



China's BRI and the AfCFTA: Potential Overlaps, Complementarities and Challenges

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Executive summary

African countries have an opportunity to embark on more interconnected trade in the wake of the new African Continental Free Trade Area. This theme of interconnectivity resonates with China's Belt and Road Initiative, a massive infrastructure and services expansion project that forms the centerpiece of President Xi Jinping's foreign policy. At a time when the COVID-19 pandemic and its resultant financial crisis are battering the African continent, it is even more crucial to boost trade. China is the African continent's largest bilateral trading partner and trade will top the agenda of the triennial Forum on China-Africa Cooperation summit slated to take place in Senegal later this year. What opportunities will emerge from linking China's Belt and Road Initiative to Africa via the African Continental Free Trade Area? And what will be some of the challenges? This paper offers perspectives on current developments in the Belt and Road Initiative and the African Continental Free Trade Area. It also highlights both the complementarities and challenges arising from linking the two initiatives and gives readers a primer on the major points of discussion at the upcoming China-Africa summit. One of the conclusions reached is that while significant complementarities exist and there is interest from the Chinese side, linking the Belt and Road Initiative and the African Continental Free Trade Area poses some risks to African economies. A more coordinated African response is therefore needed to grasp available opportunities without sacrificing too many competitive advantages.

Introduction – COVID-19 and FOCAC's opportunity for Africa

As COVID-19 has spread across the world, including the African continent, it has exposed both vulnerabilities and opportunities in African countries' relationships with China. Although Africa is not yet fully on the road to recovery, COVID-19 presents a distinct 'moment' for change, which could be leveraged to induce a shift in the continent's relationship with China.

The Forum on China-Africa Cooperation (FOCAC), which was initiated in 2000, has provided a means to track the development of China-Africa relations over the past two decades. FOCAC 8, due to be held in late 2021, represents a key opportunity for African countries to plan a comprehensive strategy to anchor China-Africa negotiations and resultant agreements for the next three years. Furthermore, a cooperation plan was recently signed by China and the African Union, which is intended to help further ties between China and Africa at many levels.

In 2018, the declaration and action plan for FOCAC 7 made the first direct reference to the African Continental Free Trade Area (AfCFTA), which became operational on 1 January 2021, alongside a general endorsement of the Belt and Road Initiative (BRI), which was

initiated by China in October 2013. This is in line with the current major focus on improving connectivity on a transnational scale, on securing finance from China under FOCAC initiatives and on the BRI which has provided substantial support to African countries in their infrastructure development programmes. For instance, Chinese loans for the building of infrastructure, such as Kenya's Standard Gauge Railway, the Lamu Port-South Sudan-Ethiopia Transport Corridor and Nigeria's Lekki Port, have helped Africa improve its trade facilities and lowered the costs of trade significantly.

While continuous investment in infrastructure to close financial gaps remains important, there is also an urgent need to review whether trade and trade-related issues can or should be part of the BRI with a view to providing further support to African countries – especially trade that adds value and contributes to sustainable development on the continent.

The AfCFTA itself is important to China. First, under the AfCFTA, individual African countries entering into free trade agreements with 'third parties' can extend the benefits to other members of the AfCFTA through further negotiations.¹ In this way, China can secure greater access to many African markets. Second, Chinese investors can enjoy convenient, continent-level investment policies and the free cross-border movement of people from African countries, which could further attract Chinese investment.²

This report provides an in-depth analysis of the current stage of implementation of the BRI and the AfCFTA, respectively, with a view to probing whether and how they presently overlap and their potential complementarities and challenges in the years ahead.

