THE BRI STATUS

A GRAND REPORT ON ITS PRESENT & FUTURE

A REPORT BY

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Table of Contents

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The Belt and Road Initiative: A Grand Report on Its Status and Future

The Chinese government introduced the **Belt and Road Initiative (BRI),** a global infrastructure development initiative in **2013**. The plan aims to connect **Asia, Africa, and Europe** with a network of roads, trains, ports, and other infrastructure. The BRI got acclaim from the Chinese government for its ability to **boost connectivity** and economic growth in underdeveloped countries worldwide. However, the initiative has significantly harmed the environment, placed the signatory countries under an **unrestrained amount of debt** (a situation known as the "debt trap"), and the projects lacked transparency.

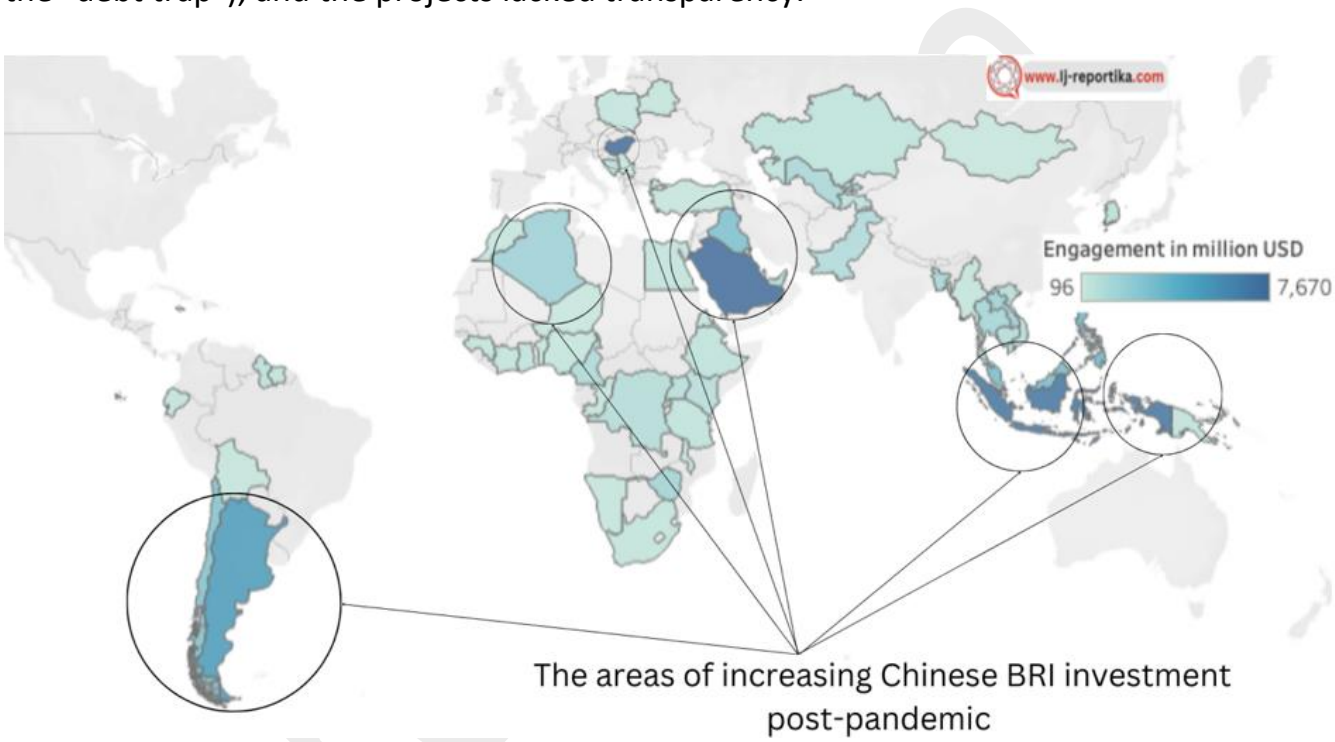

Figure 1 The new areas of Chinese investments under BRI post-pandemic

Debt Trap

When a nation borrows a large amount of money that it is unable to pay back its obligations, such a condition is known as a **debt trap**. This results in a variety of issues, such as **political instability, economic instability, and even the loss of sovereignty**. There have been several instances when it has been said that countries have fallen into debt traps as a result of BRI projects. For instance, **Sri Lanka was compelled to give China control of a significant port** when it was unable to pay its debts.

The BRI has been criticized for its **lack of transparency**. There is little information available about the **costs** and benefits of the **BRI projects**, and there have been allegations of **corruption** in some of the deals. **This makes it difficult to assess the true risks of the BRI for developing countries.**

The growth of BRI

According to our investigation, **62.8% of the countries** that have joined the BRI are **developing countries**, while around **17% are developed countries**. This suggests that the **BRI is primarily focused on developing countries**. This is likely because developing countries have a greater need for infrastructure investment than developed countries.

Developing countries often have a need for loans to finance infrastructure projects. **The BRI offers these countries an opportunity to access Chinese loans**. However, there is a risk that these **loans could lead to debt traps** as discussed in the previous section. Politicians' hunger in developing and upper-middle-income economies for Chinese loans and **subsequent inability to repay them has hurt the entire political and economic stability** of countries like **Sri Lanka, Pakistan, Nepal, Ethiopia, and Congo!**

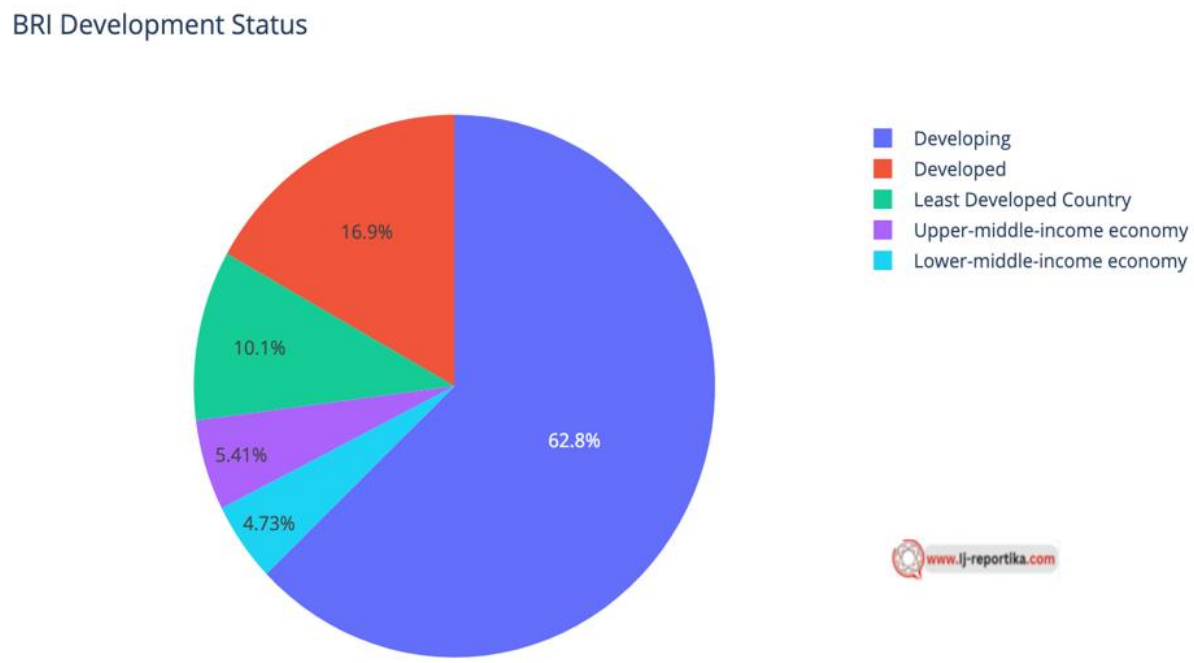

Figure 2 BRI status in various countries based on the status of development

Our analysis also shows that of the BRI member countries, **parliamentary democracies make up 30%, presidential republics make up 25.3%, and countries with a presidential system (not republics) make up 18.7%.** This suggests that the BRI is not limited to any particular type of government. Countries whose **political parties competed with one another were more likely to join the BRI**. This is because leaders in these countries, like those in Kenya,

are more likely to be **enticed by hefty Chinese loans, as the loan terms and their future implications are typically kept secret from the public**.

