and safety of the African people and promoting the progress of public health cause in Africa.

Sending medical teams is an important way for China to provide medical and health care assistance to Africa. While keeping traditions, Chinese medical teams in Africa have actively innovated and brought diversity to medical team assistance. In May 2022, the Chinese medical aid team in Tanzania donated medical equipment such as ventilators, oxygen generators, centrifuges, total internal reflection shadowless lamps, high-frequency electrosurgical equipment, portable high pressure sterilizers and keratometers to Muhimbili National Hospital, thereby providing better medical services to local patients. The 19th Chinese medical team aiding Zimbabwe taught acupuncture techniques and carried out acupuncture training in Zimbabwe-China Traditional Chinese Medicine (TCM) and Acupuncture Center, setting off a craze to learn, use and love TCM in Zimbabwe. Zimbabwe TCM and Acupuncture Center becomes the largest TCM and acupuncture center in southern Africa, which was highly praised by the Zimbabwean health authorities.

In response to major diseases threatening African countries, China has provided targeted technical support solutions. Since 2020, China has supported the United Nations Population Fund (UNFPA) in implementing cervical cancer screening and prevention program in Sierra Leone through the Global Development and South-South Cooperation Fund, and assisted Sierra Leone in drafting the *National Cervical Cancer Prevention and Control Program as well as Supporting Technical Guidelines* for the first time. Nine medical institutions that can provide cervical cancer screening were established across the country for the first time, which have helped reduce cervical cancer, the second most common cancer among women in Sierra Leone, raised the local women's awareness of safe childbirth and the service capacity of relevant medical institutions, and laid a good foundation for the Sierra Leone government to scale up nationwide women's health services. The Sao Tome and Principe Malaria Elimination Reference Laboratory, built with China's aid, was completed in October 2021. The laboratory provides malaria detection to help Sao Tome and Principe improve its malaria detection capacity. According to the malaria epidemic in Sao Tome and Principe, the Chinese expert team has drawn on China's malaria elimination experience, and worked with Sao Tome and Principe's Ministry of Health and the antimalarial team of the Centers for Disease Control and Prevention since 2017 to promote the "China Antimalaria Program" featuring "nationwide medication" in specific regions, and achieved remarkable results. Thanks to the efforts of the expert team, the Bairro da Liberdade

village ensured zero incidence for eight consecutive months, and the pilot village near the capital São Tomé performed a miracle of reducing the average annual malaria incidence from 60% to 3%. China's antimalarial expert team in Sao Tome and Principe continued to carry out the nationwide medication program in 10 malaria-prone villages in the Água Grande region from March to June 2022. The Chinese expert team also helped Sao Tome and Principe train a professional, regular and stable local anti-malaria team to help them achieve the goal of eliminating malaria by 2025.

China actively contributes to the construction of medical and health care infrastructure in Africa. The most representative project is the headquarters of the African Centres for Disease Control and Prevention (phase I project) built with China's aid. The project started in December 2020. Despite the impact of the epidemic, the project contractor advanced the construction of the project, capped the main structure of the building in November 2021 and completed the building acceptance in the first half of 2023. The project will contribute to the development of health cause in Africa. The Harare National Pharmaceutical Warehouse Project in Zimbabwe, which was built with the Chinese government's aid, was officially handed over in October 2022. As Zimbabwe's largest center for pharmaceutical storage and transportation, this warehouse has significantly improved the efficiency of Zimbabwe's health services in accessing medicines and medical consumables, contributing to universal health coverage. In December 2022, the China-Equatorial Guinea Friendship Hospital project, built with China's aid, passed the completion acceptance. After being put into use, the hospital will further improve the service capacity of Equatorial Guinea's medical and health care system, the hospital management capability and the accessibility of basic medical and health care services, bringing tangible benefits to local people.

(V) Education

Promoting the development of education in Africa is a long-term measure to advance Africa's independent and durable peaceful development, and is of great significance to its sustainable development. China has helped Africa develop education and promote capacity building through such means as building educational infrastructure, promoting vocational education, and conducting technical cooperation and personnel training.

China is committed to assisting African countries in improving their education infrastructure. As the population of Botswana grows, the problem of difficulty in gaining admission to elementary schools has always plagued the government and residents of Botswana. China has built three elementary schools in Botswana, and the fourth school, Kazungula Primary School, is under construction and is expected to be completed by the end of 2023. The school will enroll 560 local students. The second phase of the University of Bamako's Kabala Campus in Mali was completed in December 2022. The Kabala University Town campus is the largest educational infrastructure project built by China in West Africa and is one of the largest university campuses in West Africa. When completed, the second phase of the project will further raise the influence of the University of Bamako in West Africa and spur the development of higher education in Mali. In Mali, the National Center of Scientific and Technological Research was set up in the second phase project of the Kabala University Town campus to further boost the level of higher education and research in Mali. On January 5, 2023, the Sierra Leone Diplomatic Training Institute project, built with China's aid, was officially handed over in Freetown, the capital of Sierra Leone. The project, a key assistance project launched by the Chinese government in Sierra Leone, has built classrooms with state-of-the-art teaching facilities, conference halls, advanced computer classrooms, language laboratory and other facilities. As a professional training and educational institution of the Ministry of Foreign Affairs and International Cooperation of Sierra Leone, the Sierra Leone Diplomatic Training Institute will train outstanding diplomatic talents for Sierra Leone and even West Africa.

China promotes the development of vocational education in Africa and helps Africa translate population resources into demographic dividend. Since the first Luban workshop in Africa was set up in Djibouti in March 2019, China has set up 16 Luban workshops in 14 African countries, including Djibouti, South Africa and Kenya. Luban Workshop combines academic education with vocational training. While building practical training centers and providing advanced teaching equipment, China has also organized teachers and technicians to provide technical skills training for local teachers, and invited them to China for exchanges. Moreover, Luban Workshop exploits its advantages in mechanical automation, artificial intelligence, digitalization, etc. to cultivate a workforce needed for Africa's social development through industry-education integration, school-enterprise cooperation and other means in light of local conditions.

China has helped Africa boost its capacity building in education and train its teaching staff through technical assistance. The South Sudan Education and Technology Cooperation Project is China's first comprehensive aid project in the field of education. The first phase of the education and technology cooperation project was implemented in 2018, under which over one million mathematics, science and English textbooks for primary and secondary school students arrived in Juba, and over 200 South Sudanese teachers came to China for training. This was highly praised by the South Sudanese government as well as teachers and students. The second phase of the project was officially initiated in December 2021. The content of education and technology cooperation was expanded on the basis of the first phase, including the establishment of the South Sudanese teaching materials system, the training of education personnel, cultural exchanges, and so on. The project brings China's educational concepts and experience to South Sudan. In line with the innovative development of education in South Sudan, the project provides strong support for the formulation of new curricula for primary and secondary schools and other educational plans, promoting the development of its educational cause. In 2018, the first phase of Uganda's local Chinese teacher training project kicked off. Chinese language is an important tool for exchanges and cooperation between Uganda and China in the fields of tourism and business, and has been included in Uganda's national education system. To meet the growing demand for Chinese learning, China has begun to help Uganda train professional local Chinese teachers. On the basis of the completion of the first phase in June 2021, the second phase of the training program officially kicked off in April 2022 to train 500 local Chinese teachers for secondary schools in Uganda.

(VI) Humanitarian Assistance

In 2021 and 2022, the COVID-19 pandemic raged around the world. China provided timely vaccine aid to Africa, and Chinese enterprises actively participated in the construction of anti-epidemic hardware facilities. China was the first country to propose COVID vaccine as global public goods, and has actively fulfilled this commitment. At the opening ceremony of the Eighth Ministerial Conference of the FOCAC in November 2021, President Xi Jinping announced that China would provide an additional one billion doses of vaccines to Africa, of which 600 million doses were free assistance and 400 million doses were provided in the form of joint production by Chinese enterprises and relevant African countries. It would help African countries achieve the goal set by the African Union of vaccinating 60% of Africa's population by 2022. A new batch of 600,000 doses of COVID-19 vaccines provided by the Chinese government arrived in Zambia on April 23, 2022. China has donated anti-epidemic materials and COVID vaccines to Zambia five times, totaling 1.1 million doses. It helped Zambia achieve its goal of 70% vaccination rate by the end of June 2022. Up to now, China has provided 190 million doses of COVID vaccines to 27 African countries. The annual production capacity through localized cooperative production in Africa reaches approximately 400 million doses. Chinese enterprises have also participated in the construction of Africa's anti-epidemic infrastructure in support of Africa's anti-epidemic effort. The Egyptian vaccine cold-storage project built by China Sinovac

was completed and delivered in September 2022. After completion, this modern vaccine cold storage can store 150 million doses of vaccines. It realizes automatic management for the whole process from warehousing to removal from warehouse, thereby improving the operation efficiency of the warehousing system and ensuring the safety of vaccine storage.

At the same time, China has consistently provided emergency humanitarian assistance to African countries struck by natural and humanitarian disasters. In 2021 and 2022, China, under the framework of the Global Development and South-South Cooperation Fund (formerly the South-South Cooperation Assistance Fund), provided food aid through the World Food Programme to Guinea-Bissau, Cameroon, Sierra Leone, Uganda, Benin, Burkina Faso and other African countries to help them fight the COVID-19 epidemic and ease food shortages. The post-tropical cyclone disaster reconstruction project provided by the Chinese government to Mozambique was handed over in November 2021. This is a post-disaster reconstruction project carried out after the Chinese government provided funding to the United Nations Development Programme under the South-South Cooperation Assistance Fund, and is used to repair eight schools, three markets and 17 houses in the affected areas. The project significantly improved the living conditions of the affected people, and helped local students get back to schools in a timely manner, bringing hope to the local people. Madagascar suffered great losses of life and property as a result of several hurricanes. To provide assistance to Madagascar, China provided Madagascar with humanitarian relief materials, including tents, blankets, quilts and color steel plates, on April 29, 2022 for disaster response and post-disaster reconstruction in affected areas.

VII. China-Africa Economic and Trade Cooperation within the Multilateral Framework

While achieving good results in bilateral economic and trade cooperation, China and Africa have fostered cooperation within multilateral frameworks in recent years. China and the African Union have boosted strategic matchmaking and fostered cooperation in the economic and trade fields. Within the framework of the United Nations and the G20, China has stepped up its support for Africa's development and contributed to alleviate Africa's debt burden. China-Africa financial cooperation within the multilateral framework has also been deepened.

(I) Cooperation between China and the African Union

China and the African Union have fostered cooperation within the Belt and Road Initiative to give new impetus to China-Africa economic and trade cooperation. The first meeting of the China-Africa Union coordination mechanism on jointly implementing the Belt and Road Initiative was held in December 2021. Relevant Chinese departments and the African Union Commission exchanged views and reached consensus on cooperation in the fields of epidemic response, food, energy, production capacity investment, infrastructure, quality standards, and statistics. China and the African Union also signed a memorandum of understanding on the coordination mechanism for jointly implementing the Belt and Road Initiative. China and African Union entered a new stage of implementation of the Belt and Road Initiative. At present, 52 of the 53 African countries that have established diplomatic relations with China as well as the African Union Commission have signed cooperation documents with China to jointly implement the Belt and Road Initiative. Within the framework of the Belt and Road Initiative, China and Africa complement each other in agriculture, industry, digital economy, new infrastructure construction, green energy, financial industry and other fields, giving new impetus to their common development.

China strengthens exchanges and cooperation with the AfCFTA and contributes to its development. Under the coordination of the African Union, the AfCFTA was officially launched on January 1, 2021, accelerating African economic integration and regional economic integration, as well as providing greater room for China-Africa multilateral economic and trade cooperation. In October 2021, China's Ministry of Commerce and the AfCFTA Secretariat established the Economic Cooperation Expert Group Mechanism as a working platform for China to support the development of the AfCFTA and to deepen China-Africa experience exchange and cooperation in the field of trade and investment facilitation. The China-Africa Economic Cooperation Expert Group held two meetings in May and November 2022, respectively.

(II) China-Africa Cooperation within Different Multilateral Platforms

China-Africa cooperation within the United Nations platform is being strengthened. At the UN Security Council's high-level meeting on "Peace and security in Africa: addressing root causes of conflict while promoting post-pandemic recovery in Africa" held on May 19, 2021, China and Africa jointly launched the Initiative on Partnership for Africa's Development, calling on the international community to step up support for Africa in the fields of fighting the epidemic, post-epidemic reconstruction, trade and investment, debt mitigation, food security, poverty alleviation, response to climate change, and industrialization in order to help Africa overcome difficulties. China maintains close communication with African countries within the framework of the Group of 77 and China, the United Nations Economic and Social Council and the Economic and Financial Committee (Second Committee) of the General Assembly, and keeps coordination and cooperation on issues including poverty reduction, food security, climate change and green development, connectivity, digital economy, industrialization and financing for development, thereby safeguarding the common interests of developing countries.