The BRI: Current stage of implementation

The BRI, which is the abbreviation for the Silk Road Economic Belt and 21st Century Maritime Silk Road, was proposed by the Chinese president, Xi Jinping, in 2013 to improve connectivity and cooperation on a transcontinental scale. It has been described as one of the most ambitious foreign policy initiatives of the Chinese government and aims to strengthen Beijing's economic leadership through international trade and infrastructure programmes with countries in Asia, Europe and Africa. The BRI is an open arrangement that welcomes all countries to participate. As of 30 January 2021, 140 countries and 31 international organisations had signed cooperation documents (Memoranda of Understanding) with China on the BRI, of which 46 countries were in Africa (see Figure 1).³

1 Article 18 of the Agreement Establishing the African Continental Free Trade Area states: 'Following the entry into force of this Agreement, State Parties shall, when implementing this Agreement, accord each other, on a reciprocal basis, preferences that are no less favourable than those given to Third Parties.' See African Union, 'Agreement Establishing the African Continental Free Trade Area,' March 21, 2018, https://au.int/sites/default/files/treaties/36437-treaty-consolidated_text_on_cfta_-_en.pdf.

2 Forum on China-Africa Cooperation, 'Good news for the China-Africa Trade economic and trade cooperation,' January 13, 2021, <http://www.focac.org/chn/zfgx/jmhzt/t1846238.htm>.

3 Belt and Road Portal, 'List of countries that have signed cooperation documents with China to jointly build the "Belt and Road,"' March 12, 2021, <https://www.yidaiyilu.gov.cn/xwzx/roll/77298.htm>.

In December 2020, China and the African Union signed a cooperation plan to effectively promote the BRI and the African Union’s 2063 Agenda.⁴

Figure 1 African signatories to China’s BRI initiative (in gold)



Source: Author’s compilation. The list of countries was from the Belt and Road portal, <https://www.yidaiyilu.gov.cn/xwzx/roll/77298.htm>

The BRI has five major goals.⁵

- 1 **Policy coordination:** providing policy support for the implementation of practical cooperation initiatives and large-scale projects;
- 2 **Facilities connectivity:** improving facilities in the BRI region;

4 Government of the People’s Republic of China, ‘The Chinese government and the African Union sign a cooperation plan to build the “Belt and Road,”’ December 16, 2020, http://www.gov.cn/xinwen/2020-12/16/content_5569870.htm.

5 National Development and Reform Commission, Ministry of Foreign Affairs, and Ministry of Commerce of the People’s Republic of China, ‘Vision and Actions of Jointly Building Silk Road Economic Belt and 21st Maritime Silk Road,’ March 28, 2015, <http://2017.beltandroadforum.org/english/n100/2017/0410/c22-45.html#:~:text=The%20Chinese%20government%20has%20drafted,African%20countries%20more%20closely%20and>.

- 3 **Unimpeded trade:** advancing investment, trade facilitation and supply chain cooperation;
- 4 **Financial integration:** enhancing financial policy and bilateral financial cooperation;
- 5 **People-to-people bonds:** promoting cultural and academic exchanges, personnel exchanges, media cooperation and people-to-people exchanges.

The Leading Group for Promoting the Belt and Road Initiative was established in 2015 to ensure policy coherence in respect of BRI matters.⁶ It has an office, called the Department of Regional Openness, which operates under the National Development and Reform Commission.⁷ The Leading Group does not identify what BRI projects should or should not be implemented. Instead, its main responsibilities are to provide policy suggestions, promote the implementation of opening plans and policy measures, and engage in relevant regional cooperation.⁸

The BRI is an ambitious undertaking, which was written into UN Resolution 2274 (the mandate of the UN Assistance Mission in Afghanistan) in 2016⁹ and the Constitution of the Communist Party of China in 2017.¹⁰ Yet no formal or official documentation is known to outline the organisational structure of the BRI. Based on Chinese media coverage and reports, the implementation of the BRI takes place under the guidance of the National Development and Reform Commission, Ministry of Foreign Affairs, Ministry of Commerce, various other ministries and national departments, provincial- and city-level government departments (many of which have their own BRI promotion teams), state-owned banks and enterprises, and privately owned enterprises – which jointly mobilise capital and resources to facilitate investment and advance development within the BRI region.

