Africa, connected to Europe and Asia by the New Silk Roads
My Africa-Asia-Europe business experience

2003-2008: Business Development Manager, Asia and Africa, based in Shanghai

Civil engineering and energy EPC projects in West and Central Africa.
Built technical, commercial and financial partnerships with Chinese and non Chinese companies.
Lead developments in Ghana, Togo, Gabon, Guinea, Congo-b for various projects: powerline, O&G terminal and pipelines, national census, hospital construction, Cocoa digital traceability...

2013: Graduated from the EMBA of the China Europe International Business School, in Accra
Created, in Shanghai, 20 years ago by the UE and the Chinese government, it is ranked by the Financial Times 13th worldwide for EMBA and 17th for MBA. It has its owned campus in Ghana since 2008.

2014-on going: Independent business advisor for Asia-Africa cooperation, based in Paris
Business Consulting
Project development
Supporting the “Coopération France-Chine en pays tiers”
Early morning in the Africa-China-France reality

Weihai International Economic & Technical Cooperative Co., Ltd

Maya-Maya se modernise

Kiri

Le Monde diplomatique

Aéroports de Lyon

Management & Services

Jeremy Rubel
From the discovery of the new world to the New World Order

- **1433**: Zheng He, beyond the « mare nostrum »

- **1800′**: First Chinese emigrations to Africa due to western colonial powers.

- **1949-1991**: Liberation and affirmation with South-South political cooperation (Taiwan)
  - 1955: Bandung
  - 1970: Tazara
  - 1971: ONU

- **1991-2007**: Exports the « Made in China »
  - Turnkey infra projects financed with sovereign loans.
  - Low quality good exports
  - Sourcing and first investments into raw materials.
  - « barter deals » cooperation model based on domestic experience 70′-80′.

- **2007-2013**: « from being invested to investing »
  - 2007 FOCAC and creation of the China Africa Development Fund
  - 2013: Go Global, New Silk road: « One Belt One Road »

- **2014 and beyond**: the “New World Order”
  - South China sea
  - 2016: Silk Road Business Council
  - Xi vs Trump?
Chinese presences in Africa today

**The economical weight of Africa is marginal for China compared to the political weight of its 54 states for Beijing!!!**

- **Politics:** “Pax economica et non interference”
  - South-South cooperation motto.
  - Use Africa in the global diplomatic game to defend China’s irredentism (Taiwan: Sao Tome, South China Sea: Niger), and as a pillar for its **New World Order**.
  - Security: Libyan lesson, UN missions in Mali, Djibouti, learning from overseas operations...
  - Economic diplomacy headed by the MOC.
  - Wars, famine, and exoduses are not good for business and political stability.

- **Cultural:**
  - Many stereotypes and myth are being broadcasted by the media and Africans have first hand experience through encounter with the Chinese diasporas.
  - Global positive image of the Chinese people in Africa.
  - Strong effort from Beijing to teach Mandarin, 10,000 African student go to China every year.

- **Population**
  - 4,000,000 Chinese residing Africa, representing 0,25% of the Bn1,5 total Chinese population.
  - **!! Myth of the prisoners !!**
Chinese Business presences in Africa today

Business landscape

- **China in Africa is not a monolith**
- SOE Central or regional
- Large private companies
- Specialists of Africa
- SMEs
- Traders

Why would they go?

- **Market access**, locally and to US and EU.
- **Natural resources** (minerals, leather, raw foodstuff,...).
- **Cheap labour**, « industrial army of reserve ».
- Learning playground.
- Environmental issues.

Main institutional financial tools

**Policy banks:**
- **ExIm**: (grants, concessional loans)
- **CDB**: (commercial loans)

**Africa focused investment funds:**
- **CADF**: China Africa Development Fund $10Bn, subsidiary of CDB, created in 2007
- **CAICCF**: China-Africa Industrial Capacity Cooperation Fund Company Limited, created in 2016, $10Md jointly run by SAFE et ExIm.
Trade

Africa represents only 5% of China global exports.

Chinese products represents 25% of all Africa’s imports.
Infrastructure construction services

Corridors and hubs to interconnect the African states to each others and connect them all to the NSR leading to Europe and Asia.

Chinese companies are building more of than 40% of all the infrastructures in Africa.

So far Chinese companies, mainly SOEs have been operating on an EPCF basis being the tool subsidised Beijing or a being cheaper on international tenders.

!! Myth of the bad quality : World Bank 2016 study

We are just at the beginning of a new wave of massive investments into horizontal corridors (roads, rail, fibre, electricity, gas) and vertical hubs (ports, airports, SEZ, industrial and logistical parks, power plants,...).
A relatively small stock, but growing flows
Very diversified sectors and destinations
A few large deals as well as many SME ones

**Stock of Investment $40Bn**
- Africa represents only **4%** of the total Chinese ODI
- Chinese ODI in represents only **4%** of all FDI in Africa

!! Myth of massive investments in natural resources
African Agri-Business: the optimal cooperation area for France and China (and Japan?!) 

The doubling of the African population and the climate changes have lead the NEPAD and the ADB to call for a dramatic modernisation of the African agriculture.

France and China together with other partners can cooperate with Africans to meet these challenges impacting the world. France and China in particular have complementary resources:

- **Synergies** to grow, process and sell in a sustainable ways.
- **Both countries have relatively weak** presences in the African agribusiness in particulars when it comes to land use and cultivation.
- **Both countries aspire to impact the world** and share key common interests.

China and Africa are highly exposed to international food prices variations (2008 crisis)

Everyone wins if Africa can feed itself and get richer by exporting.

!! Myth of the Land Grab

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Merci
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