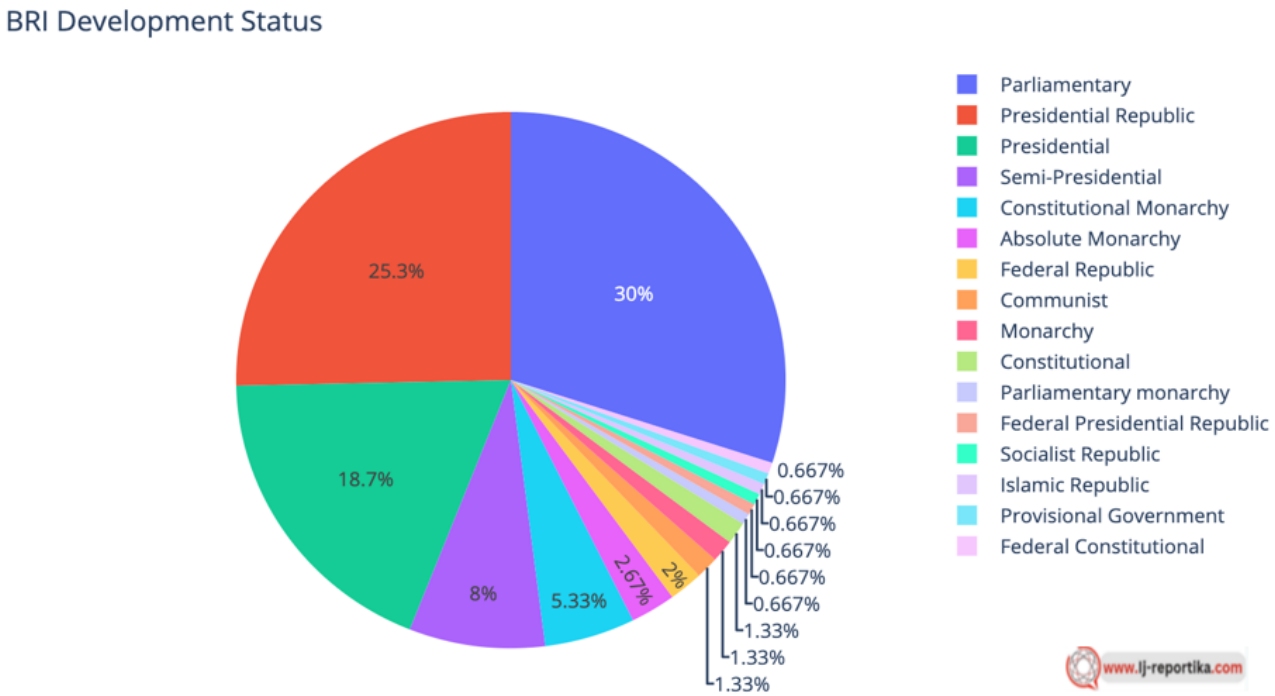

Figure 3 BRI status in various countries based on the type of rule

If we talk about the continents, **27% of the nations that have joined the BRI are in Asia and 33.1%** are in **Africa**. Resources like **cobalt, diamonds, platinum, and uranium** are abundant in most of the African nations that make up the BRI. In addition to **plundering resources** from these areas, Chinese corporations often **lock fragile nations in vicious loan cycles**.

China lures nations in Asia not just for its **financial prospects** but also for geopolitical and strategic upsides. Countries like **Nepal, Sri Lanka, and Pakistan join BRI** in order to **gain political favor, access to quick loans, and the benefit of being associated with the second-largest economy in the world**. But after ten years, BRI's impact on these nations has only recently become apparent. This has been thoroughly explored in this report.

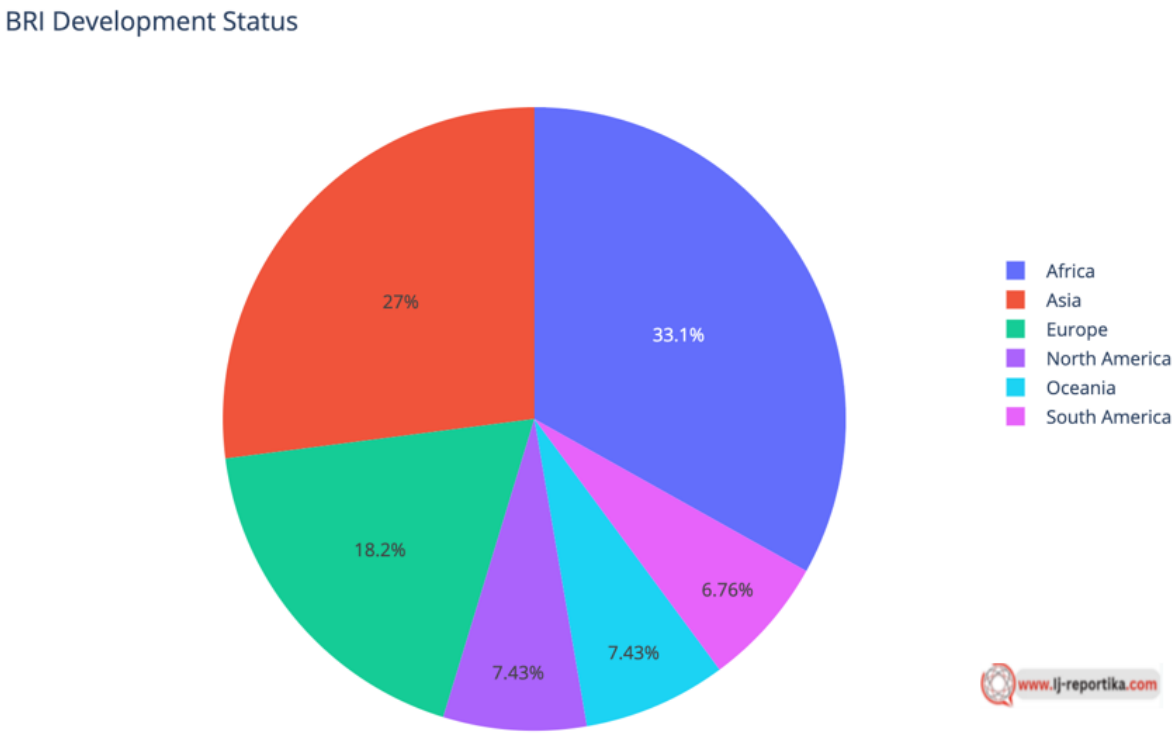

Figure 4 BRI status in various countries based on the continent

The BRI participants

SNO	Country Name	Continent	Constitutional form	Head of state	Basis of executive legitimacy	Development status
1	Afghanistan	Asia	Islamic Republic	President	Terrorist organisation controlled government	Least Developed Country
2	Albania	Europe	Parliamentary Republic	President	Popularly elected	Upper-middle-income economy
3	Algeria	Africa	Presidential Republic	President	Popularly elected	Upper-middle-income economy
4	Angola	Africa	Presidential Republic	President	Popularly elected	Lower-middle-income economy
5	Antigua and Barbuda	North America	Constitutional Monarchy	Monarch	Hereditary	Developed

6	Argentina	South America	Presidential Republic	President	Popularly elected	Upper-middle-income economy
7	Armenia	Asia	Parliamentary Republic	President	Popularly elected	Lower-middle-income economy
8	Austria	Europe	Parliamentary Republic	President	Hereditary	Developed
9	Azerbaijan	Asia	Presidential Republic	President	Popularly elected	Upper-middle-income economy
10	Bahrain	Asia	Constitutional Monarchy	King	Hereditary	Developed
11	Bangladesh	Asia	Parliamentary Republic	President	Popularly elected	Lower-middle-income economy
12	Barbados	North America	Parliamentary monarchy	Monarch	Hereditary	Developed
13	Belarus	Europe	Presidential Republic	President	Popularly elected	Upper-middle-income economy
14	Benin	Africa	Presidential Republic	President	Popularly elected	Least Developed Country
15	Bolivia	South America	Presidential Republic	President	Popularly elected	Lower-middle-income economy
16	Bosnia and Herzegovina	Europe	Parliamentary Republic	Tripartite presidency	Popularly elected	Upper-middle-income economy
17	Botswana	Africa	Parliamentary Republic	President	Popularly elected	Upper-middle-income economy
18	Brunei Darussalam	Asia	Absolute Monarchy	Sultan	Hereditary	Developed
19	Bulgaria	Europe	Parliamentary Republic	President	Popularly elected	Upper-middle-income economy
20	Burundi	Africa	Presidential Republic	President	Popularly elected	Least Developed Country
21	Cabo Verde	Africa	Semi-Presidential	President	Popularly elected	Lower-middle-income economy

22	Cambodia	Asia	Constitutional Monarchy	King	Hereditary	Lower-middle-income economy
23	Cameroon	Africa	Presidential Republic	President	Popularly elected	Lower-middle-income economy
24	Chad	Africa	Presidential Republic	President	Popularly elected	Least Developed Country
25	Chile	South America	Presidential Republic	President	Popularly elected	Developed
26	Comoros	Africa	Federal Presidential Republic	President	Direct popular election	Developing
27	Congo, Dem. Rep.	Africa	Federal Republic	President	Indirect election	Least Developed Country
28	Congo, Rep.	Africa	Presidential Republic	President	Direct popular election	Developing
29	Cook Islands	Oceania	Parliamentary Democracy	Queen of New Zealand	Hereditary	Developing
30	Costa Rica	North America	Presidential Republic	President	Direct popular election	Developing
31	Côte d'Ivoire	Africa	Presidential Republic	President	Direct popular election	Developing
32	Croatia	Europe	Parliamentary Republic	President	Direct popular election	Developed
33	Cuba	North America	Socialist Republic	President of the Council of State and President of the Council of Ministers	Indirect election	Developing
34	Cyprus	Europe	Presidential Republic	President	Direct popular election	Developed
35	Czech Republic	Europe	Parliamentary Republic	President	Direct popular election	Developed