There is currently a global discourse on what a BRI is, and views vary. Malaysian Prime Minister, Mahathir bin Mohamad, regarded the BRI as a ‘new version of colonialism’. The former US Secretary of State, Mike Pompeo, referred to the BRI as an attempt by China to buy an ‘empire’. However, the scholar Yuen Yuen Ang has called the BRI a ‘campaign’ with the characteristic pattern of ‘vision setting, mass mobilisation and subsequent recalibration’.¹¹

There is a Belt and Road Forum for International Cooperation which holds talks among countries and international organisations to strengthen development strategies, deepen

6 The Second Belt and Road Forum for International Cooperation News Center, *The Belt and Road Knowledge Handbook*, April 24, 2019, <http://www.brfmc2019.cn/200.shtml>.

7 National Development and Reform Commission of the People’s Republic of China, ‘Department of Regional Openness,’ n/d, <https://www.ndrc.gov.cn/fzggw/jgsj/kfs/>.

8 National Development and Reform Commission of the People’s Republic of China, ‘Department of Regional Openness.’

9 UN, ‘Security Council Adopts Resolution 2274 (2016), Authorizing One-Year Mandate Extension for United Nations Assistance Mission in Afghanistan,’ Press Release SC/12283, March 15, 2016, <https://www.un.org/press/en/2016/sc12283.doc.htm>.

10 The Second Belt and Road Forum for International Cooperation News Center, *The Belt and Road Knowledge Handbook*.

11 Yuenyuen Ang, ‘Demystifying Belt and Road: The Struggle to Define China’s Project of the Century,’ *Foreign Affairs*, May 22, 2019, https://www.foreignaffairs.com/articles/china/2019-05-22/demystifying-belt-and-road?utm_medium=promo_email&utm_source=lo_flows&utm_campaign=registered_user_welcome&utm_term=email_1&utm_content=20210509.

partnerships and achieve jointly led development under the BRI.¹² To date, the Forum has been held twice (in 2017 and 2019), but no future date has yet been determined.¹³ There are also a number of other platforms relating to different fields, such as the Beijing Initiative for the Clean Silk Road, Belt and Road Energy Partnership, and Digital Silk Road Initiative.¹⁴

China does not impose any specific requirements on companies that are willing to participate in the BRI. Any companies from any countries that comply with the relevant laws and regulations and are aligned to the concept of globalisation and the spirit of the BRI are generally able (and encouraged) to take part in the BRI. In China, the China Development Bank, the Export and Import Bank, and the four big state banks are major financiers of BRI projects. The Silk Road Fund was established in 2014 with \$40 billion to provide investment and financing support for projects and cooperation under the BRI framework. Special funds have also been introduced in provinces to support BRI projects. For example, in 2016, Shandong Province set up a joint fund to support the development of the BRI, while in 2017, Zhejiang Province set up the Silk Road (industrial investment) Fund to finance relevant projects.¹⁵ Traditional international financial institutions, commercial banks and other multilateral development finance institutions are also capable of providing financial support to BRI projects.¹⁶

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No concrete list of BRI projects has been prepared by the Chinese government. The Refinitiv BRI database revealed that by the first quarter of 2020 the total value of BRI projects¹⁷ was \$4 trillion, after capturing 3164 planned projects or those already under way.¹⁸ Chinese official figures showed that from 2013–2019, the total value of trade between China and other BRI-participating countries increased from \$1.04 trillion to \$1.34 trillion.

12 The Second Belt and Road Forum for International Cooperation News Center, 'Full text of joint communiqué of leaders' roundtable of 2nd BFR,' April 28, 2019, <http://www.brfmc2019.cn/en/>.