China continues to foster cooperation with Africa within the IMF platform. Within the FOCAC "Nine Programs", China pledged to lend US\$10 billion from the Special Drawing Rights additionally issued by the International Monetary Fund (IMF) to African countries, and called on the IMF and the World Bank to reform the loan approval procedures in a way more suitable for African countries and support African countries in obtaining development funding more efficiently. China has also promoted the China-IMF Capacity Development Center (CICDC) and the IMF African Regional Technical Assistance Center to play a greater role in technical assistance to Africa.

Moreover, China has actively implemented G20 Debt Service Suspension Initiative and supported lessening the debt burden of African countries. China offered the largest debt relief among the G20 member states, signed debt relief agreements with 21 African countries, worked with relevant member states to implement the Common Framework for Debt Treatments beyond the DSSI, and actively participated in the individual debt treatment of Chad, Ethiopia, Zambia and Ghana.

(III) China-Africa Financial Cooperation within the Multilateral Framework

China's cooperation with regional and subregional financial institutions in Africa has gained in diversity. China has joined African regional and subregional development finance institutions, such as the African Development Bank, the Eastern and Southern African Trade and Development Bank and the West African Development Bank. China has pledged US\$996 million to the African Development Fund under the African Development Bank. The People's Bank of China established a US\$2 billion Africa Growing Together Fund (AGTF) with the African Development Bank in 2014. By 2022, this fund had pledged US\$1.5 billion to support 46 projects in 17 African countries in agriculture, water supply and sanitation, transportation,

electric power and other fields. China has also signed a memorandum of understanding on agricultural cooperation with the African Development Bank, to exchange China's agricultural processing experience with African countries and provide technical support for African agricultural product processing projects.

Chinese and African financial institutions actively innovate cooperation within multilateral frameworks. The China-Africa Financial Cooperation Consortium, established under the leadership of the China Development Bank, plays a role in promoting bilateral trade contacts, production capacity cooperation, infrastructure construction and other areas. Financial institutions, investment funds and multilateral financial institutions of China and Africa have strengthened cooperation to provide Africa with capital portfolio arrangements in various forms to support Africa's industrialization. The Multilateral Cooperation Center for Development Finance (MCDF) is an important outcome of the first and second Belt and Road Forum for International Cooperation. By promoting information sharing, it supports pre-project preparation and capacity building, coordinates multilateral cooperation between international financial institutions and eligible financial institutions, and supports high-quality infrastructure connectivity. The MCDF was officially put into operation in 2021, and the Asian Infrastructure Investment Bank (AIIB) and the African Development Bank successively become the project execution partners of the MCDF. The MCDF also becomes an important platform for exchanges and cooperation between Chinese financial institutions and international financial institutions such as the African Development Bank. In order to ease the financing shortage of African countries, the Chinese government welcomes eligible African sovereign/multilateral institutions and financial institutions to issue panda bonds in the Chinese bond market to help African market entities diversify their financing channels.

VIII. Prospects of China-Africa Economic and Trade Relations

In today's world, multiple challenges and crises are interwoven. In new circumstances, China and Africa need to strengthen solidarity and cooperation more than ever, promoting the high-quality development of bilateral economic and trade cooperation, and working together to build a high-level China-Africa community with a shared future.

(I) Africa's development prospects

Under current circumstances, Africa still confronts a host of challenges and uncertainties in its development, but the continent has abundant natural resources and a ballooning young population, and is developing and utilizing new technologies, which bring great potential for future economic development. In view of the global economic development trend and Africa's characteristics, Africa's development faces the following three prominent challenges:

First, global growth is slowing down while Africa's development faces increased risks of uncertainty. According to the World Bank's *Global Economic Prospects January 2023*, global economic growth is experiencing a sharp and protracted slowdown. The World Bank significantly revised downwards its forecast for the 2023 world economic growth to 1.7% from 3% six months ago. The World Economic Situation and Prospects 2023 released by the United Nations revised downwards the world economic growth rate in 2023 to 1.9%, 1.1 percentage points lower than the predicted value in mid-2022. The IMF's *World Economic Outlook* forecasted that the world economy is projected to grow by 2.8% in 2023, significantly lower than the average of 3.8% from 2000 to 2019. The low growth rate, high inflation and high interest rates confronting the global economy have caused shocks such as high inflation and capital outflow to the African economy, and have also had a negative impact on Africa's exports, access to international financing, and so on.

Second, the severe food crisis may constitute a significant risk to Africa's development. African countries are weak when it comes to food self-security, and are highly dependent on foreign trade for food supply. Extreme weather disasters caused by climate change are likely to further weaken Africa's food self-sufficiency. The Ukraine crisis has played havoc with the order of food imports in African countries, bringing further uncertainty to Africa using the international food market to compensate for the lack of supply. The Global Food Price Index averaged 143.7 points in 2022, up by 14.3% year-on-year, far more than the average of the past 10 years. Rising energy prices are expected to drive up the cost of food production, while the Ukraine crisis becomes protracted, the implementation of the grain transportation agreement faces uncertainty, and food prices will likely remain high. African countries have generally low-income levels and are particularly sensitive to changes in food prices. Rising food prices will directly affect Africa's access to food.

Third, debt problem cramps the government in launching stimulus policies. Africa's debt risks have been rising in recent years. According to IMF statistics, by 2022, eight African countries had encountered debt distress and 14 African countries were at high risk of debts. While the G20 Common Framework for Debt Treatments put a moratorium on the debts of some low-income African countries, debt service pressure has increased for some countries due to factors such as currency depreciation, rising interest rates and a decline in capital inflows. Governments tend to adopt austerity economic measures such as cutting public sector spending, and the policy space for stimulating the economy through fiscal policy is narrowing.

On the other hand, there are significant opportunities for Africa's future development:

First and foremost, African integration is advancing, laying a solid foundation for the sustainable development of Africa's economy. The African Continental Free Trade Area (AfCFTA) has been officially launched, which will promote the improvement and harmonization of Africa's economic and trade legal system and slash the transaction costs of economic and trade exchanges among African countries. It will build a unified market covering over 1.3 billion people in 54 African countries, and go towards the development vision of "an integrated, prosperous and peaceful Africa". The World Bank's report in 2022⁸ predicts that if the goals of the AfCFTA are fully achieved, the number of people living in extreme poverty in Africa will be reduced by 50 million and real incomes will increase by 9% by 2035; Africa's intra-regional trade will soar by 109%, and exports to countries outside the region will jump by 32%; the amount of foreign direct investment attracted by Africa will soar by 111% to 159%. The 36th African Union Summit held in March 2023 adopted the theme of "Year of African Continental Free Trade Agreement: Acceleration of the AfCFTA Implementation", demonstrating the strong political will of African countries for the building of the free trade area, as well as the positive attitude and determination of African countries to rely on economic integration to spur economic development.

Second, digitalization offers new opportunities for leapfrog development for the continent. In February 2020, the African Union adopted the *Digital Transformation Strategy (DTS) for Africa (2020-2030)*, which aims to promote inclusive economic and social development in Africa through digital transformation. In recent years, African countries have focused on improving telecommunication networks, increasing

8 Echandi, Roberto; Maliszewska, Maryla; Steenbergen, Victor. 2022. Making the Most of the African Continental Free Trade Area: Leveraging Trade and Foreign Direct Investment to Boost Growth and Reduce Poverty. © Washington, DC: World Bank

Internet access, and promoting the integration of digital technology with traditional industries. The booming industrial digitalization brings tremendous opportunities for Africa's economic development. In terms of agriculture, the application of digital technologies to agriculture will alter the traditional ways of agricultural production and management in Africa, build a connected and intelligent agricultural ecosystem, and increase agricultural yield and income. In the energy and minerals sector, Africa is investigating the use of blockchain, artificial intelligence and sensing technology for energy and mineral exploration, establishing digital production system, and leveraging the Internet of Things (IoT) to monitor underground conditions to improve mining operators' working conditions. In the financial sector, Africa is using digital financial services including mobile payment and online banking to advance financial development. In the logistics industry, African countries are applying artificial intelligence and IoT technology to cut logistics costs.

Third, the young workforce offers a continued impetus and new vitality for Africa's economic development. Compared with an aging population confronting most developed countries and regions, Africa's working-age workforce is expanding rapidly. If the level of basic education and skills training can be improved, the demographic dividend will further emerge. At the same time, African consumers are younger than those in any other country in the world. Young consumers are inclined to pursue trendy clothing, choice food, personal care products, high-tech products, branded products and products of high quality, which will stimulate the emergence of a broader consumer market and more diversified consumption channels. There will be a higher demand for high-quality products in more categories.

(II) Prospects of China-Africa economic and trade cooperation

China is currently fostering a new development paradigm with domestic circulation as the mainstay and domestic and international circulations reinforcing each other. China firmly pursues a mutually beneficial opening-up strategy, and promotes the building of an open world economy, which will provide more cooperation opportunities for all countries in the world, including African countries. China-Africa economic and trade cooperation has a solid foundation and broad prospects.

First, the friendly relations between China and Africa are rock solid, providing a solid political support for expansion of bilateral economic and trade cooperation. At the opening ceremony of the Eighth Ministerial Conference of the FOAC, President Xi Jinping summarized the spirit of China-Africa friendship and cooperation as "sincere friendship and equality, win-win for mutual benefit and common development, fairness and justice, and progress with the times and openness and inclusiveness", and stressed that this shows that China and Africa have gone through thick and thin together and worked shoulder to shoulder for decades, and is the source of impetus to China-Africa friendly relations. Since 2023, African leaders including the President of Gabon, the President of the Democratic Republic of the Congo, and the Prime Minister of Côte d'Ivoire have visited China. In keeping with 33-year fine tradition, China's new foreign minister first visited Africa in the beginning of 2023. China and Africa maintain close high-level exchanges and political contacts, with increasing political mutual trust and strategy coordination.

Second, the economic picture of China and Africa is brightening, and China-Africa economic and trade cooperation has more opportunities. The driving force and momentum of China's economic growth remain strong. Major international institutions have raised upwards their economic growth forecasts for China in 2023 and 2024, reflecting the strong resilience, great potential, vitality and long-term growth trend of China's economy. At the same time, African economies have maintained the same trend of recovery. According to recent reports released by the IMF and the World Bank, sub-Saharan Africa's economy is

projected to grow by 3.6 percent and 3.1 percent in 2023, respectively, and inflation will ease. As the African Union's *Agenda 2063* is being implemented, Africa will have more opportunities in industrial, agriculture, telecommunications, digital economy, new infrastructure construction, green energy, finance and other sectors. Under current circumstances, China-Africa complementary economic and trade cooperation has become more prominent. China's mechanical and electrical products, daily necessities and textiles are sought-after in Africa. China's recovering imports will also stimulate Africa's economic development. In particular, China's growing demand for agricultural imports will have a positive impact on Africa's agricultural development, agricultural product processing and rural poverty reduction. At the same time, Africa's expanding digital economy, green and sustainable development and faster urbanization will also encourage more Chinese enterprises to invest in Africa.

Third, China-Africa economic and trade cooperation is reaching a new stage of quality improvement and upgrading. China and Africa are moving faster to implement the FOCAC "Nine Programs" and working more closely to implement the Belt and Road Initiative. The two sides will continue to strengthen top-level planning, match development plans, and jointly devise a policy framework conducive to in-depth, high-quality and sustainable China-Africa economic and trade cooperation. China will steadily increase imports of non-resource products from Africa, support private enterprises in playing a positive and creative role in China-Africa economic and trade cooperation, and encourage enterprises to scale up investment in Africa. China will continue to support infrastructure and connectivity projects in African countries, foster pragmatic cooperation in the fields of digital economy, green development, and new energy and mining, and strive to create new growth areas for China-Africa economic and trade cooperation. At the same time, China will continue to provide aid to African countries to the best of its ability, strengthen capacity building and technology transfer to Africa, and assist Africa in developing independently.



Provincial Cooperation Part

Overview

In recent years, local governments in China have upheld the policy principles of “sincerity, real results, affinity, and good faith” and the correct concept of justice and interests in its relations with Africa, participated in their joint implementation of the Belt and Road Initiative, strived to investigate new paths and mechanisms for China-Africa economic and trade cooperation, and jointly promoted its high-quality development, contributing to the building of a China-Africa community with a shared future in the new era.

Local governments play an important role in implementing the FOCAC “Nine Programs”. With a focus on the comprehensive implementation of the “Nine Programs”, local governments have formulated work plans in light of their reality, actively responded to Africa’s development demands in health and epidemic response, trade and investment, infrastructure and other areas, expanded China-Africa cooperation in emerging fields such as digital economy, green and low-carbon development, and vocational education, strengthened coordination with Africa, and strived to promote the long-term China-Africa practical cooperation.

Local governments are an important support for exploring a new path for China-Africa cooperation and development. Based on the development characteristics and stages of the economy of Chinese local governments and African countries, and in light of their complementarity in the fields of resource endowment, economic structure and industrial development, local governments strengthen policy communication and strategic matchmaking with African countries to integrate high-quality resources, explore new mechanisms and new paths for in-depth China-Africa economic and trade cooperation, and promote new progress in China-Africa cooperation in the new era.