36	Djibouti	Africa	Presidential Republic	President	Direct popular election	Developing
37	Dominica	North America	Parliamentary Democracy	President	Indirect election	Developing
38	Dominican Republic	North America	Presidential Republic	President	Direct popular election	Developing
39	Ecuador	South America	Presidential Republic	President	Direct popular election	Developing
40	Egypt, Arab Rep.	Africa	Presidential Republic	President	Direct popular election	Developing
41	El Salvador	North America	Presidential Republic	President	Direct popular election	Developing
42	Equatorial Guinea	Africa	Presidential Republic	President	Indirect election	Developing
43	Eritrea	Africa	Presidential Republic	President	Indirect election	Developing
44	Estonia	Europe	Parliamentary Republic	President	Indirect election	Developed
45	Ethiopia	Africa	Parliamentary Republic	President	Indirect election	Developing
46	Fiji	Oceania	Parliamentary Republic	President	Indirect election	Developing
47	Gabon	Africa	Presidential Republic	President	Direct popular election	Developing
48	Gambia, The	Africa	Presidential Republic	President	Direct popular election	Least Developed Country
49	Georgia	Asia	Semi-Presidential	President	Direct popular election	Developing
50	Ghana	Africa	Presidential Republic	President	Direct popular election	Developing
51	Greece	Europe	Parliamentary Republic	President	Direct election	Developed
52	Grenada	North America	Parliamentary democracy	Monarch	Hereditary	Developing
53	Guinea	Africa	Presidential Republic	President	Popular vote	Developing

54	Guinea-Bissau	Africa	Semi-Presidential	President	Popular vote	Least Developed Country
55	Guyana	South America	Presidential Republic	President	Popular vote	Developing
56	Hungary	Europe	Parliamentary Republic	President	Parliamentary election	Developed
57	Indonesia	Asia	Presidential Republic	President	Direct election	Developing
58	Iran, Islamic Rep.	Asia	Islamic Republic	Supreme Leader	Appointment	Developing
59	Iraq	Asia	Parliamentary Republic	President	Parliament election	Developing
60	Italy	Europe	Parliamentary Republic	President	Parliamentary election	Developed
61	Jamaica	North America	Constitutional Monarchy	Monarch	Hereditary	Developing
62	Kazakhstan	Asia	Presidential Republic	President	Popular vote	Developing
63	Kenya	Africa	Presidential Republic	President	Popular vote	Developing
64	Kiribati	Oceania	Parliamentary Republic	President	Parliament election	Developing
65	Korea, Rep.	Asia	Presidential Republic	President	Popular vote	Developed
66	Kuwait	Asia	Constitutional Monarchy	Emir	Hereditary	Developed
67	Kyrgyz Republic	Asia	Parliamentary Republic	President	Popular vote	Developing
68	Lao PDR	Asia	One Party State	President	Popular vote	Least Developed Country
69	Latvia	Europe	Parliamentary Republic	President	Parliamentary election	Developed
70	Lebanon	Asia	Parliamentary Republic	President	Parliamentary election	Developing
71	Lesotho	Africa	Parliamentary Constitutional Monarchy	King	Hereditary	Developing
72	Libya	Africa	Provisional Government	Prime Minister	Appointment by the President	Developing
73	Lithuania	Europe	Semi-Presidential	President and Prime Minister	Direct Election and Appointment	Developed

74	Luxembourg	Europe	Constitutional Monarchy	Prime Minister	Appointment by the Grand Duke	Developed
75	Madagascar	Africa	Semi-Presidential	President and Prime Minister	Direct Election and Appointment	Developing
76	Malawi	Africa	Presidential Republic	President	Direct Election	Developing
77	Malaysia	Asia	Federal Constitutional Monarchy	Prime Minister	Appointment by the King	Developing
78	Maldives	Asia	Presidential Republic	President	Direct Election	Developing
79	Mali	Africa	Semi-Presidential	President and Prime Minister	Direct Election and Appointment	Developing
80	Malta	Europe	Parliamentary Republic	Prime Minister	Appointment by the President	Developed
81	Mauritania	Africa	Presidential Republic	President	Direct Election	Developing
82	Micronesia, Fed. Sts.	Oceania	Federal Republic	President	Direct Election	Developing
83	Moldova	Europe	Parliamentary Republic	Prime Minister	Appointment by the President	Developing
84	Mongolia	Asia	Semi-Presidential	President and Prime Minister	Direct Election and Appointment	Developing
85	Montenegro	Europe	Parliamentary Republic	Prime Minister	Appointment by the President	Developing
86	Morocco	Africa	Constitutional Monarchy	Prime Minister	Appointment by the King	Developing
87	Mozambique	Africa	Presidential Republic	President	Direct Election	Developing
88	Myanmar	Asia	Presidential Republic	President	Indirect Election	Developing
89	Namibia	Africa	Presidential Republic	President	Direct Election	Developing

90	Nepal	Asia	Parliamentary Republic	Prime Minister	Appointment by the President	Developing
91	New Zealand	Oceania	Parliamentary democracy	Prime Minister	Democratic	Developed
92	Nicaragua	North America	Presidential representative	President	Democratic	Developing
93	Niger	Africa	Semi-Presidential Representative	President and Prime Minister	Democratic	Developing
94	Nigeria	Africa	Federal Presidential Republic	President	Democratic	Developing
95	Niue	Oceania	Parliamentary democracy	Premier	Democratic	Developing
96	North Macedonia	Europe	Parliamentary representative	Prime Minister	Democratic	Developing
97	Oman	Asia	Absolute Monarchy	Sultan	Hereditary monarch	Developing
98	Pakistan	Asia	Parliamentary Republic	Prime Minister	Democratic	Developing
99	Panama	North America	Presidential representative	President	Democratic	Developing
100	Papua New Guinea	Oceania	Parliamentary representative	Prime Minister	Democratic	Developing
101	Peru	South America	Presidential representative	President	Democratic	Developing
102	Philippines	Asia	Presidential representative	President	Democratic	Developing
103	Poland	Europe	Parliamentary democracy	Prime Minister	Democratic	Developed
104	Portugal	Europe	Parliamentary democracy	Prime Minister	Democratic	Developed
105	Qatar	Asia	Absolute Monarchy	Emir	Hereditary monarch	Developing
106	Romania	Europe	Semi-Presidential Representative	President and Prime Minister	Democratic	Developing
107	Russian Federation	Europe	Semi-Presidential	President and Prime Minister	Democratic	Developing
108	Rwanda	Africa	Presidential representative	President	Democratic	Developing
109	Samoa	Oceania	Parliamentary democracy	Prime Minister	Democratic	Developing

110	Saudi Arabia	Asia	Absolute Monarchy	King and Prime Minister	Hereditary monarch	Developing
111	Senegal	Africa	Semi-Presidential	President	Direct popular election	Developing
112	Serbia	Europe	Parliamentary	Prime Minister	Indirect election	Developing
113	Seychelles	Africa	Presidential	President	Direct popular election	Developing
114	Sierra Leone	Africa	Presidential	President	Direct popular election	Least Developed Country
115	Singapore	Asia	Parliamentary	Prime Minister	Indirect election	Developed
116	Slovak Republic	Europe	Parliamentary	Prime Minister	Indirect election	Developed
117	Slovenia	Europe	Parliamentary	Prime Minister	Indirect election	Developed
118	Solomon Islands	Oceania	Parliamentary	Prime Minister	Indirect election	Developing
119	Somalia	Africa	Federal Republic	President	Indirect election	Developing
120	South Africa	Africa	Parliamentary	President	Direct popular election	Developing
121	South Sudan	Africa	Presidential	President	Direct popular election	Least Developed Country
122	Sri Lanka	Asia	Presidential	President	Direct popular election	Developing
123	Sudan	Africa	Presidential	Prime Minister	Indirect election	Developing
124	Suriname	South America	Presidential	President	Direct popular election	Developing
125	Syrian Arab Republic	Asia	Presidential	President	Indirect election	Developing
126	Tajikistan	Asia	Presidential	President	Direct popular election	Developing
127	Tanzania	Africa	Presidential	President	Popular election	Developing
128	Thailand	Asia	Constitutional	Prime Minister	Parliamentary election	Developing

129	Timor-Leste	Asia	Presidential	Prime Minister	Parliamentary election	Developing
130	Togo	Africa	Presidential	President	Popular election	Least Developed Country
131	Tonga	Oceania	Constitutional	Prime Minister	Parliamentary election	Developing
132	Trinidad and Tobago	South America	Parliamentary	Prime Minister	Parliamentary election	Developing
133	Tunisia	Africa	Parliamentary	Prime Minister	Parliamentary election	Developing
134	Turkey	Asia	Presidential	President	Popular election	Developing
135	Turkmenistan	Asia	Presidential	President	Popular election	Developing
136	Uganda	Africa	Presidential	President	Popular election	Least Developed Country
137	Ukraine	Europe	Presidential	President	Popular election	Developing
138	United Arab Emirates	Asia	Presidential	President	Hereditary Monarchy	Developing
139	Uruguay	South America	Presidential	President	Popular election	Developing
140	Uzbekistan	Asia	Presidential	President	Popular election	Developing
141	Vanuatu	Oceania	Parliamentary	Prime Minister	Parliamentary election	Developing
142	Venezuela, RB	South America	Presidential	President	Popular election	Developing
143	Vietnam	Asia	Communist	President	Party Congress	Developing
144	Yemen, Rep.	Asia	Presidential	President	Popular election	Least Developed Country
145	Zambia	Africa	Presidential	President	Popular election	Least Developed Country
146	Zimbabwe	Africa	Presidential	President	Popular election	Least Developed Country
147	Jordan	Asia	Constitutional Monarchy	Prime Minister	Hereditary monarch	Developing
148	Sao Tome and Principe	Africa	Semi-Presidential	President	Popularly elected	Developing