13 Ministry of Foreign Affairs of the People's Republic of China, 'Belt and Road Forum for International Cooperation,' August, 2019, https://www.fmprc.gov.cn/web/wjw_673085/zjzg_673183/gjjjs_674249/gjzzyhygk_674253/ydyllfh_692140/gk_692142/.

14 See Annex I for the full list of sectoral multilateral cooperation initiatives and platforms that were highlighted in the second Belt and Road Forum for International Cooperation.

15 The Second Belt and Road Forum for International Cooperation News Center, *The Belt and Road Knowledge Handbook*.

16 The Second Belt and Road Forum for International Cooperation News Center, *The Belt and Road Knowledge Handbook*.

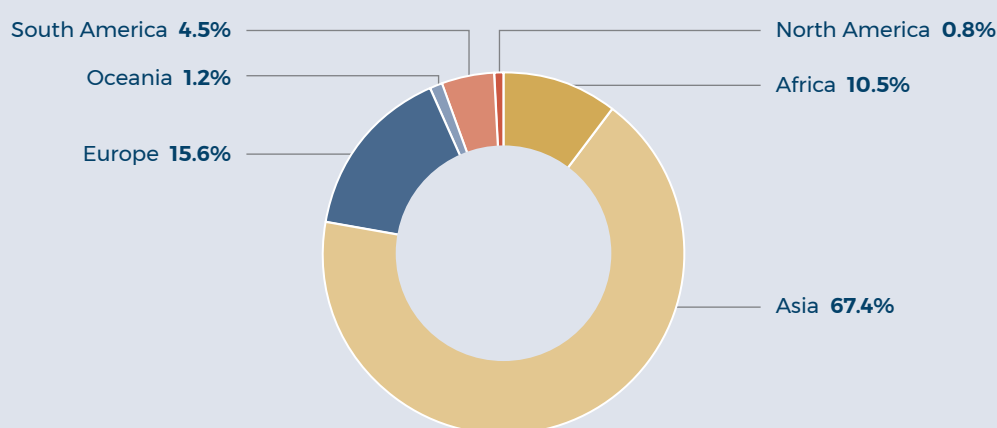
17 Refinitiv's methodology for identifying projects related to the BRI is available here.

18 Refinitiv, 'BRI Connect: An Initiative in Numbers, 4th Edition: The impact of pandemics on infrastructure projects,' https://www.refinitiv.com/content/dam/marketing/en_us/documents/gated/reports/belt-and-road-issue-4-impact-of-pandemic-on-infrastructure-projects.pdf.

In 2019, China's total goods trade with 138 countries that had signed the BRI cooperation document had reached \$1.90 trillion, accounting for 41.5% of China's total goods trade.

The cumulative, non-financial direct investment by Chinese enterprises in BRI countries from 2013–2019 exceeded \$100 billion, with an average annual growth rate of 4.4%.¹⁹ The African proportion of this remains unclear. However, among all the BRI trading partners, Africa had the third-largest slice of trade with China by the end of January 2020, accounting for 10.5% of the total, after Asia (67.4%) and Europe (15.6%) (See Figure 2).²⁰

Figure 2 China's trade relations with the BRI countries by region



Note: By the end of January 2020, a total of 138 countries had signed BRI cooperation documents with China. At present there are no import and export data between China and Niue.

Source: Ministry of Commerce of the People's Republic of China, 'China BRI Trade and Investment Cooperation Under the Belt and Road Initiative 2020,' September 2020

