China’s Xi promises $50 billion for Africa over next three years

AFP- Chinese leader Xi Jinping on Thursday pledged over $50 billion in financing for Africa over the next three years, promising to deepen cooperation in infrastructure and trade with the continent as he addressed Beijing’s biggest summit since the pandemic.

More than 50 African leaders and UN Secretary General Antonio Guterres are attending this week’s China-Africa forum, according to state media.

African leaders already secured a plethora of deals this week for greater cooperation in infrastructure, agriculture, mining, trade and energy.

Addressing the leaders at the forum’s opening ceremony in Beijing’s ornate Great Hall of the People on Thursday morning, Xi hailed ties with the continent as in their “best period in history”.

“China is ready to deepen cooperation with African countries in industry, agriculture, infrastructure, trade and investment,” he said.

“Over the next three years, the Chinese government is willing to provide financial support amounting to 360 billion yuan ($50.7 billion),” Xi said.

Over half of that will be in credit, he said, with $11 billion “in various types of assistance” as well as $10 billion through encouraging Chinese firms to invest.

He also promised to help “create at least one million jobs for Africa”.

Also addressing the meeting, UN chief Guterres told African leaders that growing ties between China and the continent could “drive the renewable energy revolution”.

“China’s remarkable record of development — including on eradicating poverty -— provides a wealth of experience and expertise,” he said.

— Deals and pledges —

China, the world’s number two economy, is Africa’s largest trading partner and has sought to tap the continent’s vast troves of natural resources including copper, gold, lithium and rare earth minerals.

It has also furnished African countries with billions in loans that have helped build much-needed infrastructure but sometimes stoked controversy by saddling governments with huge debts.

Analysts say that Beijing’s largesse towards Africa is being recalibrated in the face of economic trouble at home and that geopolitical concerns over a growing tussle with the United States may increasingly be driving policy.

But bilateral meetings held on the sidelines of the summit delivered a slew of pledges on greater cooperation in projects from railway to solar panels to avocados.

Following meetings on Wednesday, Zambian President Hakainde Hichilema said he had overseen a deal between the country’s state-owned power company ZESCO and Beijing’s PowerChina to expand the use of rooftop solar panels in his country.

Nigeria — one of Beijing’s biggest debtors on the continent — and China inked a joint statement agreeing to “deepen cooperation” in infrastructure, including “transportation, ports and free trade zones”.

— Expanding transport links —

Tanzanian President Samia Suluhu Hassan, in turn, obtained a commitment from Xi to push for new progress on a long-stalled railway connecting his country to neighbouring Zambia.

That project – which Zambian media has said Beijing has pledged $1 billion towards – is aimed at expanding transport links in the resource-rich eastern part of the continent.

Zimbabwe also won promises from Beijing for deeper cooperation in "agriculture, mining, environmentally friendly traditional and new energy (and) transportation infrastructure", according to a joint statement by the two countries.

The southern African nation and Beijing also agreed to sign a deal that would allow the export of fresh Zimbabwean avocados to China, the joint statement said.

And Kenyan leader William Ruto said Xi had promised to open up China's markets to agricultural products from his country.

The two sides agreed to work together on the expansion of the country's Standard Gauge Railway – built with finance from Exim Bank of China – which connects the capital Nairobi with the port city of Mombasa.

And Ruto also secured a pledge for greater cooperation with China on the Rironi-Mau Summit-Malaba motorway, which Kenyan media has said is expected to cost $1.2 billion.

Ruto last year asked China for a $1 billion loan and the restructuring of existing debt to complete other stalled construction projects. The country now owes China more than $8 billion.

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