Table 1 The BRI participants

Major BRI Investments by China in the years 2021-22

China has been increasing its investment in a number of regions around the world under the Belt and Road Initiative (BRI). These regions include:

- Southern countries of South America: China has been investing heavily in infrastructure projects in countries like Argentina, and Chile.
- South of Europe: China has also made investments in South Eastern European nations' infrastructure projects. This geopolitical development is one of the most discussed topics in the entire Europe.
- Middle Eastern countries: China has been investing heavily in oil and gas projects in countries like Saudi Arabia, Iraq, and Iran. This investment is aimed at securing China's energy supplies.
- ASEAN countries: China has been investing heavily in infrastructure projects in countries like Indonesia, Malaysia, and Thailand. These investment is aimed at gaining the strategic advantage in the region.

Following are some of the major Chinese investments under BRI in the years 2021-22.

S.No	Year	Month	Companies	Investment (in million USD)	Sector	Sub Sector (if any)	Country
1.	2021	January	China Petroleum and Chemical (Sinopec)	$ 360	Chemicals		Russian Federation
2.	2021	January	Sailun Tire	$ 430	Transport	Autos	Vietnam
3.	2021	January	China Communications Construction	$ 140	Transport	Rail	Singapore
4.	2021	January	Power Construction Corp. (PowerChina)	$ 140	Energy	Hydro	Gabon
5.	2021	January	Power Construction Corp. (PowerChina)	$ 300	Real estate	Construction	Guinea
6.	2021	January	China National Chemical Engineering	$ 450	Chemicals		Russian Federation
7.	2021	January	China Energy Engineering	$ 430	Energy	Alternative	Vietnam
8.	2021	January	State Construction Engineering	$ 150	Real estate	Construction	Saudi Arabia

9.	2021	February	Three Gorges	$ 560	Energy		Peru
10.	2021	February	China Ocean Shipping (COSCO)	$ 140	Logistics		Saudi Arabia
11.	2021	February	China Railway Construction	$ 1,320	Transport	Rail	Tanzania
12.	2021	February	China Petroleum and Chemical (Sinopec)	$ 360	Energy	Oil	Kuwait
13.	2021	February	State Construction Engineering	$ 240	Agriculture		Sri Lanka
14.	2021	February	China Energy Engineering	$ 100	Real estate	Construction	Saudi Arabia
15.	2021	February	China Communications Construction	$ 360	Transport	Rail	Singapore
16.	2021	March	Tencent-led consortium	$ 140	Technology		Singapore
17.	2021	March	Nine Dragons	$ 300	Other	Timber	Malaysia
18.	2021	March	West China Cement	$ 170	Other	Industry	Ethiopia
19.	2021	March	China National Petroleum Corp. (CNPC)	$ 700	Energy	Oil	Niger
20.	2021	March	Dalian Jiayou Logistics	$ 230	Logistics		Democratic Republic of the Congo
21.	2021	March	Zhongman Petroleum	$ 120	Energy	Oil	Saudi Arabia
22.	2021	March	State Construction Engineering	$ 130	Transport	Rail	Singapore
23.	2021	March	China Petroleum and Chemical (Sinopec)	$ 900	Energy	Gas	Russian Federation
24.	2021	March	China Energy Engineering	$ 470	Energy	Hydro	Pakistan
25.	2021	April	China Railway Construction	$ 800	Transport	Autos	Chile
26.	2021	April	Zijin Mining	$ 410	Metals	Copper	Serbia
27.	2021	April	Alibaba	$ 350	Other	Consumer	Turkey
28.	2021	April	China National Off-shore Oil (CNOOC)	$ 790	Energy	Oil	Tanzania
29.	2021	April	China National Off-shore Oil (CNOOC)	$ 200	Energy	Oil	Uganda
30.	2021	April	Boyu Capital, Hillhouse Capital	$ 1,300	Logistics		Indonesia
31.	2021	April	Power Construction Corp. (PowerChina)	$ 170	Energy	Gas	Myanmar

32.	2021	April	China Communications Construction	$ 170	Transport	Autos	Kenya
33.	2021	April	China National Off-shore Oil (CNOOC)	$ 100	Energy		Saudi Arabia
34.	2021	April	China Energy Engineering	$ 190	Energy	Alternative	Saudi Arabia
35.	2021	April	Power Construction Corp. (PowerChina)	$ 120	Transport	Autos	Serbia
36.	2021	April	State Construction Engineering	$ 380	Transport	Rail	Thailand
37.	2021	April	China Railway Construction	$ 190	Transport	Rail	Singapore
38.	2021	April	Minmetals	$ 320	Real estate	Construction	Singapore
39.	2021	April	Power Construction Corp. (PowerChina)	$ 210	Energy	Alternative	Argentina
40.	2021	April	Jiangsu Yongding, Harbin Electric	$ 360	Energy	Gas	Bangladesh
41.	2021	May	Alibaba	$ 210	Other	Consumer	Vietnam
42.	2021	May	China Communications Construction	$ 220	Health		Chile
43.	2021	May	China Railway Construction	$ 160	Other	Industry	Ethiopia
44.	2021	May	Power Construction Corp. (PowerChina)	$ 350	Energy	Hydro	Pakistan
45.	2021	May	Harbin Electric	$ 160	Energy	Gas	Pakistan
46.	2021	May	Guotsing	$ 140	Real estate	Construction	Singapore
47.	2021	May	China National Machinery Industry (Sinomach)	$ 180	Energy		Uruguay
48.	2021	May	Minmetals	$ 790	Transport	Rail	Singapore
49.	2021	May	China Petroleum and Chemical (Sinopec)	$ 200	Energy		Saudi Arabia
50.	2021	May	China Communications Construction	$ 750	Transport	Shipping	Peru
51.	2021	May	China Poly, State Construction Engineering	$ 420	Transport	Autos	Nepal
52.	2021	May	China National Petroleum Corp. (CNPC)	$ 130	Energy	Oil	Indonesia
53.	2021	June	State Administration of	$ 1,220	Energy	Oil	Saudi Arabia

			Foreign Exchange (SAFE)				
54.	2021	June	Jiangxi Ganfeng	$ 130	Metals		Mali
55.	2021	June	Huaxin Cement	$ 150	Real estate	Construction	Zambia
56.	2021	June	Zijin Mining	$ 700	Metals		South Africa
57.	2021	June	WH Group (formerly Shuanghui)	$ 130	Agriculture		Slovakia
58.	2021	June	Shandong Weiqiao	$ 1,050	Metals	Steel	Guinea
59.	2021	June	China Railway Construction	$ 110	Logistics		Ethiopia
60.	2021	June	State Construction Engineering	$ 1,920	Real estate	Construction	Egypt
61.	2021	June	State Construction Engineering	$ 370	Transport	Aviation	Iraq
62.	2021	June	Harbin Electric	$ 240	Energy	Hydro	Pakistan
63.	2021	June	China Energy Engineering	$ 760	Energy	Gas	Uzbekistan
64.	2021	June	Power Construction Corp. (PowerChina)	$ 260	Metals		Guyana
65.	2021	June	China National Building Material	$ 440	Real estate	Construction	Egypt
66.	2021	June	China Energy Engineering, China Minmetals	$ 930	Metals	Aluminum	Indonesia
67.	2021	June	Gansu International Cooperation Corp	$ 140	Utilities		Pakistan
68.	2021	July	China Risun-led consortium	$ 220	Metals	Steel	Indonesia
69.	2021	July	JCHX Mining, China Railway Construction	$ 120	Metals		Kazakhstan
70.	2021	July	China Energy Engineering	$ 240	Energy	Alternative	Nigeria
71.	2021	July	China National Petroleum Corp. (CNPC)	$ 500	Energy	Oil	Iraq
72.	2021	July	China Energy Engineering	$ 290	Energy	Alternative	Argentina
73.	2021	July	China Communications Construction	$ 160	Utilities		Singapore
74.	2021	July	Sichuan Road and Bridge	$ 110	Other	Industry	Senegal
75.	2021	July	China Railway Construction	$ 1,690	Transport	Rail	Nigeria