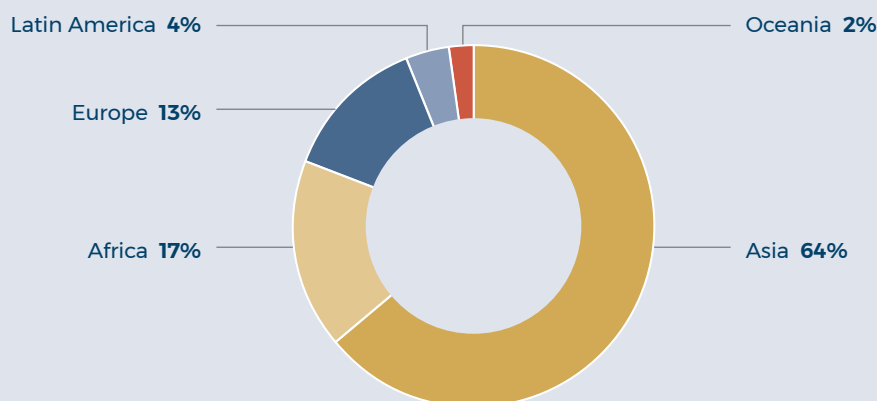
Furthermore, in terms of China's outward foreign direct investment (FDI), Africa was ranked the second-largest recipient of Chinese FDI stocks at the end of 2019, accounting for 17% of the total, after Asia (64%) (see Figure 3).²¹

19 Ministry of Commerce of the People's Republic of China, 'China BRI Trade and Investment Development Report 2020 launched,' September 10, 2020, <http://fec.mofcom.gov.cn/article/fwydy/zgzx/202009/20200903000037.shtml>. Please note: These data are from the Chinese Ministry of Commerce and the figures exclude non-BRI countries, eg, the US and India. The authors of this paper neither have the list of countries nor know what happened to other countries.

20 Ministry of Commerce of the People's Republic of China, 'China BRI Trade and Investment Cooperation Under the Belt and Road Initiative 2020,' September 2020. Please note: These data are from the Chinese Ministry of Commerce and the figures exclude non-BRI countries, eg, the US and India. The authors of this paper neither have the list of countries nor know what happened to other countries.

21 Ministry of Commerce, National Bureau of Statistics and State Administration of Foreign Exchange of the People's Republic of China, '2019 Statistical Bulletin of China's Outward Foreign Direct Investment,' September 2020.

Figure 3 Chinese FDI stocks in BRI-participating countries by region



Source: Ministry of Commerce, National Bureau of Statistics and State Administration of Foreign Exchange of the People's Republic of China, '2019 Statistical Bulletin of China's Outward Foreign Direct Investment,' September 2020

Despite these impressive statistics for Africa, it is likely that China's strategic planning and resourcefulness – eg, making concessional finance available and identifying trade and investment gaps – have driven Africa's performance under the BRI, rather than proactiveness on the continent's part. The lack of strategic engagement from the African side could well remain a challenge, especially given the strong focus by the continent's leaders on the AfCFTA, which is discussed below.

The AfCFTA: Current stage of implementation

One of the goals of the African Union's '2063 Agenda: The Africa We Want' is the creation of a single market. The desire for a single market dates back to the start of pan-Africanism which coincided with the establishment of the Organisation of African Unity, the predecessor of the African Union, in 1963.²² However, the journey towards the establishment of the AfCFTA began in Johannesburg, South Africa on 15 June 2015 when negotiations for the free trade area were launched. The journey so far has been characterised by committed efforts by African Union members to realise this continental ambition. The treaty was signed on 21 March 2018 in Kigali, Rwanda and the agreement came into force on 30 May 2019, with the operationalisation phase kicking off in Niamey, Niger on 7 July 2019. While the AfCFTA was officially established in May 2019, it started trading on 1 January 2021. All AfCFTA-related negotiations are being coordinated by the African Union Commission's Department of Trade and Industry.

22 Bernhard Troster and Eva Janechova, 'The long journey towards Pan-African integration: The African Continental Free Trade Area and its challenges,' Austrain Foundation for Development Research, March 2021, <https://www.econstor.eu/bitstream/10419/232581/1/1752670329.pdf>.