Local governments are important entities for promoting the formation of new systems for developing a higher-standard open economy. In light of their comparative strengths, all local governments promote the in-depth cooperation with Africa, deepen reform for high-standard opening up, and explore the transition from the opening-up with the flow of goods, services, capital, talents and other factors to the opening-up with institutional guarantees in the areas of management, standards, rules, and norms. Local governments also help build an institutional system and regulatory model in keeping with international rules, and promote high-standard opening up by creating a better business environment and strengthening its leading role.

Guided by the national strategy, Hunan, Shandong, Hubei and other Provinces have made overall and systematic planning, and leveraged their respective strengths in platform, systems, industry and other areas to tap the market potential of African countries, improve mechanisms of cooperation with Africa, and foster cooperation with Africa.

Relying on the two national-level platforms, Hunan Province has built a new high ground for economic and trade cooperation between local government and Africa through mechanism innovation. Based on the two national-level platforms of the “China-Africa Economic and Trade Expo” (CAETE) and the “Pilot Zone for In-depth China-Africa Economic and Trade Cooperation” (hereinafter referred to as the “Pilot Zone”), Hunan Province has taken a slew of measures to foster economic and trade cooperation with Africa, and its trade with Africa has been growing rapidly for many years. Its ranking in terms of volume of trade with Africa jumped from 16th nationwide in 2016 to 8th in the country and 1st in the central and western region in 2022. Hunan Province has investigated new barter trade models and deepened cooperation in production capacity with key countries. It has steadily implemented the “Partnership for Enhancing Export Capacity of Africa to China (PEECAC)”, expanded new international logistics channels, introduced the first

local government special policy on economic and trade cooperation with Africa, and improved the market-oriented service system for economic and trade cooperation with Africa. Six import chains for coffee, cashew nuts, macadamia nuts, cocoa, peppers, and sesame have been established based on the non-resource product distribution and trading center. It has moved faster to construct an international logistics channel with land, sea and air transport regarding Africa, and rapidly promoted pilot programs for “overseas warehouse + market procurement + risk compensation” and cross-border business for non-mainstream African currencies. Mechanism innovations demonstrate Hunan’s determination and perseverance to build a new high ground for economic and trade cooperation between local Chinese government and Africa.

Shandong Province has established a support system for cooperation between Shandong enterprises and Africa, and the construction of overseas warehouses has further facilitated investment and trade.

Shandong Province has formulated the *Shandong Province Action Plan for Economic and Trade Cooperation with Africa (2022-2024)*, and introduced the supporting implementation plan every year, with a focus on 11 priorities such as “production capacity cooperation, agricultural development, infrastructure construction, and import expansion”. A guarantee system for cooperation between Shandong enterprises and Africa is in place to promote cooperation between enterprises and Africa. Shandong has investigated and promoted investment and trade facilitation, focused on cultivating a number of representative public overseas warehouses in informatization, intelligent development, diversified services, and localized operations, and constructed a comprehensive service platform for overseas warehouses and platforms for “online + offline” commodity exhibition and sales. It has successively organized the accreditation of 13 provincial-level overseas warehouses located in Africa in two batches.

Hubei Province leads China-Africa innovative cooperation, and overseas economic and trade cooperation zones contribute to the development of Africa’s agricultural industry.

The China-Africa Innovation Cooperation Center settled in Hubei in 2021. In light of its scientific and educational strengths and existing work results, Hubei Province has carried out scientific and technological cooperation with African countries in many fields such as optoelectronic information, biomedicine, and modern agriculture. Wuhan Botanical Garden of the Chinese Academy of Sciences took the lead in building Kenya-based China-Africa Joint Research Center, the first large-scale comprehensive scientific and educational institution donated by the Chinese government to Africa. In 2022, Hubei Province organized the accreditation of a number of provincial-level overseas economic and trade cooperation zones. Gambia (Hubei) Overseas Economic and Trade Cooperation Zone, Mozambique (Hubei) Lianfeng Agricultural Cooperation Zone, and Mozambique Lianhe Overseas Economic and Trade Cooperation Zone extensively carry out business in rice and vegetable planting, agricultural production, pig breeding, and trade and logistics, conduct demonstration, training and promotion for agricultural technology experiments, and contribute to the high-quality development of Africa’s agricultural industry.

Hunan Province

I. Overview of Hunan Province's Cooperation with Africa

In recent years, Hunan Province has fulfilled its mission of creating a new window for local cooperation with Africa. Centering on the establishment of a long-term mechanism for economic and trade exchanges and cooperation with Africa, Hunan Province has given full play to the two platforms of the "China-Africa Economic and Trade Expo" (CAETE) and the "Pilot Zone for In-depth China-Africa Economic and Trade Cooperation", and move faster to foster a new environment in all-round opening up, with a focus on integration into the joint implementation of the Belt and Road Initiative. The CAETE, which has been held for two sessions, brings together resources from China and Africa, central and local governments, government and market, highlights achievement sharing, policy release and project cooperation, results in improvement in the routine matchmaking and exchange mechanism, and promotes the pragmatic matchmaking of Chinese and African enterprises, becoming a new platform for implementing FOCAC's economic and trade initiatives. The Pilot Zone for In-depth China-Africa Economic and Trade Cooperation focuses on exploring new paths and models for China-Africa economic and trade cooperation. It is devoted to building a demonstration high ground for China's local cooperation with Africa, becoming a test field and model for the FOCAC's "Nine Programs".

The Expo and the Pilot Zone complement each other, injecting new impetus into China-Africa practical cooperation and promoting the rapid growth of Hunan's trade with Africa and cooperation in production capacity. In 2022, the Province's trade with Africa reached 55.66 billion yuan, and its proportion in the country's total was up by 0.65 percentage points over the previous year. Its strengths in equipment manufacturing, energy and mining, road, bridge and housing construction, and agricultural development have been utilized in Africa. Technologies and products such as hybrid rice and construction machinery have a high reputation. Over 10,000 people have been trained for Africa.

II. Hunan Province's Trade with Africa

In 2021, Hunan's trade with Africa exceeded 40 billion yuan for the first time, reaching 40.39 billion yuan, a year-on-year increase of 38.5%. In 2022, Hunan-Africa trade hit a new high, reaching 55.66 billion yuan, a year-on-year increase of 42.8%. In the past five years, the volume of Hunan-Africa trade has increased rapidly, with an average annual growth rate of 32.64%. Hunan is one of the most active Provinces in China for economic and trade cooperation with Africa.

Table 2-1 Hunan's trade with Africa from 2018 to 2022

Unit: 10,000 yuan

Year	Import and export		Export		Import	
	Value	Year-on-year (%)	Value	Year-on-year (%)	Value	Year-on-year (%)
2018	1815287.0	29.2	1100931.0	35.0	714356.0	21.1
2019	2443461.0	34.4	1622926.0	47.4	820535.0	14.4
2020	2883543.0	18.3	1742312.0	7.4	1141231.0	40.2
2021	4039129.0	38.5	2621679.0	50.5	1417450.0	20.7

Continued Table

Year	Import and export		Export		Import	
	Value	Year-on-year (%)	Value	Year-on-year (%)	Value	Year-on-year (%)
2022	5566405.0	42.8	4086303.0	60.7	1480100.0	9.3

Source: Changsha Customs

Hunan's major African trading partners include South Africa, Nigeria, the Democratic Republic of the Congo, Egypt, Ghana, Kenya, Tanzania, Algeria, Djibouti and Angola. In 2022, Hunan's trade with Africa's top ten trading partners totaled 34.00 billion yuan, accounting for 61.1% of the total trade between Hunan and Africa.

Table 2-2 Hunan's import and export trade with Africa's top ten trading partners from 2018 to 2022

Unit: 10,000 yuan

No.	Country	2018	2019	2020	2021	2022
1	South Africa	908060.5	910397.9	1315152.9	1463694.9	1151160.6
2	Nigeria	149413.1	216882.4	256821.4	446121.6	607619.3
3	Democratic Republic of the Congo	N/A	N/A	N/A	251074.5	540504.8
4	Egypt	107986.2	135956.2	235772.3	232645.3	204860.3
5	Ghana	57276.2	68546.5	89860.1	127031.2	186073.5
6	Kenya	45034.9	42850.6	58702.3	104920.2	165098.9
7	Tanzania	27838.0	30169.3	39637.0	93920.4	159802.4
8	Algeria	132376.5	173995.9	67784.6	196709.3	151844.7
9	Djibouti	23180.9	40565.5	63497.8	84262.1	118409.1
10	Angola	12851.0	20057.1	16110.7	30401.3	114981.0

Source: China Customs

South Africa is Hunan's largest trading partner in Africa. Hunan's with South Africa in 2022 reached 11.51 billion yuan, accounting for approximately one-fifth of Hunan's total trade with Africa. Hunan's trade with the Democratic Republic of the Congo and Angola has shot up, up by 115% and 278% year-on-year respectively in 2022. By the end of 2022, Hunan had developed trade with all African countries, and 3,017 enterprises were engaged in foreign trade with Africa, a year-on-year increase of 20.8%. One more enterprise realized trade value of over one billion yuan, bringing the total to four. Another 31 enterprises realized trade value of over 100 million yuan, bringing the total to 96.

(I) Exports to Africa

In recent years, Hunan's exports to Africa have ballooned. In 2022, Hunan's exports to Africa reached 40.86 billion yuan, a year-on-year increase of 60.7%. The export markets primarily include Nigeria, South Africa, Egypt, Ghana, Kenya, Tanzania, Algeria, and Djibouti. Hunan's exports to the top ten African trading countries totaled 22.96 billion yuan in 2022, accounting for 56.2% of Hunan's total exports to Africa. In terms of commodity types, Hunan's exports to Africa mainly include steel products, furniture, motors, and human hair products.

Table 2-3 Top 10 African countries for Hunan's exports in 2022

Unit: 10,000 yuan

No.	Country	Export value
1	Nigeria	597535.4
2	South Africa	529950.0
3	Egypt	209268.5
4	Ghana	186775.8
5	Kenya	166454.8
6	Tanzania	165059.4
7	Algeria	152203.9
8	Djibouti	119880.4
9	Angola	85266.1
10	Morocco	83637.0

Source: China Customs

Table 2-4 Hunan's major export commodities to Africa in 2022

Unit: 10,000 yuan

No.	Name of export commodity	Export value
1	Steel products	425870.6
2	Furniture; bedding, mattresses, spring mattresses, soft cushions and similar padded products; unnamed lamps and lighting devices; luminous signs, luminous nameplates and like products; prefabricated houses	383891.8
3	Motors, electrical equipment and their parts; recorders and amplifiers, television image and sound recording and playback equipment as well as their parts and accessories	354071.7
4	Processed feathers, down and their products; artificial flowers; human hair products	352840.1
5	Steel and iron	291492.4
6	Footwear, leg guards and like products as well as their parts	286626.1
7	Boilers, machines, mechanical appliances and parts	243551.5
8	Vehicles and their parts and accessories, except railway and tramway vehicles	193717.6
9	Non-knitted or non-crocheted garments and clothing accessories	150552.8
10	Plastics and their products	149675.9
11	Knitted or crocheted garments and clothing accessories	143475.2
12	Leather goods; saddles and harnesses; travel supplies, handbags and similar containers; animal gut (except silkworm gut) products	129356.1
13	Ceramic products	106291.4
14	Toys, game items, sporting goods and their parts and accessories	102449.7
15	Glass and its products	95314.8

Source: China Customs

(II) Imports from Africa

In 2022, Hunan's imports from Africa reached 14.80 billion yuan, a year-on-year increase of 9.3%. The source of African countries for Hunan's imports are mainly South Africa, the Democratic Republic of the Congo, Sierra Leone, Madagascar, Angola, Nigeria, Zambia, Mauritania, Gabon, and Côte d'Ivoire. In 2022, Hunan's imports from top ten African countries totaled 14.22 billion yuan, accounting for 96.0% of Hunan's total imports from Africa.

Table 2-5 Top 10 African countries for Hunan's imports in 2022

Unit: 10,000 yuan

No.	Country	Import value
1	South Africa	644517.1
2	Democratic Republic of the Congo	499470.8
3	Sierra Leone	82778.9
4	Madagascar	33844.1
5	Angola	30328.4
6	Nigeria	29692.6
7	Zambia	29270.7
8	Mauritania	26457.9
9	Gabon	26062.9
10	Côte d'Ivoire	19098.0

Source: China Customs

The products imported by Hunan from Africa are highly concentrated, mainly various mineral products, metals and their products. In 2022, the top five types of commodities imported by Hunan from Africa had a value of 13.804 billion yuan, accounting for 93.26% of Hunan's total imports from Africa.