76.	2021	August	Tencent	$ 100	Finance		Argentina
77.	2021	August	Three Gorges	$ 160	Energy	Alternative	Jordan
78.	2021	August	Three Gorges	$ 350	Energy	Alternative	Egypt
79.	2021	August	China General Nuclear	$ 440	Energy		Kazakhstan
80.	2021	August	China Molybdenum	$ 2,510	Metals		Democratic Republic of the Congo
81.	2021	August	Gansu International Cooperation Corp	$ 230	Health		Ghana
82.	2021	August	China Energy Engineering	$ 130	Transport	Shipping	Democratic Republic of the Congo
83.	2021	August	China National Petroleum Corp. (CNPC)	$ 7,070	Energy	Gas	Turkmenistan
84.	2021	August	China National Machinery Industry (Sinomach)	$ 150	Utilities		Peru
85.	2021	August	China National Building Material	$ 160	Real estate	Construction	Ethiopia
86.	2021	August	Power Construction Corp. (PowerChina)	$ 100	Transport	Autos	Ghana
87.	2021	August	China Railway Engineering	$ 1,820	Transport	Rail	Guinea
88.	2021	August	China National Machinery Industry (Sinomach)	$ 170	Energy		Cambodia
89.	2021	September	Contemporary Amperex Tech	$ 240	Metals		Democratic Republic of the Congo
90.	2021	September	Chengtun Mining, Tsingshan	$ 230	Metals		Indonesia
91.	2021	September	Jinko Solar	$ 500	Energy	Alternative	Vietnam
92.	2021	September	Alibaba	$ 200	Logistics		Singapore
93.	2021	September	Tsingshan, Shanghai Huafon	$ 140	Metals	Aluminum	Indonesia
94.	2021	September	China International Trust and Investment (CITIC)	$ 910	Energy	Oil	Iraq
95.	2021	September	China Petroleum and Chemical (Sinopec)	$ 130	Energy	Oil	Ecuador
96.	2021	September	Power Construction Corp. (PowerChina)	$ 220	Energy	Alternative	Chile
97.	2021	September	China Nonferrous	$ 100	Metals	Steel	Kazakhstan

98.	2021	September	Shanghai Greenland, China General Technology (Genertec)	$ 230	Transport	Autos	Bangladesh
99.	2021	September	China National Machinery Industry (Sinomach)	$ 390	Chemicals		Kazakhstan
100.	2021	September	Power Construction Corp. (PowerChina)	$ 110	Energy	Alternative	Indonesia
101.	2021	September	Nanchang Engineering	$ 110	Energy	Hydro	Zimbabwe
102.	2021	September	State Construction Engineering	$ 110	Transport	Autos	Singapore
103.	2021	September	China Communications Construction	$ 140	Transport	Aviation	Ethiopia
104.	2021	October	China General Technology (Genertec), Power Construction Corp (PowerChina)	$ 150	Energy	Alternative	Bosnia
105.	2021	October	China National Building Material	$ 340	Other	Industry	Egypt
106.	2021	October	China Ocean Shipping (COSCO)	$ 110	Transport	Shipping	Greece
107.	2021	October	Tsingshan	$ 340	Metals		Argentina
108.	2021	October	China Communications Construction	$ 3,810	Utilities		Serbia
109.	2021	October	Shandong Gaosu	$ 390	Transport	Autos	Serbia
110.	2021	October	China Railway Construction, Changjiang Yichang Waterway	$ 180	Transport	Aviation	Bangladesh
111.	2021	October	China Energy Engineering	$ 120	Energy		Saudi Arabia
112.	2021	October	Power Construction Corp. (PowerChina)	$ 110	Transport	Autos	Benin
113.	2021	October	Power Construction Corp. (PowerChina)	$ 220	Real estate	Construction	Kuwait
114.	2021	October	Power Construction Corp. (PowerChina)	$ 300	Energy	Alternative	Bosnia
115.	2021	October	China National Building Material	$ 120	Real estate	Construction	Dominican Republic
116.	2021	November	Chifeng Jilong	$ 470	Metals		Ghana
117.	2021	November	China Communications Construction	$ 280	Logistics		Thailand

118.	2021	November	Zijin Mining	$ 280	Metals	Copper	Democratic Republic of the Congo
119.	2021	November	Primavera Capital, Tencent	$ 100	Other	Consumer	Indonesia
120.	2021	November	China National Machinery Industry (Sinomach)	$ 300	Energy	Alternative	Bangladesh
121.	2021	November	Nanjing Chervon	$ 120	Transport	Autos	Hungary
122.	2021	November	Tebian Electric Apparatus (TBEA)	$ 320	Energy	Hydro	Guinea
123.	2021	November	Power Construction Corp. (PowerChina)	$ 110	Transport	Aviation	Peru
124.	2021	November	Power Construction Corp. (PowerChina)	$ 1,370	Transport	Rail	Serbia
125.	2021	November	Power Construction Corp. (PowerChina)	$ 200	Utilities		Saudi Arabia
126.	2021	November	China International Trust and Investment (CITIC)	$ 2,850	Energy	Oil	Iraq
127.	2021	November	Jereh Group	$ 420	Energy	Oil	Kuwait
128.	2021	November	China Railway Construction	$ 100	Transport	Autos	Thailand
129.	2021	November	Shandong Gaosu, China Communications Construction	$ 1,090	Transport	Rail	Serbia
130.	2021	November	Power Construction Corp. (PowerChina)	$ 150	Health		Angola
131.	2021	November	Minmetals	$ 170	Real estate	Construction	Uzbekistan
132.	2021	November	China North Industries (Norinco)-led consortium	$ 340	Energy	Coal	Mongolia
133.	2021	November	State Construction Engineering	$ 540	Real estate	Construction	Singapore
134.	2021	November	China Railway Engineering, China General Technology (Genertec)	$ 240	Transport	Autos	Bangladesh
135.	2021	December	Zhejiang Huayou Cobalt	$ 420	Metals		Zimbabwe
136.	2021	December	Chengtun Mining	$ 250	Transport	Autos	Indonesia
137.	2021	December	Sichuan consortium	$ 230	Energy	Hydro	Nepal
138.	2021	December	Chengtun Mining	$ 130	Metals		Zimbabwe

139.	2021	December	China Energy Engineering	$ 350	Real estate	Construction	Uzbekistan
140.	2021	December	China Communications Construction	$ 270	Transport	Autos	Philippines
141.	2021	December	Shanghai Tunnel Engineering	$ 400	Transport	Rail	Singapore
142.	2021	December	Power Construction Corp. (PowerChina)	$ 150	Energy	Gas	Saudi Arabia
143.	2021	December	Power Construction Corp. (PowerChina)	$ 220	Utilities		Philippines
144.	2021	December	Power Construction Corp. (PowerChina)	$ 160	Transport	Aviation	Angola
145.	2021	December	China National Chemical Engineering	$ 1,330	Chemicals		Russian Federation
146.	2021	December	Aviation Industry Corp. (AVIC)	$ 120	Energy	Hydro	Bosnia
147.	2021	December	China National Chemical Engineering	$ 460	Chemicals		Uzbekistan
148.	2021	December	China National Building Material	$ 700	Real estate	Construction	Nigeria
149.	2021	December	China Nonferrous	$ 330	Metals	Copper	Indonesia
150.	2021	December	China Communications Construction	$ 280	Transport	Autos	Jamaica
151.	2022	January	China Communications Construction	$ 240	Transport	Autos	Bangladesh
152.	2022	January	Zhejiang Weiming	$ 270	Transport	Autos	Indonesia
153.	2022	January	State Power Investment Corporation	$ 120	Energy	Alternative	Bangladesh
154.	2022	January	United Energy	$ 610	Energy	Oil	Iraq
155.	2022	January	Jianlong Investment	$ 210	Metals	Steel	Malaysia
156.	2022	January	Hodo Group	$ 300	Transport	Autos	Cambodia
157.	2022	January	China Communications Construction	$ 150	Transport	Autos	Bangladesh
158.	2022	January	State Construction Engineering	$ 170	Real estate	Construction	UAE
159.	2022	January	Minmetals	$ 100	Metals	Steel	Malaysia
160.	2022	January	Fujian Construction Engineering	$ 170	Health		Kenya

161.	2022	January	China Energy Engineering	$ 880	Energy	Gas	Iraq
162.	2022	January	Power Construction Corp. (PowerChina)	$ 270	Other	Education	Iraq
163.	2022	January	Power Construction Corp. (PowerChina)	$ 140	Energy	Alternative	Philippines
164.	2022	January	China Energy Engineering	$ 220	Energy	Hydro	Bosnia
165.	2022	February	China International Trust and Investment (CITIC)	$ 200	Transport	Autos	Morocco
166.	2022	February	China Nonferrous	$ 180	Metals		Zimbabwe
167.	2022	February	Zijin Mining	$ 380	Metals		Argentina
168.	2022	February	Jinko Solar	$ 210	Energy	Alternative	Saudi Arabia
169.	2022	February	State Administration of Foreign Exchange (SAFE), China Merchants	$ 4,650	Energy	Gas	Saudi Arabia
170.	2022	February	State Power Investment Corporation	$ 400	Energy	Alternative	Saudi Arabia
171.	2022	February	Minmetals	$ 130	Metals		Pakistan
172.	2022	February	China Petroleum and Chemical (Sinopec)	$ 610	Energy	Oil	Uganda
173.	2022	February	China Petroleum and Chemical (Sinopec)	$ 180	Energy	Gas	Algeria
174.	2022	February	China National Petroleum Corp. (CNPC)	$ 320	Energy	Oil	Iraq
175.	2022	February	China Communications Construction	$ 290	Transport	Rail	Singapore
176.	2022	February	Power Construction Corp. (PowerChina)	$ 130	Transport	Rail	Singapore
177.	2022	February	Power Construction Corp. (PowerChina)	$ 110	Energy		Benin
178.	2022	February	Power Construction Corp. (PowerChina)	$ 110	Energy		Burkina Faso
179.	2022	February	Power Construction Corp. (PowerChina)	$ 110	Energy		Niger
180.	2022	February	China Railway Construction	$ 960	Transport	Rail	Chile
181.	2022	February	China National Chemical Engineering	$ 270	Energy	Gas	Kazakhstan