Fifty-four (54) countries have signed the consolidated text of the Agreement Establishing the AfCFTA, with the exception of Eritrea. As of January 2021, thirty-six (36) countries had deposited their instruments of ratification with the depository of the African Union Commission (see Table 1).²³ Twenty-nine (29) of the 36 countries are also signatories to the BRI. Of the seven non-signatories, three are of particular significance. One is Mauritius, which has a separate FTA with China (see Table 1), and the others are eSwatini and Saharawi Republic – the only two AU member states that do not have diplomatic relations with China. Given the close overlap between the sets of signatories, both African and Chinese investors have an incentive to consider how to leverage their trade linkages with these countries and how infrastructure projects will directly enhance trade.

TABLE 1 AU MEMBER STATES THAT HAVE RATIFIED THE AfCFTA (BRI SIGNATORIES ARE IN BOLD)

Algeria	eSwatini	Mauritania	South Africa
Angola	Equatorial Guinea	Mauritius	The Gambia
Burkina Faso	Ethiopia	Namibia	Togo
Cameroon	Gabon	Niger	Uganda
Central African Republic	Ghana	Nigeria	Zambia
Chad	Guinea	Rwanda	Zimbabwe
Republic of Congo	Kenya	Saharawi Republic	
Côte d'Ivoire	Lesotho	São Tomé & Príncipe	
Djibouti	Malawi	Senegal	
Egypt	Mali	Sierra Leone	

The structure of the AfCFTA

The AfCFTA is divided into four different bodies which are designed to ‘oversee, promote and monitor’²⁴ the implementation of the FTA in terms of political, policy and technical guidance and assistance.

- The Assembly of the African Union is the highest decision-making organ of the AfCFTA whose role is to ‘provide oversight and strategic guidance on the AfCFTA’.
- The Council of Ministers of Trade comprises ministers of member states and is responsible for overseeing trade-related issues. The Committee of Senior Trade Officials has the mandate to introduce regulations, issue directives and make recommendations.

²³ Tralac, ‘Status of AfCFTA Ratification,’ March 14, 2021, <https://www.tralac.org/resources/infographic/13795-status-of-afcfta-ratification.html#:~:text=The%20Agreement%20entered%20into%20force,Niger%20on%207%20July%202019.>

²⁴ TralacBLOG, ‘The Institutions of the African Continental Free Trade Area,’ September 13, 2019, <https://www.tralac.org/blog/article/14238-the-institutions-of-the-african-continental-free-trade-area.html>.

- The Secretariat is the implementing body of the AfCFTA. It is described as a ‘functionally autonomous body within the AU system’ whose budget is allocated by the AU. Under Article 13 of the AfCFTA Agreement, both the Secretariat’s roles and responsibilities shall be defined by the Council of Ministers of Trade.²⁵

Another operating body that is not shown in the structure is the African Trade Observatory whose primary responsibility is to provide up-to-date data and to oversee all relevant processes relating to intra-Africa trade.²⁶

The AfCFTA also comprises seven technical committees:²⁷ legal and institutional affairs, rules of origin, non-tariff barriers and barriers to trade, trade remedies, trade in services, sanitary and phytosanitary measures, and customs procedures and trade facilitation.

Overlaps, potential complementarities and challenges

The success of the AfCFTA depends largely on the momentum of the member states. However, the strength of the underlying agreement lies in the existing African Union policies and frameworks as well as the regional trade agreements (RTAs) on the continent. Other policy documents that will facilitate the growth of this single continental market include the Single African Air Transport Market and the Protocol on Free Movement of Persons.²⁸ Additional policy documents that will directly impact the facilitation of intra-African trade include the African Union Trade Facilitation Strategy and the AU Services Sector Development Programme.²⁹ Together these policies should facilitate the effectiveness of the AfCFTA by making travel easier within the region and driving greater mobility of people across the continent, both for tourism and trade purposes.

The success of the AfCFTA depends largely on the momentum of the member states

25 TralacBLOG, ‘The Institutions of the African Continental Free Trade Area’ and African Union, ‘AfCFTA Secretariat: What we do,’ n/d, <https://afcfta.au.int/en/what-we-do>.