Table 2-6 Hunan's major import commodities from Africa in 2022

Unit: 10,000 yuan

No.	Name of imported product	Import value
1	Ore sands, mineral slag and mineral ash	793424.2
2	Other base metals, cermet and their products	331225.9
3	Copper and its products	136213.7
4	Natural or cultured pearls, precious or semi-precious stones, precious metals, wrapped precious metals and their products; imitation jewelry; coins	78358.9
5	Mineral fuels, mineral oils and their distilled products; bitumen substances; mineral wax	41166.8
6	Nickel and its products	31281.5

Continued Table

No.	Name of imported product	Import value
7	Rubber and its products	18984.7
8	Salt; brimstone; earth and stone; gypsum, lime and cement	6724.6
9	Motors, electrical equipment and their parts; recorders and amplifiers, television image and sound recording and playback equipment as well as their parts and accessories	3185.6
10	Edible fruits and nuts; peel of muskmelon or citrus fruit	2363.9
11	Inorganic chemicals; organic and inorganic compounds of precious metals, rare earth metals, radioactive elements and their isotopes	2147.9
12	Raw hides (except furs) and leather	1885.0
13	Oil-containing kernels and fruits; miscellaneous kernels and nuts; plants for industrial or medicinal use; straw and feed	1807.8
14	Wood and wood products; charcoal	1055.5
15	Coffee, tea, yerba mate and aromatic flavorings	757.2

Source: China Customs

In recent years, Hunan has increased its imports of African non-resource products, and has established six import chains for African non-resource products including coffee, cashew nuts, macadamia nuts, cocoa, peppers and sesame. It has created the whole industrial chain covering procurement at place of origin, warehousing, logistics, processing, design and packaging, exhibition and sales, and after-sales service. More than 100 products have hit the market. The import volume of African specialty coffee has reached 1,000 tons, and the annual purchase volume of Ugandan dried chili peppers reaches 5,000 tons. At the same time, the Department of Commerce of Hunan Province and Changsha Customs jointly carried out research on the food safety systems of 17 African countries, promoted market access for high-quality non-resource African products, and supported Hunan in importing Rwandan dried chili peppers, Kenyan live lobsters and African tea.

III. Hunan Province's Investment in Africa

(I) Direct investment in Africa

Thanks to the two national-level Africa-oriented cooperation platforms, Hunan enterprises have initiated a new round of planning for overseas presence, and many Hunan enterprises are entering Africa. At present, Hunan has 152 overseas enterprises in Africa, with a cumulative Chinese contract investment of US\$1.25 billion, covering 29 African countries and regions.

By the end of 2021, Hunan's direct investment stock in Africa reached US\$167.832 million, mainly in ten countries: Tanzania, Zambia, Rwanda, Republic of the Congo, Algeria, Democratic Republic of the Congo, Benin, Nigeria, Kenya and Madagascar, accounting for 85.5% of Hunan's direct investment stock in Africa. The top countries for Hunan's direct investment stock were Tanzania, Zambia and Rwanda, with US\$38.135 million, US\$18.130 million and US\$15.441 million respectively.

Table 2-7 Main countries for Hunan's direct investment stock in Africa by the end of 2021

Unit: US\$10,000

No.	Country	Direct investment stock
1	Tanzania	3813.5
2	Zambia	1813.0
3	Rwanda	1544.1
4	Republic of the Congo	1369.0
5	Algeria	1368.0
6	Democratic Republic of the Congo	1333.3
7	Benin	1062.0
8	Nigeria	992.0
9	Kenya	651.7
10	Madagascar	401.0

Source: Department of Commerce of Hunan Province

In 2022, Hunan's new direct investment in Africa was primarily distributed in Nigeria, Algeria, Madagascar, Kenya, Chad, the Democratic Republic of the Congo, Ghana, Morocco and South Africa. Nigeria, as one of Hunan's important partners in its economic and trade cooperation with Africa, received new direct investment of US\$5.476 million from Hunan, ranking first among African countries for attracting direct investment from Hunan. Thanks to bilateral cooperation in agriculture and mining, Madagascar and Ghana are among the top ten countries for Hunan's new direct investment in Africa.

Table 2-8 Major countries for Hunan's new direct investment in Africa in 2022

Unit: US\$10,000

No.	Country	New direct investment
1	Nigeria	547.6
2	Algeria	102.0
3	Madagascar	60.0
4	Kenya	37.6
5	Chad	31.6
6	Democratic Republic of the Congo	30.0
7	Ghana	29.0
8	Morocco	7.0
9	South Africa	4.8

Source: Department of Commerce of Hunan Province

In terms of industry distribution, construction, mining and manufacturing industries, in which Hunan has always held strengths, are still the key industries for Hunan’s direct investment in Africa. By the end of 2021, Hunan’s stock of direct investment in construction, mining and manufacturing industries reached US\$77.244 million, US\$31.869 million and US\$28.140 million respectively, accounting for 46.0%, 19.0% and 16.8% of Hunan’s direct investment stocks in Africa.

Table 2-9 Major sectors for Hunan’s direct investment in Africa by the end of 2021

Unit: US\$10,000

No.	Industry	Direct investment stock
1	Construction	7724.4
2	Mining	3186.9
3	Manufacturing	2814.0
4	Agriculture, forestry, animal husbandry, fishery	1969.7
5	Wholesale and retail trade	740.5
6	Leasing and commercial services	347.6

Source: Department of Commerce of Hunan Province

(II) New paths and new models for investment in Africa

Based on its industrial characteristics and advantages, Hunan Province adopts the new path and new model of “investment with trade, investment with engineering projects, and promotion of foreign trade through foreign economy”, carries out investment cooperation with Africa in agriculture, mining, manufacturing and other fields, plans key cultivation projects for investment in Africa, encourages the establishment of production bases and marketing networks in Africa, and supports the construction of economic and trade cooperation parks in Africa. Relying on key projects, Hunan Province integrates the upstream and downstream resources of relevant industries in the Province, and sets up a cluster development mechanism featuring key projects, supported by the upstream and downstream services of the industrial chain. Hunan works with engineering contracting enterprises in the Province to promote the development of industries in Africa, and expands the import and export channels and scale for Hunan and African products, thereby building a new industrial economic cycle between African countries and Hunan, and promoting the export of Hunan products, equipment, technology, services, brands and standards to Africa.

For example, the “Côte d’Ivoire + Hunan” agricultural product processing and trade project mainly constructs 15 agricultural product factories, including 11 primary processing factories overseas and four fine finishing factories in China. The investment of the project totals approximately US\$391 million, including approximately US\$196 million in overseas processing plants and approximately US\$195 million in domestic processing plants. After the project is officially put into operation, the annual production capacity of rubber, palm oil and unginned cotton is expected to reach 400,000 tons, 300,000 tons and 200,000 tons respectively. All relevant products are shipped back to China. The project is an innovation and exploration effort that focuses on investment in Africa and drives the development of foreign contracted projects and two-way trade. Through project entities’ investment and the involvement of supporting enterprises, the project increases Hunan’s import of high-quality agricultural products from Côte d’Ivoire while helping Hunan engineering enterprises undertake engineering projects. It is a good example of combining “going global” and “bringing in”.

IV. Hunan Province's Contracted Projects in Africa

Africa is the key region for Hunan enterprises' overseas contracting projects. Hunan has accurately identified and responded to the risks and challenges caused by the significant changes and the COVID-19 pandemic unseen in a century, and has achieved fruitful results. In 2021, the completed turnover of Hunan's contracted projects in Africa reached US\$832.676 million, a year-on-year increase of 22.5%, and the value of newly signed contracts was US\$98.677 million. In 2022, the two corresponding figures reached US\$408.754 million and US\$573.536 million respectively, an increase of 4.8 times over the previous year. This demonstrates the power of Hunan enterprises in construction and has contributed to Africa's infrastructure construction.

Table 2-10 Value of Hunan's newly signed contracts for contracted projects in Africa from 2018 to 2022

Unit: US\$10,000

Item	2018	2019	2020	2021	2022
Value of newly signed contracts	82862.7	112794.8	52204.4	9867.7	57353.6
Growth rate (%)	2.3	36.1	-53.7	-81.1	481.2

Source: Department of Commerce of Hunan Province

Hunan's project contracting business is distributed in 25 African countries and regions. In 2022, the top ten countries in terms of Hunan's turnover of contracted projects in Africa were Côte d'Ivoire, Mali, Ghana, Chad, the Democratic Republic of the Congo, Benin, Nigeria, Guinea, Egypt and Algeria, with a total completed turnover of US\$323.567 million, accounting for 79.2% of Hunan's total completed turnover of contracted engineering projects in Africa.

Table 2-11 Major countries for Hunan's contracted projects in Africa in 2022

Unit: US\$10,000

No.	Country	Completed turnover
1	Côte d'Ivoire	6783.8
2	Mali	3676.0
3	Ghana	3200.5
4	Chad	3179.7
5	Democratic Republic of the Congo	2956.5
6	Benin	2878.0
7	Nigeria	2871.2
8	Guinea	2518.2
9	Egypt	2257.8
10	Algeria	2035.0

Source: Department of Commerce of Hunan Province

Furthermore, Hunan has made new breakthrough in the engineering market in South Sudan and Mozambique, with the value of newly signed contracts in 2022 reaching US\$226.53 million and US\$187.8 million respectively, accounting for 39.5% and 32.7% of the value of Hunan's newly signed contracts in engineering contracting projects in Africa in 2022.

V. Hunan Province's Open Platforms for Economic and Trade Cooperation with Africa

(I) China-Africa Economic and Trade Expo (CAETE)

The China-Africa Economic and Trade Expo (CAETE), co-hosted by the Ministry of Commerce of China and the People's Government of Hunan Province, is the first concrete measure of the "Eight Initiatives" for China-Africa cooperation announced by President Xi Jinping, and is China's first national-level platform for economic and trade cooperation with Africa. The CAETE has been held in 2019 and 2021 and its permanent venue is located in Hunan Province. President Xi Jinping sent a congratulatory letter to the first CAETE, expressing the hope that China and Africa would leverage the CAETE as a platform to explore new paths for cooperation, create cooperation growth areas, and promote China-Africa economic and trade cooperation to a new height. The first two expos drew 53 African countries, over 10 international organizations, 31 Provinces, autonomous regions and municipalities in China, 29 central ministries and commissions, over 200 Chinese central state-owned enterprises and their subsidiaries, over 1,000 Chinese and African enterprises, business associations and financial institutions. 216 cooperation projects or cooperation agreements with a total value of US\$43.02 billion were signed. The CAETE, which has produced pragmatic and fruitful results, has become a new platform for implementing FOCAC's economic and trade measures and a new window for China's local economic and trade cooperation with Africa.

The third CAETE is slated to held in Changsha, Hunan Province, China from June 29 to July 2, 2023 under the theme of "Common Development for a Shared Future". Eight African countries including Benin, the Democratic Republic of the Congo, Madagascar, Malawi, Morocco, Mozambique, Nigeria and Zambia will serve as guest countries, and Shandong Province and Hubei Province as the theme Provinces. During the period, over 40 events including major activities, high-end activities, economic and trade matchmaking, seminars, and supporting activities will be held. The events cover many cooperation areas such as green infrastructure construction, customs quarantine, medicine and health, agricultural and food products, light industry and textile, industrial parks, women and young people, and vocational education. The main exhibition hall, which is located in Changsha International Convention and Exhibition Center, includes the comprehensive exhibition pavilion, African enterprises and commodities pavilion, Chinese enterprises and commodities pavilion, pavilion for China's Provinces, autonomous regions and municipalities, domestic and foreign trade integration pavilion and one outdoor exhibition area, with an exhibition area of 100,000 square meters, an increase of roughly 30,000 square meters over the previous session. The Exhibition of Achievements in China-Africa Joint Implementation of the High-quality Belt and Road Cooperation and the China-Africa Women's Innovation and Entrepreneurship Achievements Exhibition are set up for the first time. The branch exhibition hall, which is located in the China-Africa Demonstration Park for Economic and Trade Cooperation Promotion and Innovation (Hunan Gaoqiao Grand Market), includes "1+3" exhibition zones. "1" refers to the offline permanent pavilion of the CAETE, and "3" refers to the Hunan Export Products Cluster, China-Africa Economic and Trade Digital Industrial Park and African Coffee Trading Center, making the expo "a wonderful event that always stays open".

(II) Pilot Zone for In-depth China-Africa Economic and Trade Cooperation

“Building a Pilot Zone for In-depth China-Africa Economic and Trade Cooperation in China” is an important component of the “Trade Promotion Program” in the “Nine Programs” put forward by President Xi Jinping at the opening ceremony of the 8th Ministerial Conference of the FOCAC on building a China-Africa community with a shared future in the new era. It is also one of the three strategic tasks for China (Hunan) Pilot Free Trade Zone. The Pilot Zone focuses on building a long-term mechanism for economic and trade cooperation and exchanges with Africa, and explores new paths and models for the bilateral cooperation. At present, Hunan Province is innovating China-Africa economic and trade cooperation in various forms. Specific initiatives include:

(1) The Province explores a new mode of trade with Africa, and promotes a new barter trade model of information aggregation, and cross-border services for goods but not funds based on the exchange of goods and local currency settlement. It has supported enterprises in carrying out 12 “one-to-one” barter trade transactions with four African countries. Seeds, kitchenware, building materials and energy storage equipment are exported in exchange for grapefruit, mica, spodumene and wood.