182.	2022	February	China National Building Material	$ 270	Real estate	Construction	Uzbekistan
183.	2022	March	State Power Investment Corporation	$ 300	Energy	Alternative	Chile
184.	2022	March	State Power Investment Corporation	$ 180	Energy	Alternative	Saudi Arabia
185.	2022	March	China Railway Engineering	$ 270	Health		Chile
186.	2022	March	Minmetals	$ 550	Metals		Democratic Republic of the Congo
187.	2022	March	China National Petroleum Corp. (CNPC)	$ 230	Energy	Oil	Ecuador
188.	2022	March	China Energy Engineering	$ 210	Agriculture		Thailand
189.	2022	March	Shandong Gaosu	$ 140	Transport	Autos	Bangladesh
190.	2022	March	China Communications Construction	$ 150	Transport	Autos	Serbia
191.	2022	March	China Communications Construction	$ 1,760	Transport	Autos	Serbia
192.	2022	March	Minmetals	$ 190	Metals	Steel	Vietnam
193.	2022	March	Weihai	$ 190	Utilities		Democratic Republic of the Congo
194.	2022	March	Minmetals	$ 230	Metals	Steel	Indonesia
195.	2022	March	China Energy Engineering	$ 310	Energy	Coal	Indonesia
196.	2022	March	China National Chemical Engineering	$ 160	Chemicals		Turkey
197.	2022	March	State Construction Engineering	$ 120	Real estate	Construction	Singapore
198.	2022	April	GDS	$ 320	Technology		Malaysia
199.	2022	April	China National Off-shore Oil (CNOOC)	$ 530	Energy	Oil	Guyana
200.	2022	April	State Construction Engineering	$ 110	Real estate	Construction	Cambodia
201.	2022	April	China National Chemical Engineering	$ 310	Energy	Gas	Pakistan
202.	2022	April	Wison Engineering	$ 200	Chemicals		Qatar

203.	2022	April	Beijing Construction Engineering, Jiangxi International Cooperation Corp, Power Construction Corp. (PowerChina)	$ 190	Transport	Aviation	Tanzania
204.	2022	April	China Railway Engineering	$ 450	Technology	Telecom	Bangladesh
205.	2022	April	Power Construction Corp. (PowerChina)	$ 180	Utilities		Pakistan
206.	2022	April	China National Chemical Engineering	$ 520	Energy		Iraq
207.	2022	May	Hunan Zhongwei	$ 290	Transport	Autos	Indonesia
208.	2022	May	Zhejiang Geely	$ 200	Transport	Autos	South Korea
209.	2022	May	Sinosteel	$ 680	Metals	Steel	Cameroon
210.	2022	May	China Petroleum and Chemical (Sinopec)	$ 430	Energy	Oil	Algeria
211.	2022	May	Zhejiang Huayou Cobalt	$ 300	Metals		Zimbabwe
212.	2022	May	Sinovac	$ 100	Health		Chile
213.	2022	May	Alibaba	$ 110	Technology		Saudi Arabia
214.	2022	May	Alibaba	$ 380	Other	Consumer	Singapore
215.	2022	May	China Railway Construction	$ 260	Transport	Autos	Guyana
216.	2022	May	China Western Power Industrial	$ 410	Energy	Alternative	Laos
217.	2022	May	China Petroleum and Chemical (Sinopec), China General Technology (Genertec)	$ 520	Chemicals		Algeria
218.	2022	May	China Energy Engineering	$ 150	Transport	Autos	Pakistan
219.	2022	May	China National Machinery Industry (Sinomach)	$ 190	Entertainment		Guinea
220.	2022	May	Power Construction Corp. (PowerChina)	$ 210	Energy	Hydro	Rwanda
221.	2022	May	China Communications Construction	$ 130	Utilities		Pakistan
222.	2022	May	Sinosteel	$ 1,100	Metals	Steel	Algeria

223.	2022	May	China National Petroleum Corp. (CNPC)	$ 430	Energy	Gas	Thailand
224.	2022	May	Power Construction Corp. (PowerChina)	$ 150	Energy	Alternative	Myanmar
225.	2022	June	China Nonferrous	$ 200	Metals		Zimbabwe
226.	2022	June	China General Technology (Genertec)	$ 170	Energy	Alternative	Bangladesh
227.	2022	June	Tibet Summit	$ 480	Metals		Tajikistan
228.	2022	June	Zhejiang Huayou Cobalt	$ 200	Energy	Alternative	South Korea
229.	2022	June	Jiangxi International Cooperation Corp	$ 190	Energy	Hydro	Kenya
230.	2022	June	State Grid	$ 110	Energy	Alternative	South Africa
231.	2022	June	China National Machinery Industry (Sinomach)	$ 180	Energy	Hydro	Indonesia
232.	2022	June	State Construction Engineering	$ 140	Health		Papua New Guinea
233.	2022	June	China Communications Construction	$ 410	Transport	Autos	Philippines
234.	2022	June	China Communications Construction	$ 130	Transport	Autos	Jamaica
235.	2022	June	China Railway Construction	$ 100	Transport	Autos	Ghana
236.	2022	June	China Railway Construction	$ 960	Transport	Autos	Saudi Arabia
237.	2022	June	China National Machinery Industry (Sinomach)	$ 820	Transport	Rail	Argentina
238.	2022	June	Jiangxi International Cooperation Corp, Henan International Cooperation Corp	$ 130	Transport	Autos	Malawi
239.	2022	June	China National Chemical Engineering	$ 230	Chemicals		Qatar
240.	2022	June	China Railway Construction	$ 210	Transport	Aviation	Nigeria
241.	2022	July	State Administration of Foreign Exchange (SAFE)	$ 2,950	Finance		Indonesia
242.	2022	July	Jiangxi Ganfeng	$ 960	Metals		Argentina

243.	2022	July	State Construction Engineering	$ 310	Real estate	Property	Singapore
244.	2022	July	Shandong Bright Ruby	$ 720	Real estate	Property	Singapore
245.	2022	July	Alibaba	$ 100	Finance		Malaysia
246.	2022	July	Alibaba	$ 100	Technology	Telecom	Indonesia
247.	2022	July	WuXi AppTec	$ 140	Health		Singapore
248.	2022	July	China National Machinery Industry (Sinomach)	$ 390	Energy	Hydro	Cambodia
249.	2022	July	Guotsing	$ 330	Real estate	Construction	Singapore
250.	2022	July	China National Machinery Industry (Sinomach), Sinopharm	$ 180	Health		Guyana
251.	2022	July	China Communications Construction	$ 1,260	Transport	Rail	Malaysia
252.	2022	July	Minmetals	$ 260	Metals		Indonesia
253.	2022	July	Minmetals, Fujian Construction Engineering	$ 160	Transport	Autos	Papua New Guinea
254.	2022	July	China Petroleum and Chemical (Sinopec)	$ 160	Chemicals		Singapore
255.	2022	July	China Energy Engineering	$ 290	Energy	Alternative	Egypt
256.	2022	August	Alibaba	$ 610	Other	Consumer	Singapore
257.	2022	August	Alibaba	$ 300	Other	Consumer	Indonesia
258.	2022	August	Great Wall	$ 120	Transport	Autos	Thailand
259.	2022	August	Power Construction Corp. (PowerChina)	$ 1,360	Energy	Hydro	Indonesia
260.	2022	August	State Construction Engineering	$ 290	Transport	Autos	Bosnia
261.	2022	August	State Construction Engineering	$ 400	Finance		Ethiopia
262.	2022	August	China Energy Engineering	$ 230	Energy	Alternative	Ivory Coast
263.	2022	August	China Petroleum and Chemical (Sinopec)	$ 130	Energy	Gas	Thailand
264.	2022	August	State Construction Engineering	$ 390	Transport	Rail	Singapore