26 TralacBLOG, ‘The Institutions of the African Continental Free Trade Area’ and African Union, ‘AfCFTA Secretariat: What we do.’

27 Tralac, ‘The AfCFTA: A Tralac guide,’ n/d, <https://www.tralac.org/documents/resources/booklets/3028-afcfta-a-tralac-guide-6th-edition-november-2019/file.html>.

28 African Union, ‘Africa-EU Partnership’.

29 GIZ, ‘African Continental Free Trade Area (AfCFTA),’ n/d, <https://www.giz.de/en/worldwide/59611.html>.

One of the strengths of the AfCFTA is its capacity to use four existing customs unions to drive more extensive trade

One of the strengths of the AfCFTA is its capacity to use four existing customs unions to drive more extensive trade, ie, the East African Community, the Southern African Customs Union, the Central African Economic and Monetary Community and the Economic Community of West African States. However, right now, it is unclear how these policies and frameworks are used to support these economic communities' engagement with China.

Despite the immense potential of the AfCFTA, the potential challenges to its successful implementation need to be highlighted, including poor infrastructure (such as road and rail networks that should be connecting production and trade hubs across the continent) as well as political instability and border bureaucracy.³⁰

There is no doubt that China's BRI can and should continue to contribute positively to infrastructure financing in particular, thereby creating incentives to reduce conflict and bureaucracy. Yet, again, this requires significant coordination to ensure that Chinese financing is directed at projects that will offer the greatest value in terms of boosting the AfCFTA. The question is: is this possible?

China's interest in tapping into the world's largest free trade area

The AfCFTA is set to boost intra-Africa trade and facilitate sustainable development across the continent. The Africa-EU partnership, for example, predicts that the AfCFTA will result in intra-Africa trade increasing by 12%.³¹ This single market is expected to connect 1.3 billion people across 55 African Union member states with a combined gross domestic product valued at \$3.4 trillion. The UN Economic Commission for Africa estimates that by 2022, intra-Africa trade could rise by 52%³² through the elimination of import duties and could more than double through the reduction in non-tariff barriers.³³

30 Joe Bavier, 'African free trade bloc opens for business but challenges remain,' World Economic Forum, January 5, 2021, <https://www.weforum.org/agenda/2021/01/african-free-trade-bloc-business-challenges#:~:text=The%20African%20Continental%20Free%20Trade,bureaucracy%20will%20not%20disappear%20overnight>.

31 African Union, 'Africa-EU Partnership'.

32 Angelle B. Kwemo, 'The AfCFTA: The first step of a long marathon,' Brookings, September 3, 2020, <https://www.brookings.edu/blog/africa-in-focus/2019/09/03/the-afcfta-the-first-step-of-a-long-marathon/>.

33 David Luke and Lily Sommer, 'Africa: Opinion - to Build Back Better, Make African Trade Greener,' AllAfrica, October 5, 2020, <https://allafrica.com/stories/202010060059.html>.

The AfCFTA has already agreed to 90% of tariff offers and 34 service offers, which will contribute towards the forging of regional trade linkages. The World Bank projects that the continental free trade area will help 30 million people to lift themselves out of poverty by 2035.³⁴ This means that by 2030, African countries will have combined consumer and business spending power valued at \$6.7 trillion.³⁵

As the world's largest manufacturing hub, China has an incentive to be a part of the AfCFTA and to sell goods into this market at prices that are as low as possible

As the world's largest manufacturing hub, China has an incentive to be a part of the AfCFTA and to sell goods into this market at prices that are as low as possible. This would include engaging in e-commerce with the continent.³⁶ However, there are concerns that if China does make its presence felt in this way, it could undermine the AfCFTA itself by flooding the market with cheap goods.³⁷ Furthermore, it is still unclear whether China – under the BRI – really plans to shift manufacturing from China to the continent on a massive scale and invest in improving infrastructure along transport corridors, which would deliver hoped-for efficiencies and development gains for Africa.