(2) The Province implements production capacity cooperation plans for key countries. Hunan Province has built a project database for key countries in key fields such as agriculture, equipment manufacturing, energy and electric power, infrastructure, and cross-border e-commerce; carries out integrated cooperation with leading roles with some African countries such as investment with trade, foreign trade promotion through foreign economy, and foreign aid to attract project investment; and deepens production capacity cooperation with key countries. The Province supports seed enterprises in trial planting of hybrid rice in 16 African countries, and carrying out cooperation in breeding, high-yield demonstration, large-scale planting and technology transfer in 11 countries to commercialize hybrid rice. The Province is fully involved in the construction of infrastructure in Africa, having undertaken a number of projects such as the National Wrestling Arena in Senegal, Algeria’s North-South Expressway, and Uganda’s Karuma Hydropower Station. It also promotes the construction of overseas warehouses and collection warehouse systems in key regions, important ports and node cities in Africa.

(3) The Province implements the “Partnership for Enhancing Export Capacity of Africa to China (PEECAC)”, prioritizes recommending African agricultural products included in the cooperation intention projects at the Expo, particularly high value-added products, for standardized inspection and quarantine, and promotes market access for Kenyan aquatic products, Rwandan dried peppers, Madagascar’s vanilla beans and Seychelles’ yellowfin tuna.

(4) The Province improves multimodal transport systems such as air freight, rail-sea combined transport, and river-sea combined transport, and builds an international logistics channel with “sea, land and air” transport. Unimpeded Hunan-Guangdong-Africa rail-sea combined transport channel is ensured. Efforts are made to build an “end-to-end” logistics channel stretching from Hunan and its surrounding economic hinterland to African countries, with Zhuzhou as the main collection center. It covers 11 hub seaports in Africa and 20 roads and railways to inland Africa in the first phase. A Hunan-Africa air transport network is established. Passenger transport routes from Changsha to Nairobi, Kenya, and cargo transport routes from Changsha to Addis Ababa, Ethiopia have been put into operation. The Hunan-Shanghai-Africa river-sea combined transport channel is optimized and the relay route from Port of Chenglingji in Yueyang, Hunan Province to Africa operates more efficiently.

(5) The first local special government policy on economic and trade cooperation with Africa is introduced to encourage enterprises to increase imports from Africa and support the construction of the industrial chain for African high-quality products. The market-oriented service system for economic and trade cooperation with Africa is improved. Relying on the Hunan Province's China-Africa Economic and Trade Promotion Council, the Province works to build a market-oriented comprehensive service platform for China-Africa economic and trade cooperation. The Province builds a demonstration base for China-Africa international talent innovation and entrepreneurship services by virtue of Hunan's strengths in foreign aid training and platforms such as the China-Africa Vocational Education Industry-education Alliance for Trade and Economic Cooperation.

(6) Centering on the construction and operation of Africa's non-resource product distribution and trading center, the Province expands the import of high-quality products from Africa, and builds an industrial chain oriented to the domestic market that covers procurement, warehousing, logistics, processing, display and sales, and supply chain finance.

(7) Special activities such as the Live Commerce Festival for African Products and the Online Shopping Festival for High-quality African Products are held.

(8) The Gaoqiao Grand Market pilot policy on procurement and trade mode is utilized to set up overseas warehouses in wholesaler gathering areas in African countries, and secondary wholesale is carried out under the mode of "front exhibition and rear warehouse" to promote export of Chinese commodities to Africa.

(9) Cross-border business for non-mainstream currencies with Africa is piloted, and the closed loop of capital circulation between China and Africa is opened up. Spot exchange business for corporate account clients has been available in six African countries including South Africa, Nigeria, Ghana, Kenya, Botswana and Zambia. China's first deal of Kenyan shilling remittance to China and conversion into RMB has been completed.

On this basis, Hunan Province is promoting the construction of the Pilot Zone for In-depth China-Africa Economic and Trade Cooperation. Great efforts are made to investigate the potential of optimizing the structure of China-Africa trade, cultivating new trade forms, deepening cooperation in production capacity, promoting innovations in financial logistics service, and increasing think tank and people-to-people exchanges, and to build a new platform to drive the transformation and upgrading of China-Africa economic and trade cooperation.

VI. Prospects for Hunan Province's Economic and Trade Cooperation with Africa

The 8th Ministerial Conference of the FOCAC held in Dakar, Senegal drew up a new blueprint and gave new impetus to the construction of a China-Africa community with a shared future in the new era. Hunan will work harder to fulfil its mission of promoting new reform and opening up in the inland region. While basing itself on the location advantages as "the transition zone between the eastern coastal area and the central and western region, and the confluence area of Yangtze River Economic Belt and the coastal opening-up economic belt", Hunan gives full play to the platform roles of the CAETE and the Pilot Zone. Hunan proactively undertakes and fully implements the "Nine Programs" under the framework of the FOCAC, promotes the sharing of resources, the joint construction of platforms and the common industrial

prosperity under local cooperation with Africa, and strives for Belt and Road cooperation of higher quality and higher standards at higher levels.

More breakthroughs are made in key mechanism innovation for Hunan's economic and trade cooperation with Africa. Both China and Africa have strong demand for economic and trade cooperation and there is great potential, but there are still policy constraints and obstacles to "bringing in" and "going global". In view of the difficulties, pain points and key areas in China-Africa cooperation, Hunan Province will boldly promote innovation and pilot programs and make breakthroughs to accumulate successful practices that may be replicated elsewhere. **First, it will promote the establishment of a joint meeting mechanism for the pilot zone led by the Ministry of Commerce, involving relevant ministries and commissions and Hunan Province.** It will discuss and coordinate important topics of China-Africa economy and trade. The Pilot Zone will be built into a guarantee platform and practice medium for undertaking key projects, major pilot programs and policy innovation for China-Africa cooperation. **Second, a new barter trade mechanism is put in place.** It carries out trials for new types of barter trade in an orderly manner in accordance with the principles of government leadership, step-by-step implementation, standardized processes, and controllable risks. New regulatory rules for barter trade are introduced, and a new "many-to-many" barter trade digital platform that integrates information release, deal matchmaking, trade services, data analysis, and financial support is constructed. The focus is on key countries and key products. Efforts are made to promote barter trade between China's industrial manufactured goods and goods for everyday consumption and Africa's non-resource products, and to explore models such as products for engineering projects and products for investment. **Third, the financial mechanism of China-Africa economic and trade supply chain is investigated.** The Province establishes a financial platform for China-Africa economic and trade supply chain, and supports government financing guarantee companies in providing financing guarantee services for China-Africa economy and trade, and includes it in risk compensation mechanism. The Province explores convenient and low-cost project financing means, supports guarantee institutions and banks in providing low-cost guarantee financing for enterprises, improves the joint risk control mechanism, and establishes a mutual assistance and joint guarantee mechanism to prevent and defuse credit financing risks. **Fourth, the establishment of China-Africa commercial arbitration and mediation mechanism is investigated.** The Province actively integrates into the China Pilot Free Trade Zone Arbitration Cooperation Alliance, investigates the establishment of an international commercial arbitration court and commercial mediation center, fosters cooperation with well-known domestic international economic and trade arbitration and mediation institutions, and supports international commercial dispute prevention and resolution organizations in operating in the pilot free trade zone and providing enterprises with comprehensive commercial legal services including "prevention, mediation and resolution". The Province promotes "litigation and mediation coordination" and "mediation and arbitration coordination", establishes a fair, efficient and convenient China-Africa commercial dispute resolution mechanism, increases comprehensive commercial legal services, and creates a first-class market-oriented, law-based international business environment. **Fifth, the construction of a digital platform for all forms of China-Africa economic and trade cooperation is investigated.** Centering on the whole chain of China-Africa economic and trade business, the Province organizes technology research and development teams to provide mutual data sharing and mutual trust services, promotes the digitalization of enterprises engaged in economic and trade cooperation with Africa, and drives the digital development of African enterprises. The Enterprise Hunan Network (EHN) is fully exploited to better serve small and medium-sized enterprises entering the African market.

Hunan's economic and trade cooperation with Africa will produce more results in terms of sustainable project implementation. First, production capacity cooperation is promoted. Hunan's economic and trade cooperation with Africa is advanced through investment with trade, promotion of foreign trade through

foreign economy, and foreign aid to attract investment in projects. Projects under this mode have a long construction period, but have outstanding long-term and comprehensive benefits, and are conducive to sustainable economic and social development. After years of exploration, Hunan and African partners have gained rich experience in project implementation. For future cooperation, Hunan will comprehensively launch the construction of the Pilot Zone according to its overall plan, complete country-specific research and industrial analysis, and promote cooperation in production capacity with key African countries. **Second, the focus is on cultivating and introducing market entities oriented to Africa.** The Province will cultivate a group of “hidden champions” that focus on the African market and have strong innovation capability and industrial characteristics. Great efforts are made to introduce “three types of top 500” enterprises that are deeply involved in the African market as well as leading enterprises in relevant industries. Support is given to headquarters enterprises and leading enterprises in featured China-Africa cross-border industrial chains, bulk commodity distribution trading and processing, local currency settlement trade with Africa, investment and financing, cross-border finance, cross-border e-commerce, cross-border logistics, and other fields, as well as high-quality projects that meet the development needs of the Pilot Zone. **Third, enterprises are supported to develop the African market as a group.** Enterprises are encouraged to set up investment platforms in the Pilot Zone and invest in key industries in which China and Africa are compatible and highly complementary, such as agriculture and manufacturing, and export the industrial chain to Africa. Support is given to piloting the integration of investment, construction and operation in Africa, mainly by large and medium-sized enterprises. More support is given to overseas African industrial parks to advance quality and efficiency. **Fourth, a comprehensive domestic and foreign service system is put in place.** The Province deepens sister city cooperation with African countries and promotes economic and trade ties and project matchmaking. Overseas warehouses, transit warehouses, bonded warehouses and marketing centers are established in key regions, important ports and node cities in Africa. The Province expands and optimizes on-site services, strengthens cooperation with embassies and consulates in Africa, African Chinese associations, and African local industry associations, and provides two-way economic and trade services for the whole chain, including information collection, matching and project implementation. **Fifth, the role of the Hunan China-Africa Economic and Trade Promotion Council is brought into full play.** In accordance with the principles of government guidance and market operation, it carries out research on China-Africa economic and trade cooperation, and builds a platform for the commercialization of achievements of research on China-Africa in-depth economic and trade cooperation, a platform for China-Africa economic and trade exchanges and cooperation, and a platform for project development and matchmaking. Project development mechanism for key countries is investigated. **Sixth, a China-Africa economic and trade talent think tank system is established.** It leverages the role of the China-Africa Economic & Trade Research Institute and attracts high-end talents at home and abroad for China-Africa economic and trade, providing theoretical support and decision-making reference for China-Africa economic and trade cooperation. Relying on the China-Africa Vocational Education Industry-education Alliance for Trade and Economic Cooperation, the Province undertakes and implements human resources training for Africa, investigates the construction of China (Hunan) Training Base for Foreign Aid to Africa, and cultivates interdisciplinary economic and trade talents for sustainable China-Africa economic and trade development. As the measures are being implemented for projects, the comprehensive benefits of Hunan’s projects for economic and trade cooperation with Africa will increasingly emerge.

Hunan’s economic and trade cooperation with Africa will contribute to building a closer China-Africa community with a shared future. The CAETE and the Pilot Zone in Hunan have boosted Hunan’s influence in local economic and trade cooperation with Africa, and a series of innovative working mechanisms and measures for economic and trade cooperation with Africa have been implemented. In the new era

of building a high-level China-Africa community with a shared future, Hunan will continue to play the government's leading role in its sound economic and trade cooperation with Africa, and introduce a better guarantee mechanism for serving Hunan-Africa economic and trade cooperation. The Province will continue to exploit the advantages of key industries and enterprises for meeting Africa's current needs, promote the export of competitive industries, production capacity and products to Africa, and increase trade, investment and engineering projects in Africa. Hunan will continue to leverage Hunan's high visibility and influence in Africa after successfully holding the CAETE, carry out high-level exchanges as well as activities and work exchanges, and establish good communication channels with African embassies in China and governments of African countries. As a Chinese Province that undertakes the most foreign aid training tasks for the country, Hunan will use this advantage to increase resources for cooperation with Africa, promote more enterprises to implement projects in Africa, and finally make new and greater achievements in Hunan's economic and trade cooperation with Africa. Hunan will become a high ground for local economic and trade cooperation with Africa, promote all-round, multi-level and high-quality China-Africa cooperation, and contribute to the building of a closer China-Africa community with a shared future.

Shandong Province

I. Overview of Shandong Province’s Cooperation with Africa

Shandong Province serves the opening up, participates in the implementation of the Belt and Road Initiative and the FOCAC’s “Nine Programs”, promotes the building of a pilot zone for green, low-carbon and high-quality development, and strives to build a new hub for opening up. Solid progress has been made in the in-depth economic and trade cooperation between Shandong Province and Africa.

To implement the Forum on China-Africa Cooperation Dakar Action Plan (2022-2024), Shandong Province formulated the *Shandong Province Action Plan for Economic and Trade Cooperation with Africa (2022-2024)* in 2021, and implemented the supporting plan every year thereafter, with a focus on 11 priorities such as “production capacity cooperation, agricultural development, infrastructure construction, and import expansion”. In particular, in the context of the three-year COVID-19 pandemic, Shandong Province made Province-wide efforts to overcome difficulties and saw stable economic and trade cooperation with Africa. In 2022, Shandong Province’s import and export trade with Africa exceeded US\$30 billion for the first time. In the past three years, Africa has invested US\$100 million in Shandong Province, which has invested US\$380 million in Africa. The turnover of contracted engineering projects completed in Africa reached US\$8.18 billion. There are six provincial-level overseas cooperation parks, 13 provincial-level overseas warehouses, and four overseas self-operated exhibitions in Africa.

II. Shandong Province’s Trade with Africa

In 2022, Shandong’s import and export trade with Africa reached US\$30.55 billion, a year-on-year increase of 4.2%, accounting for 10.8% of the national total. From the perspective of Shandong’s trade with Africa in recent years, there has been a trend of steady and increasing development except for a sharp decline in 2020 due to the COVID epidemic. In 2021, the Shandong provincial government quickly responded to the epidemic by issuing the *Implementation Plan for the Innovative Development of Shandong Province’s Foreign Trade (2021-2022)*, which put forward 10 measures under four initiatives for unimpeded trade, better quality of imports and exports, improvement of new foreign trade forms, and trade industry integration. Its trade with Africa in the current year realized a net increase of US\$8 billion, up by 37.7%. In 2022, the policies and measures introduced during the epidemic period to support foreign trade and foreign-funded enterprises were optimized and distilled into 32 pragmatic and effective policies and measures, and the *Shandong Province’s List of Policies and Measures to Ensure Stable Foreign Trade and Foreign Investment* was released. Its trade with Africa still achieved steady growth on the basis of the high growth rate of preceding years.

Table 2-12 Shandong’s trade with Africa from 2016 to 2022

Unit: US\$100 million

Year	Import and export		Export		Import	
	Value	Year-on-year (%)	Value	Year-on-year (%)	Value	Year-on-year (%)
2016	139.5	-	79.2	-	60.3	-
2017	212.3	52.2	82.1	3.7	130.2	115.9

Continued Table

Year	Import and export		Export		Import	
	Value	Year-on-year (%)	Value	Year-on-year (%)	Value	Year-on-year (%)
2018	269.4	26.9	94.5	15.1	174.9	26.9
2019	267.9	-0.6	101.8	7.8	166.1	-5.0
2020	212.1	-20.8	110.7	8.7	101.4	-38.9
2021	292.1	37.7	168.1	51.8	124.0	22.3
2022	305.5	4.2	186.4	11.4	119.1	-5.4

(I) Exports to Africa

In 2022, Shandong's exports to Africa reached US\$18.64 billion, a year-on-year increase of 11.4%, 0.2 percentage points higher than the national average, accounting for 11.3% of the national total. Its export markets primarily include Nigeria, South Africa, Egypt, Tanzania, Kenya, Ghana and other countries. In terms of categories of export commodities, the export of five categories of commodities, including means of transportation, steel, textile threads and yarns, fabrics and their products, new pneumatic rubber tires, and machinery and equipment, accounted for 70% of the Province's total exports to Africa. The means of transport sector increased by 33.6 per cent year-on-year.

Table 2-13 Major African countries for Shandong's exports in 2022

Country	Export value (US\$10,000)
Nigeria	253466.5
South Africa	225667.0
Egypt	166193.0
Tanzania	111398.1
Kenya	108194.7
Ghana	100307.3
Djibouti	69543.3
Algeria	64302.3
Senegal	56678.4
Mozambique	53081.3
Togo	51795.2
Angola	51353.2
Guinea	44220.4

Table 2-14 Major commodities exported by Shandong to Africa in 2022

No.	Name of export commodity	Export value (US\$10,000)
1	Means of transport	254701.2
2	Steel	203341.3
3	Textile threads and yarns, fabrics and their products	185765.2
4	New pneumatic rubber tires	169186.9
5	Machinery and equipment	168811.1
6	Metal products	121797.4
7	Electrical and electronic products	86325.2
8	Plastic products	50504.5
9	Garments and clothing accessories	43151.4
10	Unwrought aluminum and aluminum products	32295.6
11	Footwear	30301.7
12	Ceramic products	28251.6
13	Insecticides, herbicides and like products	27360.1
14	Furniture and its parts	26743.1
15	Plywood and similar multi-layer boards	23792.9
16	Plate glass	17301.6

(II) Imports from Africa

In 2022, Shandong Province's imports from Africa reached US\$11.91 billion, down by 5.4% year-on-year, accounting for 13.9% of the national total. The source countries of imports are primarily Guinea, Angola, Republic of the Congo, Zambia, and South Africa. From the perspective of import categories, 12 major categories of resource and energy products including crude oil, aluminum ore, copper, natural rubber, copper ore and cotton accounted for 84% of the Province's total imports from Africa, down by 4.3% year-on-year. Crude oil imports fell by 31.8%, and the imports of iron ore and its concentrate as well as grain decreased by 22.9% and 44.2% respectively. The imports of aluminum ore and its concentrate, unwrought copper and copper products, and natural rubber increased substantially, up by 59.7%, 99.1% and 41.1% respectively.

Table 2-15 Major African countries for Shandong's imports in 2022

Country	Import value (US\$10,000)
Guinea	322828.7
Angola	309403.9
Republic of the Congo	162122.7
Zambia	103457.3
South Africa	62633.7

Continued Table

Country	Import value (US\$10,000)
Côte d'Ivoire	29226.0
Sudan	26324.5
Algeria	22671.9
Mozambique	20760.9
Gabon	16372.0
Democratic Republic of the Congo	14783.1
Egypt	11728.6
Chad	10832.8
Djibouti	9672.8

Table 2-16 Major commodities of Shandong's imports from Africa in 2022

No.	Name	Cumulative import value (US\$10,000)
1	Crude oil	479819.8
2	Aluminum ore and its concentrates	322808.0
3	Unwrought copper and copper products	115158.1
4	Natural rubber (including latex)	29842.1
5	Iron ore and its concentrates	27973.1
6	Cotton	15213.2
7	Copper ore and its concentrates	7791.1
8	Chrome ore and its concentrates	6319.8
9	Fishmeal as feed	3122.6
10	Manganese ore and its concentrates	2904.1

(III) Exhibitions in Africa

In view of enterprises' needs, Shandong Province has implemented the "Overseas 100 Exhibition Plan" and opened up emerging markets in Africa in recent years. Considering the market layout of the African continent, the history of existing exhibitions, the industrial resources of various countries and other factors, Shandong Province has held exhibitions in African countries that have bilateral trade of over 10 billion yuan with China and GDP of over 100 billion, including South Africa, Egypt, Nigeria, and Kenya. Before the outbreak of the epidemic, Shandong was the first Chinese Province to hold two Shandong commodity theme exhibitions – China Commodities Expo-Nigeria and Kenya International Industrial Expo, blazing a trail in holding self-owned brand exhibitions in Africa.

After the outbreak of the COVID-19 pandemic in 2020, Kenya International Industrial Expo pioneered the mode of “online + offline” exhibition in response to the severe impact of the COVID-19 pandemic on overseas exhibitions. It was the first brick-and-mortar exhibition held “online + offline” in Kenya and even East Africa in 2020. In 2021, the Province’s overseas exhibitions followed suit and adopted the new mode of exhibition services including “offline exhibit display + on-site professional service + online videoconferencing negotiation + permanent exhibition halls”. Over 170 enterprises in Africa participated in these exhibitions, with an intended turnover of over US\$65 million. To better leverage the promoting role of trade fairs, Shandong Province held more exhibitions in Africa and expanded the scale of exhibitions in 2022, including four independently held exhibitions, and promoted new foreign trade forms such as market procurement trade, cross-border e-commerce, and “front store and rear warehouse”. Throughout the year, it arranged 317 exhibitors, received 28,000 merchants from various countries, and held 5,687 online video matchmaking events, with on-site and intended transaction value of over US\$80 million.

(IV) Overseas Warehouses in Africa

In recent years, Shandong enterprises have built a variety of international marketing service outlets in Africa, including 23 public overseas warehouses and nine self-use overseas warehouses. Public overseas warehouses cover an area of over 180,000 square meters. From 2021 to 2022, Shandong selected some specialized overseas warehouses for key development, and organized the accreditation of provincial warehouses in two batches. 13 provincial overseas warehouses in Africa have been accredited, including those in Tanzania, Kenya, South Africa, Ghana, and Algeria. These warehouses serve building materials, hardware, machinery, medical care and other fields.

(V) Barter Trade with Africa

To solve difficulties and pain points in trade with Africa, including impeded cross-border settlement for B2B exports, difficulty in repatriation of profits, lack of settlement, and difficulty in overseas currency exchange, Qingdao Free Trade Zone organized Shandong Cross-border Barter Trade Association and Qingdao Yihuo Yicheng Cross-border Barter Trade Co., Ltd. to complete two new-type barter trade businesses on a trial basis in 2022. Barter trade channels for Nigeria and Kenya have been opened up, and the first domestic application for export tax rebate through the new barter trade method has been completed. Shandong Province ranks second in the country in terms of new barter trade volume.

III. Shandong Province’s Investment in Africa

(I) Direct Investment in Africa

In 2022, there were 36 enterprises (institutions) in the Province approved to invest in Africa, and the investment approved by the Chinese authorities reached US\$1.73 billion, an increase nine-fold increase year-on-year. Investment was mainly made in Guinea, Egypt, Tanzania, Mozambique, Ethiopia and other countries. The actual investment in Africa reached US\$110 million, a year-on-year increase of 47.8%, and was primarily made in Nigeria, Angola, Mozambique, Lesotho, Kenya and other countries. The investment areas mainly include agricultural planting, fishery processing, mining and textile, chemical engineering, building materials, home appliances, furniture, food, papermaking, machinery, commerce and trade, real estate, warehousing, and logistics.

Table 2-17 Shandong's direct investment in Africa from 2016 to 2022

Unit: US\$10,000

Year	Recorded investment			Actual investment	
	Number of enterprises	Amount	Year-on-year (%)	Amount	Year-on-year (%)
2016	68	155872.5	—	4618.1	—
2017	34	29891.9	-98.1	8149.2	76.5
2018	51	20636.1	-31.0	14696.6	80.3
2019	49	35545.0	72.2	2875.3	-80.4
2020	39	29421.1	-17.3	19994.6	595.4
2021	39	17459.1	-40.7	7281.8	-63.6
2022	36	172685.8	889.1	10761.4	47.8

(II) Economic and Trade Cooperation Zones in Africa

Six of Shandong Province's 16 national and provincial overseas economic and trade cooperation zones are located in Africa, accounting for 37.5%. In 2022, the six overseas cooperation parks in Africa invested a total of US\$260 million, with a total output value of US\$1.27 billion, which drove Shandong Province's export of goods to US\$630 million.

China-Sudan Agricultural Cooperation Development Zone is located in Al Qadarif State, Sudan. The Cooperation Development Zone, which was invested and built by Shandong Hi-speed Group and has a planned area of 2.2 square kilometers, is a comprehensive agricultural park for crop planting, processing, deep processing, agricultural science and technology, trade in agricultural materials, and agricultural machinery services. The area of independent cotton planting and cooperative planting in the park reaches approximately 8,665 hectares, and the demonstration planting area covers two of the four major irrigation areas in Sudan. Three cotton processing plants, which are the most state-of-the-art locally, have been built, with an annual processing capacity of 45,000 tons of ginned cotton. Two advanced seed processing plants have been built, which can process over 1,500 tons of cotton seeds annually, accounting for over 60% of the total large-scale cotton seed processing capacity in Sudan. In August 2017, the park was selected as one of China's first overseas demonstration agricultural cooperation zones.

Zambia Agricultural Products Processing Cooperation Park, which is located in Eastern Province, Zambia, was planned and built by Qingdao Ruichang Cotton Industrial Co., Ltd. It covers an area of 0.64 square kilometers, and consists of two parks – Chipata and Petauke. After years of construction, the park has completed investments of US\$21.76 million in infrastructure, including office buildings, warehouses, office areas and living quarters with a building area of approximately 20,000 square meters. It has the supporting services such as water, electricity and transportation required for the operation of the park as well as production and operation of enterprises in the park. Five Chinese-funded agricultural product production and processing enterprises have settled in the park.