Conclusion

The potential of linking the AfCFTA and the BRI had already been mooted at FOCAC 7 in 2018, and with FOCAC 8 expected to be held at the end of 2021 in Dakar, Senegal, this possibility will undoubtedly be raised again. This paper has traced the progress of the BRI and the AfCFTA to date and has outlined some of the existing overlaps between them. The paper has also emphasised that while there is strong *current* interest from China in the AfCFTA, China's longer-term interests are less clear, while the African interest in the BRI is loosely coordinated. This means that while there are overlaps between the BRI and the AfCFTA, the complementarities are not yet very clear, and there may well be opportunity costs and risks to African economic interests if this lack of clarity persists.

34 World Bank, *The African Continental Free Trade Area Economic and Distributional Effects*, 2020, <https://openknowledge.worldbank.org/bitstream/handle/10986/34139/9781464815591.pdf>.

35 Landry Signé, 'Capturing Africa's high returns', Brookings, March 14, 2018, <https://www.brookings.edu/opinions/capturing-africas-high-returns/>.

36 Quentin Velluet, 'China's Jack Ma: An African strategy of connect and influence', *Africa Report*, November 6, 2020, <https://www.theafricareport.com/49512/chinas-jack-ma-the-chess-game-he-refuses-to-lose-in-africa/>.

37 Ray Mwareya and Nyasha Bhobo, 'Will China help or hurt the AfCFTA?' *Africa Report*, February 2, 2021, <https://www.theafricareport.com/61451/will-china-help-or-hurt-the-afcfta/>.

While there are overlaps between the BRI and the AfCFTA, the complementarities are not yet very clear, and there may well be opportunity costs and risks to African economic interests if this lack of clarity persists

Thus, the key conclusion that can be drawn from this analysis is that priority should be given to determining how to proactively integrate the BRI and the AfCFTA to ensure complementarity. In particular, to fully prepare for FOCAC 8 in 2021, the African Union and individual African governments should find opportunities to confer with one another on the current interlinkages between the BRI and the AfCFTA, as well as the prospects for establishing further linkages. This will provide African governments with a useful basis for formulating (at least elements of) a clear strategy for an equitable and fair continental economic relationship with China. From this continental strategy, governments can develop country-specific strategies that leverage the benefits of the BRI and the AfCFTA in order to drive their own national development goals and plans.

Annex I

Sectoral multilateral cooperation initiatives and platforms highlighted in the 2nd Belt and Road Forum for International Cooperation

- 1 Advisory Council of the Belt and Road Forum for International Cooperation
- 2 Alliance of International Science Organizations in the Belt and Road Region
- 3 Beijing Initiative for the Clean Silk Road
- 4 Belt and Road Energy Partnership
- 5 Belt and Road Initiative Tax Administration Cooperation Mechanism
- 6 Belt and Road News Alliance
- 7 Belt and Road Studies Network
- 8 Digital Silk Road Initiative
- 9 Guiding Principles on Financing the Development of the Belt and Road
- 10 International Silk Road Academy of Sciences
- 11 International Coalition for Green Development on the Belt and Road
- 12 Joint Statement on Pragmatic Cooperation in the Field of Intellectual Property Among Countries Along the Belt and Road
- 13 Joint Working Group on China Railway Express to Europe
- 14 Ningbo Initiative on the Maritime Silk Road Port International Cooperation Forum

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Acknowledgement

SAIIA gratefully acknowledges the support of the Swedish International Development Cooperation Agency (SIDA) for this publication.

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Cover image

Chinese President Xi Jinping (C) with South African President Cyril Ramaphosa (L) attend the 2018 Beijing Summit Of The Forum On China-Africa Cooperation - Joint Press Conference at the Great Hall of the People (Lintao Zhang/Pool/Getty Images)

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