Hisense South Africa Appliance Industrial Park, which is located in Atlantis District, Cape Town CBD, Western Cape Province, South Africa, was jointly invested by Hisense Group and China-Africa Development

Fund, covering an area of 100,000 square meters. It was completed and put into operation in 2013. Built at an investment of US\$41.04 million, the plant buildings cover an area of 32,000 square meters, and has an annual output of over 500,000 refrigerators and over 800,000 TV sets. The park has directly created 800 local jobs and indirectly more than 4,700 jobs through the development of supporting industries including logistics, renewable resource recovery, security companies, and cleaning services. In April 2022, 55CM refrigerators manufactured by Hisense South Africa factory were shipped to the British market for the first time. This was the first time that "Made in South Africa" Hisense home appliances were exported to the European market, and also the first time that the South African home appliance manufacturing industry exported products to Europe in batches, marking that the quality of products produced by Hisense South Africa factory meets EU standards.

Angola Aode Industrial Park was invested by Shandong Aodeao Investment Co., Ltd. and was established in October 2018. It is located in Dande, Bengo Province, Republic of Angola, adjacent to the national highway and Kwanza River, four kilometers from the deep-water port of Dande Port and two kilometers from the Atlantic coast. The park is positioned as a comprehensive resource utilization park featuring ceramic clay mines. It has completed "five accesses and one leveling", and has obtained 11 mining rights certificates for clay, feldspar, quartz and so on. It has a planned area of approximately 400 hectares, 86 hectares of which have been developed. The second-phase investment promotion planning is underway. The park is home to more than 10 enterprises in ceramics, paper cartons, logistics, mining, gas stations, frits, papermaking, furniture, and other fields. Three types of products including ceramic tiles and ceramic glaze materials fill a gap in Angola. By the end of 2022, the park realized a total investment of US\$50 million, creating over 2,000 jobs for Angola and donating over 10 million yuan in cash and in kind for local education, road repair, epidemic response, community responsibility, and so on. On July 21, 2022, Aode Industrial Park was included in the core area of the first phase of the Dande Free Trade Zone in Angola.

Built in 2003 and invested by Shandong Zhongyang Industrial Group Co., Ltd., the Nigerian Weindustry Industrial Park is located in Omotosho, Ondo State, Nigeria. The park is positioned as a comprehensive overseas resource-oriented economic and trade cooperation zone. It features the ecological circular forestry industry and is engaged in the deep-level cyclic production of raw materials in the forestry industry. Moreover, it has supporting forestry and animal husbandry, logistics, alcohol, formaldehyde, cement, asphalt and other industries related to building materials. Built with an investment of US\$80.56 million, it is planned to have approximately 400 hectares of park land and approximately 12,000 hectares of planting forest land. It consists of two phases: the first phase is dominated by forestry-related manufacturing, and "five accesses and one leveling" have been realized. The second phase plans to invest US\$30 million. Over 20 enterprises from Shandong and other Provinces of China have settled in the park, including wood board, chemical engineering, alcohol, formaldehyde, wood pulp and papermaking, ceramic tiles, gypsum board, forestry, power generation, heat supply, logistics, international trade, and overseas warehouses enterprises. Six types of products including ceramic bricks, papermaking, formaldehyde, gypsum board, and alcohol have filled a gap in Nigeria's market.

Integrated Service Cooperation Zone of Tanzania East Africa Trade and Logistics Industrial Park is located in Dar es Salaam City, Tanzania, 14.8 kilometers away from Julius Nyerere International Airport and adjacent to the city's financial and commercial center. The project is implemented by Weihai Huatan Supply Chain Management Co., Ltd. The cooperation zone includes four functional areas: East Africa Trade and Logistics Center, Exhibition and Sales Center, Overseas Warehouse and Airport Bonded Warehouse, with a total area of 117,000 square meters. It fulfils five functions of large-scale commercial complex + overseas exhibition and sales + overseas warehouse + bonded logistics + cross-border e-commerce, and operates

a comprehensive service system that integrates offline transactions, exhibitions, customs clearance, warehousing and logistics, cross-border e-commerce and financial services. The construction of the exhibition and sales center, the 5,850-square-meter overseas warehouse, the 50% of the main body of core construction project, and the largest local Ubungo overpass linking the main passage of the park has been completed. The airport bonded warehouse is under construction. At present, over 170 enterprises have settled in the cooperation zone, and the exhibition center and overseas warehouse are now operational, providing year-round services to meet the needs of warehousing and display. In 2020, the Tanzanian government designated the park as a national flagship project.

(III) Overview of Key Industries for Cooperation with Africa

Key industries for Shandong Province's cooperation with Africa covers agriculture, fishery, mining, manufacturing, service and other fields. **In the field of agriculture**, Qingdao Ruichang Cotton has set up seven cotton ginning mills, two seed processing plants and two oil-pressing mills in Malawi, Zambia, Mozambique, Zimbabwe and other countries, and is cultivating land covering hundreds of thousands of hectares, benefiting over 200,000 local farmer households and over one million people. Shandong Hi-speed Group has built China's first batch of overseas demonstration agricultural cooperation zones in Sudan. Jinfang Cotton has invested in cotton planting, acquisition, processing, transport and sales in African countries such as Zimbabwe. **In the field of fishery**, Weihai Rongcheng Fushun Fishery Industry and Trade Co., Ltd. has invested in Mauritania for 10 years to build processing lines for fishmeal and fish oil, cutting production lines for canned sardines, production lines for fishmeal wastewater-based fish dissolved pulp, as well as quick-freezing workshops, refrigerated storage warehouses, cold seawater fish storage tanks and pile-type cement concrete fishery wharves that can berth large-scale fishing boats. A fishery industry chain integrating fishing, processing, warehousing, logistics and terminal services has been established. Shandong Oceanic Fisheries Co., Ltd. has 13 ocean fishing vessels in Morocco and Ghana. Yantai Development Zone Yugang Development Co., Ltd. and Qingdao Hongxi Oceanic Fisheries Co., Ltd. are engaged in fishery cooperation projects in Sierra Leone and Tanzania, respectively. **In the field of mining**, Shandong Weiqiao Aluminum & Electricity Co., Ltd. invested US\$1.4 billion to implement the Winning Consortium Simandou's iron ore project in Guinea. Jinan Yuxiao Group has been expanding its investment business in the fields of uhlignite ore mining rights, exploration and mining in Mozambique. **In the field of manufacturing**, China National Heavy Duty Truck Group Corp., Ltd. (SINOTRUK) has set up 10 representative offices, 24 offices, nearly 100 marketing outlets and 200 overseas service outlets in Africa. It has established joint ventures in Nigeria, South Africa, Kenya and other African countries, and realized completely knocked-down (CKD) assembly in six countries including Morocco and Nigeria through technical cooperation and input in kind. It accounted for over 60% of the market share of exports to Africa in 2022. Qingdao Hisense and Haier Smart Home are engaged in home appliances and smart home production projects in South Africa and Egypt respectively. Hisense home appliances occupy a market share of nearly 30% in South Africa. In the service industry, Qingdao Yewhing Group has invested in the construction of 10 furniture and household goods hypermarkets and 90 mobile phone and digital product stores in Angola, becoming one of the largest local chain brands in Angola. It employs over 2,000 local employees.

IV. African Investment in Shandong

In 2022, African countries established 47 new foreign-invested enterprises in Shandong, with an actual investment of US\$15.28 million in Shandong, accounting for 0.07% of the Province's utilized foreign capital. In terms of sources of foreign investment, it is mainly concentrated in Cameroon, Seychelles, Mauritania, and Ghana.

Table 2-18 African investment in Shandong from 2016 to 2022

Unit: US\$10,000

Year	Number of enterprises		Utilized foreign capital	
	Number	Year-on-year (%)	Amount	Year-on-year (%)
2016	10	-54.6	1105.0	20.5
2017	20	100.0	1544.0	39.7
2018	39	95.0	10120.0	555.4
2019	45	15.4	1691.0	-83.3
2020	74	64.4	5366.0	217.3
2021	83	12.2	3308.0	-38.4
2022	47	-43.4	1528.0	-53.8

V. Shandong Province's Contracted Engineering Projects in Africa

Africa is an important market for Shandong Province's overseas contracted projects, accounting for more than one-fifth of the Province's overseas contracted projects over the years. In recent years, the Province has entered a period of deep adjustment for engineering contracting labor services in Africa due to a lack of sustainable financing model for infrastructure in many African countries and the impact of the COVID-19 pandemic. In 2022, the value of contracting projects newly signed by Shandong Province in Africa reached US\$3.24 billion, a year-on-year decrease of 26.9%; the completed turnover reached US\$2.48 billion, a year-on-year decrease of 5.8%.

Table 2-19 Shandong Province's contracting projects in Africa from 2016 to 2022

Unit: US\$10,000

Year	Overseas contracted projects				Labor dispatched overseas	
	Contract value	Year-on-year (%)	Turnover	Year-on-year (%)	Number of labor	Year-on-year (%)
2016	430014.0	13.8	407590.0	-1.1	13321	20.4
2017	579905.0	34.9	383953.0	-5.8	11006	-17.4
2018	624274.0	7.7	379528.0	-1.2	8771	-20.3
2019	334059.0	-46.5	318264.0	-16.1	8307	-5.3
2020	223992.0	-32.9	308130.0	-3.2	2027	-75.6
2021	442415.0	97.5	262733.0	-14.7	5364	164.6
2022	323623.0	-26.9	247560.0	-5.8	2381	55.6

Hubei Province

I. Overview of Hubei Province's Cooperation with Africa

Hubei Province has carried out wide-ranging cooperation with Africa early, and bilateral cooperation and exchanges in the fields of science and technology, production capacity and culture have produced fruitful results. Since the 2018 Beijing Summit of the FOCAC, Hubei Province has earnestly followed the guiding principles of President Xi Jinping's important speeches, advanced mutually beneficial cooperation with Africa, built a closer China-Africa community with a shared future, and promoted solid and pragmatic China-Africa economic and trade cooperation. Hubei Province's cooperation with Africa in recent years shows the following characteristics: First, the import and export trade has produced significant results. The import and export value increased by nearly 50% year-on-year in 2022, and the trade structure has been optimized. The export of industrial manufactured goods and high-tech products to Africa has gradually increased in recent years. Second, cooperation in production capacity has been deepened, and the construction of key cooperation projects is steadily progressing. Deep cooperation in production capacity has been carried out in construction, manufacturing, agriculture and other fields. Trade is combined with investment, and multi-mode diversified development has been achieved. In terms of main parties to cooperation, government-led development is replaced by multi-entity joint participation through multiple channels. Great efforts have been made to build overseas economic and trade cooperation zones. Third, contracted engineering projects have been implemented in Africa, and the influence of projects has been increasing. With a focus on the African market, Hubei Province leverages its advantages in infrastructure construction technology and funds to participate in high-quality engineering construction projects and improve the level of public services in Africa, contributing to China-Africa cooperation.

II. Hubei Province's Trade with Africa

(I) Overview of Trade with Africa

In terms of value of import and export trade with Africa, Hubei's trade with Africa has steadily increased. In 2020, the total import and export value was 8.9 billion yuan, a year-on-year decrease of 9.4%. In 2021, the import and export value totaled 24.83 billion yuan, a year-on-year increase of 38.2%. In 2022, the import and export value totaled 36.73 billion yuan, a year-on-year increase of 49.3%. In terms of market development methods, international channels are more diversified. First, online digital empowerment has innovated exhibition models. In 2022, two special sessions of "Hubei Online Exhibition" for African auto parts and medical care were held on Hubei Foreign Trade Integrated Service Platform (HBTRADE). 85 enterprises in the Province participated in high-quality online exhibitions in a targeted manner to tap markets and secure orders. Second, offline precision services support enterprises in tapping the African market. Hubei Province arranged enterprises in the Province to participate in major economic and trade fairs such as China-Africa Economic and Trade Expo, China International Import Expo, and Canton Fair to find international cooperation opportunities and broaden the channels of the Province's investment cooperation with Africa.

(II) Distribution of Hubei Province's Trading Countries in Africa

Hubei Province's exports are extensively and evenly distributed among African countries. In recent years,

South Africa has remained the top import and export country. Except for 2022 when Nigeria ranked top in terms of export value, South Africa ranked top in terms of the import and export value in 2020 and 2021 and the import value in 2022. Major export countries include Nigeria (13%), Ghana (9%), South Africa (12%) and Egypt (9%). Import countries are concentrated, mainly South Africa (38%), Angola (31%), and Democratic Republic of the Congo (16%).

(III) Classification of Trade Products

Exports of Hubei Province's manufactured goods and high-tech products to Africa have increased in recent years, and the product mix has been optimized. Hubei's exports to Africa primarily include iron and steel (accounting for 29%), electrical and electrical equipment (14%), machinery and equipment, garments and clothing accessories, textile threads and yarns, and automobiles. The imported products are relatively simple, mainly petroleum crude oil (accounting for 31%) and ores (copper 14%, cobalt 10%, and palladium 8%).

III. Hubei Province's Investment in Africa

(I) Overview of Direct Investment in Africa

Hubei's investment in Africa has increased steadily, and overseas investment projects have advanced in an orderly manner. Enterprises in Hubei Province made non-financial direct investment of US\$18.22 million and US\$84.28 million in African countries in 2021 and 2022, respectively, with a year-on-year increase of 3.6 times in 2022. By the end of 2022, enterprises in Hubei Province had established 52 overseas investment projects in Africa, with an agreed investment of US\$850 million for the Chinese party, covering agricultural development, medicine, building materials manufacturing, mineral development and other real economy fields.

Hubei Province's investment in Africa is distributed in over 20 countries including Egypt, Zambia, Gambia, Tanzania, Seychelles, South Africa and Mozambique. The top three countries for Hubei Province's direct investment are Egypt, Tanzania and Zambia, with cumulative direct investment in the aforesaid three countries in the past five years reaching US\$120 million, US\$29 million and US\$21.58 million respectively, accounting for 83.4% of Hubei Province's total investment in Africa.

Hubei Province's investment in Africa is concentrated in manufacturing and mining sectors, with cumulative investments of US\$154 million and US\$22.75 million from 2018 to 2022, respectively.

(II) Economic and Trade Cooperation Parks in Africa

Hubei Province has given full play to the role of overseas economic and trade cooperation zones. In 2022, it accredited six overseas economic and trade cooperation zones as provincial-level overseas economic and trade cooperation zones in accordance with the *Hubei Province Measures for the Accreditation and Review of Overseas Economic and Trade Cooperation Zones (Trial)*. Complementary industry and resources promote the high-quality development of overseas economic and trade cooperation zones.

The development of Hubei Province's economic and trade cooperation parks in Africa presents the following characteristics:

(1) Give full play to the strengths of state-owned enterprises based on the government platform. Government platforms and state-owned enterprises play an important role in the construction of Hubei

Province's economic and trade cooperation parks in Africa. Inter-governmental cooperation agreements signed often provide a starting point and support for the establishment of cooperation parks. State-owned enterprises play a mainstay role in the planning, construction, investment attraction and operation of cooperation parks by virtue of their capital, technology and management advantages. For example, Mozambique (Hubei) Lianfeng Agricultural Cooperation Zone was expanded on the basis of China-Mozambique Agricultural Technology Demonstration Center. Hubei Lianfeng Overseas Agricultural Development Group Co., Ltd. successively organized 12 state-owned farms and seven agricultural enterprises to develop in Africa and participate in the construction of 26,664-hectare agricultural production bases and investment in industrial chain, which has achieved good benefits and paved the way for the construction of Mozambique (Hubei) Lianfeng Agricultural Cooperation Zone.

(2) Innovate development approaches and increase operation models. Based on the development orientation, industrial characteristics, and cooperation advantages, Hubei Province's economic and trade cooperation zones in Africa have investigated an operation mode suitable for their own development through learning, imitation and innovation. For example, under the "one zone and multiple parks" model, various types of industrial parks are planned and constructed under the overall planning of the main park, and are incorporated into the cooperation zone for centralized and unified management. This expands the space for park development, realizes the coordination of resources and complementary linkage of industries, and boosts their agglomeration and leading roles. The examples include Mozambique (Hubei) Lianfeng Agricultural Cooperation Zone, Mozambique Lianhe Overseas Economic and Trade Cooperation Zone, and Gambia (Hubei) Overseas Economic and Trade Cooperation Zone.

(3) Foster economic and trade cooperation and promote domestic and international circulations. The Gambia (Hubei) Overseas Economic and Trade Cooperation Zone is primarily engaged in agricultural production, trade and logistics. In 2022, it made an investment of US\$783,000 and achieved a total output value of US\$1.493 million, resulting in domestic imports and exports of US\$1.257 million. Mozambique (Hubei) Lianfeng Agricultural Cooperation Zone is primarily engaged in rice and vegetable agricultural planting business. In 2022, it made an investment of US\$497,000 and achieved a total output value of US\$1.556 million, resulting in domestic imports and exports of US\$247,000. Mozambique Lianhe Overseas Economic and Trade Cooperation Zone is primarily engaged in rice planting, acquisition, processing, and marketing, pig breeding and vegetable planting. It made an investment of US\$510,000 and achieved a total output value of US\$1.06 million in 2022.

(4) Fulfill social responsibilities and cement people-to-people bonds. In the course of overseas operation, Hubei Province's economic and trade cooperation zones in Africa always bear in mind people's wellbeing and popular support by fulfilling their social responsibilities and bringing benefits to local people throughout the construction of parks and industrial development. While building and operating the cooperation zone, enterprises have been involved in building schools, hospitals, dormitories and other projects that benefit the people, created many jobs and paid significant taxes, and trained a large number of professionals. For example, Mozambique (Hubei) Lianfeng Agricultural Cooperation Zone has promoted the industry-university-research institute cooperation in Mozambique's agriculture, organized agricultural technical knowledge training for local people, supported the development of local farmers as well as small and micro enterprises, and improved the level of local agricultural production, which have been praised by local governments and people. So far, the cooperation zone has trained 4,000 local farmers. As a result, the average income of 60 farmer households has more than doubled, and the rice yield reaches 600 kilograms per *mu* (one *mu* equivalent to 0.06 hectares). This has driven farmers living nearby to plant 6,660 hectares of rice.

(III) Key Industries for Cooperation with Africa

Key industries for Hubei Province's cooperation with Africa are mainly manufacturing and agriculture.

In the manufacturing sector, the second phase of the Maweni Cement Plant in Tanzania, which was built by Hubei Huaxin Cement Co., Ltd., has a clinker production line with a daily output of 4,000 tons and a cement grinding station with an annual output of 750,000 tons. The annual cement production capacity has reached 1.6 million tons after technological upgrading. The yeast products expansion project, built by Angel Egypt, is expected to have a yeast products production line with an annual output of 20,000 tons as well as auxiliary facilities. When completed, it will meet the demand for high-quality yeast in Egypt and surrounding markets as well as burnish the brand image of Egyptian manufacturing. The factory construction project of Humanwell African Pharmaceutical Co., Ltd. in Mali, built by Hubei Humanwell Pharmaceutical Group, is the first modern pharmaceutical plant in West Africa, which creates jobs for local people, improves the level of pharmaceutical technology in African countries, and promotes the development of local supporting industrial chain.

In the field of agriculture, the first and second phases of the agricultural technical cooperation project in Lilongwe, Malawi, were undertaken by Hubei Lianfeng Overseas Agricultural Development Group Co., Ltd. The project is located in the Lilongwe cooperative farm in Malawi, covering an area of 15 hectares. The project carried out four theoretical agricultural knowledge training sessions and multiple on-site demonstration guidance training sessions, benefitting more than 1,000 trainees. It has promoted rice and vegetable planting and cultivation techniques, agricultural mechanization technology and cultivation technology services, and has cultivated over 30 vegetable varieties such as tomatoes, peppers, eggplants, cabbage, and spinach, with per unit yield and quality higher than those in local areas. The China-Mozambique Agricultural Technology Demonstration Center is the first agricultural technology demonstration center in Africa built with the aid of the Chinese government. Built and operated by Hubei Lianfeng Overseas Agricultural Development Group Co., Ltd., the Center is located in Boane, Maputo, Mozambique, and covers an area of 52 hectares. Since becoming operational in November 2010, the Center has carried out experiments, demonstration, training, and promotion of agricultural techniques. It has screened out over 10 high-yield high-quality rice varieties, six corn varieties, over 20 vegetable varieties and two cotton varieties suitable for local planting. It has organized over 100 high-level agricultural technique demonstration and observation events, and trained more than 3,000 people.

IV. Hubei Province's Contracted Projects in Africa

(I) Overview of Contracted Projects in Africa

With a focus on the African market, Hubei Province leverages its advantages in infrastructure construction technology and funds to participate in engineering construction projects and improve the level of public services in Africa. In 2021, enterprises in the whole Province signed new contracts worth US\$9.69 billion for contracted projects in Africa, a year-on-year increase of 162.8%, accounting for 48.9% of the Province's total. In 2022, enterprises in Hubei Province signed new contracts worth US\$7.61 billion for contracted projects in Africa, accounting for 43.4% of the Province's total, and completed turnover of US\$1.44 billion, a year-on-year increase of 36.5%, accounting for 20.7% of the Province's total.

(II) African Countries for Hubei Province's Contracted Projects

In Africa, Hubei enterprises undertake contracted projects mainly in Angola, the Democratic Republic of the Congo, Kenya, Ethiopia, Egypt, Côte d'Ivoire, Nigeria, Zambia, Tanzania and Niger. From 2018 to 2022, Hubei completed a turnover of US\$5.88 billion in contracted projects in the aforesaid ten countries, which accounts for 86.2% of Hubei Province's turnover of contracted projects completed in Africa in the past five years. Angola, the Democratic Republic of the Congo and Kenya are the three most important countries for its contracted projects, with completed turnover in the past five years of US\$2.02 billion, US\$910 million and US\$720 million respectively, accounting for 34.4%, 15.5% and 12.2% of Hubei's total turnover for contracted projects respectively.

(III) Industries for Contracted Projects in Africa

Hubei's contracted projects in Africa are concentrated in the fields of electric power, water conservancy, transport, housing construction, communications, petrochemical engineering, among others.

Djibouti's 642 social housing projects, Tadjoura Region's New Port project and Djibouti World Food Programme logistics center project were built by Baoye Hubei Construction Engineering. Djibouti's Social Housing Project is located in the Balbala district of Djibouti City. The construction site stretches for several kilometers. The project created one thousand local jobs and promoted the development of Djibouti's quarrying and brick-making industry. Tadjoura Region's New Port project started on August 18, 2013. The terminal is composed of 23 cylindrical steel plate cofferdams with a diameter of 20.49 meters, the largest diameter of the same type of cofferdam in the world. When completed, the new port will open up the channel for Ethiopia's export of minerals and energy, greatly improving the logistics transportation from the capital of Djibouti to Tadjoura as well as the import and export of materials in Tadjoura region. On the day of its completion, the President and Prime Minister of Djibouti, the Prime Minister of Ethiopia and others attended the opening ceremony and cut ribbons for the project. The project was awarded the 2018-2019 China Construction Engineering Luban Prize the following year. The World Food Programme (WFP) logistics center project in Djibouti, completed in 2017, covers an area of approximately 40,000 square meters, and consists of packaging warehouses, non-food warehouses, office buildings, quality control rooms, grain management rooms and outdoor container yards. The four 30-meter-tall silos with a diameter of 27 meters can accommodate 40,000 tons of grain. It is the central hub for Djibouti to link Ethiopia and even East Africa, and is the WFP's first project in the world that fulfils the functions of storage, packaging and transshipment of grain. When completed, the project has promoted the efficient allocation and orderly flow of international food resources, better matched supply with demand, and significantly improved food security in East Africa.

The street lamp project in Central African Republic (CAR) is an important project that improves people's wellbeing. The project was built by China Railway 11th Bureau and started in 2016, including the installation of 200 solar street lights for the trunk roads in Bangui, the capital of the Central African Republic. In April 2022, the groundbreaking ceremony of the CAR solar street lamp maintenance project took place on Avenue des Martyrs in Bangui. The project will alleviate the energy crisis and ensure the people's travel safety in CAR.

V. Hubei Province Embraces an Innovative Mechanism for Cooperation with Africa

At the Beijing Summit of the FOCAC held in September 2018, President Xi Jinping proposed building a closer China-Africa community with a shared future and advocated the establishment of the China-Africa Innovation Cooperation Center (CAICC). In February 2021, the Ministry of Science and Technology of China approved the inauguration of the CAICC, which was established under the leading role of Hubei Province.

Centering around serving the country's diplomacy, the national opening-up and innovation strategy and local social and economic development, as well as the three areas of scientific research, industry and talents, the CAICC leverages its advantages in science and education and existing work foundation to act as a high-level platform for Hubei's cooperation with Africa in key fields such as optoelectronic information, space technology, biomedicine, modern agriculture, resources and environment, energy, public health, and prevention and control of epidemic diseases.

Hubei is at the forefront of China-Africa cooperation in science and technology. The China-Africa Joint Research Center, which was built under the leadership of Wuhan Botanical Garden of the Chinese Academy of Sciences, is the first large-scale comprehensive scientific and educational institution donated by the Chinese government to Africa. Hubei Lianfeng Overseas Agricultural Development Group Co., Ltd. carries out agricultural technique experiment and demonstration, training and promotion through China-Mozambique Agricultural Technology Demonstration Center. China Information and Communication Technology Group has implemented a number of projects including the western network of Algeria Telecom's national backbone network, the national access network of Morocco, the localization of optical cables in South Africa, and the laying of submarine optical cables in Kenya. Wuhan University, Wuhan University of Technology, Hubei Academy of Agricultural Sciences and other organizations and institutions have carried out research and demonstration under international cooperation projects with South Africa, Mozambique and other countries in water resource utilization, innovation of recycled materials, crop resource conservation and other fields, which have produced good economic and social benefits.