265.	2022	September	BYD	$ 490	Transport	Autos	Thailand
266.	2022	September	State Administration of Foreign Exchange (SAFE)	$ 130	Energy	Gas	Uzbekistan
267.	2022	September	China Railway Construction	$ 270	Health		Chile
268.	2022	September	Contemporary Amperex Tech	$ 3,750	Transport	Autos	Hungary
269.	2022	September	Southern Power Grid	$ 660	Energy		Chile
270.	2022	September	China Energy Engineering	$ 380	Energy	Hydro	Indonesia
271.	2022	September	China Petroleum and Chemical (Sinopec)	$ 160	Energy		Saudi Arabia
272.	2022	September	State Construction Engineering	$ 140	Real estate	Construction	South Korea
273.	2022	September	China National Building Material	$ 100	Energy	Alternative	Poland
274.	2022	September	China Railway Engineering	$ 370	Transport	Aviation	Dominican Republic
275.	2022	September	Power Construction Corp. (PowerChina)	$ 120	Transport	Autos	Poland
276.	2022	October	Sichuan Road and Bridge	$ 170	Agriculture		Eritrea
277.	2022	October	Zijin Mining	$ 360	Metals		Suriname
278.	2022	October	Tsingshan	$ 750	Metals	Steel	Zimbabwe
279.	2022	October	China National Petroleum Corp. (CNPC)	$ 190	Energy	Oil	Iraq
280.	2022	October	China Railway Construction	$ 250	Utilities		Qatar
281.	2022	October	Power Construction Corp. (PowerChina)	$ 400	Transport	Shipping	Saudi Arabia
282.	2022	October	China Communications Construction	$ 270	Transport	Shipping	Cameroon
283.	2022	October	China National Petroleum Corp. (CNPC)	$ 360	Energy	Oil	Kuwait
284.	2022	October	State Construction Engineering	$ 380	Transport	Rail	Saudi Arabia
285.	2022	November	Guoxuan	$ 140	Transport	Autos	Vietnam
286.	2022	November	Sichuan Yuhua Industrial	$ 140	Metals		Namibia
287.	2022	November	Power Construction Corp. (PowerChina)	$ 140	Energy	Hydro	Tanzania

288.	2022	November	China National Machinery Industry (Sinomach)	$ 290	Entertainment		Uzbekistan
289.	2022	November	China International Trust and Investment (CITIC)	$ 160	Other	Timber	Belarus
290.	2022	November	China National Building Material	$ 300	Real estate	Construction	Kenya
291.	2022	November	China National Building Material	$ 220	Real estate	Construction	Saudi Arabia
292.	2022	November	China Petroleum and Chemical (Sinopec)	$ 860	Energy	Oil	Kuwait
293.	2022	November	State Construction Engineering	$ 150	Transport	Autos	South Africa
294.	2022	November	China Railway Engineering	$ 100	Finance		Rwanda
295.	2022	November	China National Chemical Engineering	$ 130	Energy	Gas	Qatar
296.	2022	November	Power Construction Corp. (PowerChina)	$ 360	Energy	Alternative	Laos
297.	2022	November	State Construction Engineering	$ 610	Real estate	Construction	UAE
298.	2022	November	China Energy Engineering	$ 510	Energy	Alternative	Uzbekistan
299.	2022	December	Alibaba	$ 340	Other	Consumer	Singapore
300.	2022	December	Nine Dragons	$ 940	Other	Timber	Malaysia
301.	2022	December	Zhejiang Xinao	$ 150	Other	Textiles	Vietnam
302.	2022	December	Power Construction Corp. (PowerChina)	$ 750	Energy	Alternative	Laos
303.	2022	December	China International Trust and Investment (CITIC), Huanqiu	$ 140	Chemicals		Kazakhstan
304.	2022	December	Power Construction Corp. (PowerChina)	$ 1,910	Energy	Gas	Argentina
305.	2022	December	State Construction Engineering	$ 120	Transport	Autos	Bosnia
306.	2022	December	Shanghai Tunnel Engineering	$ 280	Transport	Rail	Singapore
307.	2022	December	China Communications Construction	$ 430	Other	Industry	Saudi Arabia
308.	2022	December	China Communications Construction	$ 140	Transport	Shipping	Ghana

309.	2022	December	China Communications Construction	$ 100	Energy		Ghana

Table 2 Major BRI Investments by China in the years 2021-22

Credits : https://www.aei.org/china-global-investment-tracker/
Note : Even though China has not officially designated some of these projects as BRI investments, they are listed in the table because Chinese state-controlled media outlets and the corporations involved have referred to them as such

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In-depth Analysis of BRI

Here is an in-depth analysis of some of the countries/regions which have suffered due to the Belt and Road Initiative (BRI):

Africa

Here are the year-on-year trade statistics and balance of payment of Africa with China from 2017 to 2022:

Year	Africa's Import from China	Africa's Export to China	Balance of Payment
2017	199.3 billion USD	95.7 billion USD	-103.6 billion USD
2018	232.2 billion USD	106.7 billion USD	-125.5 billion USD
2019	265.3 billion USD	117.7 billion USD	-147.6 billion USD
2020	298.4 billion USD	128.7 billion USD	-169.7 billion USD
2021	331.5 billion USD	140 billion USD	-191.5 billion USD
2022	364.6 billion USD	151.3 billion USD	-213.3 billion USD

Table 3 Trade statistics of Africa with China from 2017 to 2022

Country	Project
Benin	Cotonou Port Expansion Project
Botswana	Kazungula Bridge Project
Cambodia	Phnom Penh Railway Project
Cameroon	Kribi Deep Seaport Project
Cameroon	N'Djamena-Doba Railway Project
Chad	N'Djamena-Doba Railway Project
Djibouti	Djibouti International Airport Expansion Project
Djibouti	Doraleh Multipurpose Port Project
Ghana	Tema-Aflao Railway Project
Kenya	Mombasa-Nairobi Standard Gauge Railway
Kenya	Lamu Port and Lamu-Southern Sudan-Ethiopia Transport Corridor
Liberia	Buchanan Port Rehabilitation Project
Malawi	Nacala Logistics Corridor Project
Mauritius	Port Louis Waterfront Project
Morocco	Tanger-Med II Port Expansion Project
Mozambique	Nacala Logistics Corridor Project
Nigeria	Lagos-Kano Railway
Rwanda	Bugesera International Airport Project
Senegal	Diamniadio International Airport Project
Sierra Leone	Lungi International Airport Expansion Project
Tanzania	Dodoma City Water Supply Project
Tanzania	Tanzania-Zambia Railway Project
Tunisia	Enfidha International Airport Expansion Project
Uganda	Karuma Hydropower Project
Zambia	Lusaka Water Supply Project
Zambia	Victoria Falls Airport Expansion Project
Zimbabwe	Victoria Falls Airport Expansion Project

Table 4 List of some of the projects that have suffered cost overruns

Here are some of the problems that have plagued the **BRI Projects** in **Africa** over the years. The first bar shows the finished projects out of the **31 projects in Africa** that make up the sample size. **Only 19.35%** of the initiatives from Africa in previous years were finished. As the last bar in the bar graph indicates, **9.68% of the projects** were **abandoned** because of **budget constraints and local opposition**. In the report below, the precise causes are being looked into.

The most common issues encountered by BRI projects in Africa were **environmental damage (74.19%),** which includes the **destruction of local ecosystems triggering climate change** and the **displacement of local communities** as a result of skewed and **shoddy environmental impact assessments (EIA),** and **cost overruns (77.42%),** which have multiplied the projects' costs.

Delays in project execution (58.06%) brought on by **Chinese companies' reluctance to move the project forward, corruption cases (64.52%)** encompassing the stakeholders involved, and **low-quality building materials (35.48%)** were also major factors in the BRI's dismal performance in Africa.

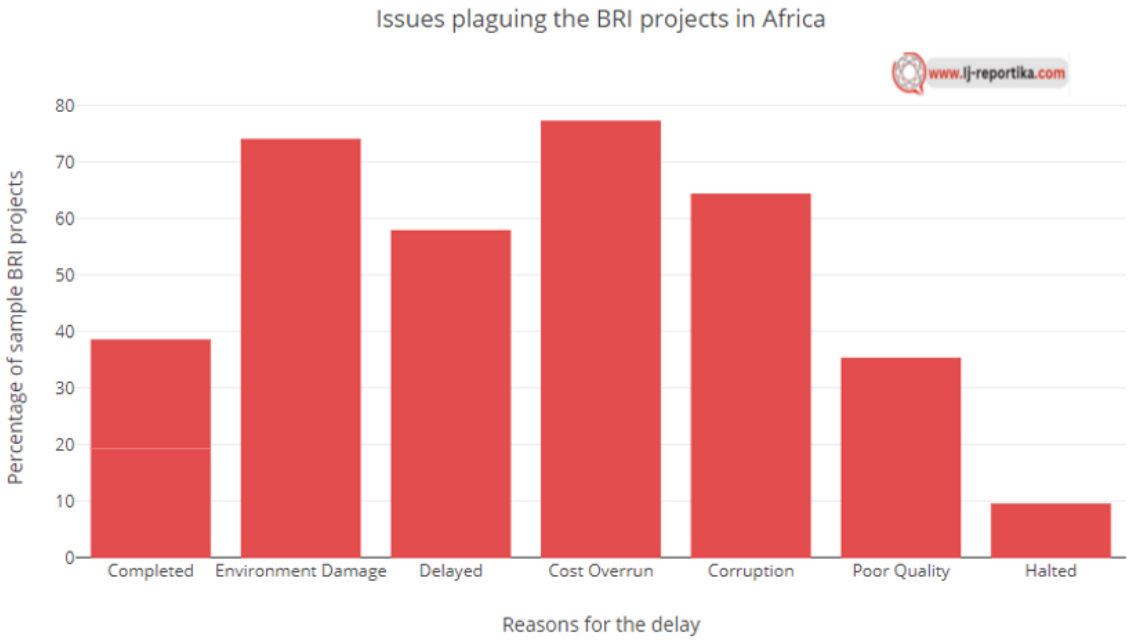

Figure 5 Issues faced by the BRI projects in Africa

Examples of projects in Africa that have been linked to corruption allegations involving Chinese companies:

Country	Project Name	Chinese Company
Angola	Soyo Refinery	China State Construction Engineering Corporation (CSCEC)
Botswana	Gaborone International Airport	China Communications Construction Company (CCCC)
Congo	Inga III Hydropower Project	Zhongjian International (Group) Corporation
Egypt	New Administrative Capital	China State Construction Engineering Corporation (CSCEC)
Ethiopia	Grand Ethiopian Renaissance Dam	Salini Impregilo
Ghana	Tema Oil Refinery Expansion	Sinopec
Kenya	Standard Gauge Railway	China Communications Construction Company (CCCC)
Liberia	Mount Coffee Hydropower Project	China International Water and Electric Corporation (CWE)
Malawi	Bingu International Conference Center	China Gezhouba Group Corporation (CGGC)
Mauritius	Phoenix International Airport	China Communications Construction Company (CCCC)
Mozambique	Nacala Port Expansion	China Communications Construction Company (CCCC)
Namibia	Walvis Bay Port Expansion	China Communications Construction Company (CCCC)
Nigeria	Ajaokuta Steel Mill	China Civil Engineering Construction Corporation (CCECC)
Rwanda	Kigali International Airport	China Communications Construction Company (CCCC)
Senegal	Diamniadio International Airport	China Communications Construction Company (CCCC)
Sierra Leone	Lungi International Airport	China Communications Construction Company (CCCC)
South Africa	Gautrain Rapid Rail System	China Railway Group Limited (CRG)
Tanzania	Julius Nyerere Hydropower Project	China Gezhouba Group Corporation (CGGC)
Uganda	Karuma Hydropower Project	China International Water and Electric Corporation (CWE)
Zambia	Kafue Gorge Lower Hydropower Project	China Three Gorges Corporation (CTG)
Zimbabwe	Victoria Falls Airport Expansion	China Gezhouba Group Corporation (CGGC)

Table 5 Projects in Africa that have been linked to corruption allegations

Addis Ababa-Djibouti Railway, Ethiopia and Djibouti

Environment Damage Completed Delayed Cost Overrun Corruption Poor Quality

Figure 6 Addis Ababa-Djibouti (AAD) Railway

The Addis Ababa-Djibouti (AAD) Railway Modernization Project is Africa's **first cross-border electrified railway**. The railway line is a **753 km** electrified single-track standard gauge route between **Ethiopia's capital Addis Ababa and the Port of Djibouti**, with **45 stops in total**. The new standard gauge route runs parallel to and replaces an abandoned 1 m gauge railway built more than a century ago.

The EDR, a joint venture of the two state-owned firms **ERC and SDCF**, owns the railway line.

The project was built by Chinese state-owned corporations **China Civil Engineering Construction Corporation (CCECC) and China Railway Engineering Corporation (CREC)** under the **BRI**, which is **operating the railway for a period of six years following construction completion.** The freight route began in October 2015, while passenger service was formally inaugurated in October 2016. On January 1, 2018, it became officially commercially operating.

The project has faced issues with **delays** and **construction quality**, which have resulted in the railway being **temporarily shut down several times for repairs**

due to failures. The project has also been detrimental to the **environment and the indigenous communities**.

Bagamoyo Port Project, Tanzania

Halted Poor Quality

Tanzania's **Bagamoyo Port Project** set a new course in **China-Tanzania ties**. The deal for the **Bagamoyo port project was inked in 2013** after numerous African organizations dubbed it **a "killer Chinese loan"** and asked that **Tanzania's previous President, Jakaya Kikwete,** refuse the offer. Regardless, the offer was accepted.

However, in January 2016, **President John Magufuli declared the project's halt**. He said that the government negotiated the project badly and on terms that amounted to **surrendering Tanzania's sovereignty.**

Bagamoyo Special Economic Zone Project, Tanzania

Environment Damage Cost Overrun Corruption Halted

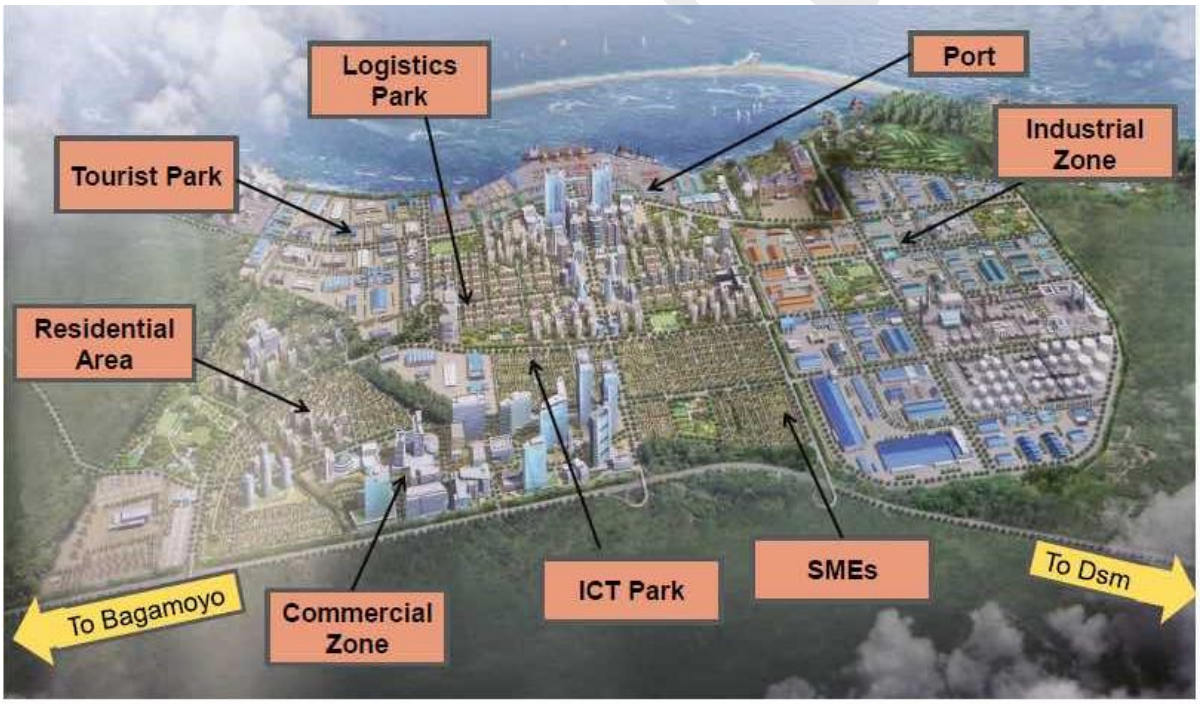

Figure 7 Master Plan of the Bagamoyo SEZ Project, Tanzania

The Bagamoyo **Special Economic Zone Project in Tanzania** was originally part of **China's Belt and Road Initiative (BRI),** but it was **suspended in 2019** due to concerns over its **high cost and environmental impact.**

The project aimed to build a **new port and a special economic zone in Bagamoyo,** a town located about **75 kilometers north of Tanzania's commercial capital, Dar es Salaam.** The project was expected to cost around **$10 billion** and

was being developed by the **state-owned China Merchants Holdings International, in partnership with the Tanzanian government**.

However, the project faced criticism from environmentalists and local communities, who raised concerns over its potential impact on the nearby **Saadani National Park**, as well as the livelihoods of local **fishermen**. In addition, the project was seen as too expensive for **Tanzania**, which was already grappling with a **growing debt burden**.

In 2019, the Tanzanian government announced that it was suspending the project, citing concerns over its high cost and the potential impact on the environment. Since then, there have been no further updates on the status of the project, and it is unclear whether it will be revived or cancelled altogether.

Dongo Kundu Special Economic Zone Project, Kenya

Environment Damage Delayed Cost Overrun Corruption Poor Quality

The **Dongo Kundu Special Economic Zone (SEZ)** Project in **Kenya** is a multi-billion-dollar infrastructure project that aims to create a world-class economic hub in the country's coastal region. **The project is being developed by the Kenyan government and the China Road and Bridge Corporation (CRBC) under the BRI**.

However, the project has faced several issues since its **inception**. The project has faced **land acquisition issues,** with local communities expressing concerns over **inadequate compensation** and **loss of livelihoods**. The project has also faced **financing challenges**, with some investors pulling out due to concerns over the **project's viability**. The project site is in **a sensitive ecosystem**, and there are concerns that the development could cause **irreversible damage to the environment**. Some experts have also raised concerns about the impact on the **nearby marine ecosystem** and **the potential for pollution**.

There have been several issues related to the **China Road and Bridge Corporation (CRBC)** in the development of the **Dongo Kundu Special Economic Zone (SEZ) project in Kenya**. Some of the main problems include:

Delay in project implementation: There have been delays in the implementation of the project due to the **slow pace of work by CRBC.** The Kenyan government has accused **CRBC of not working fast enough to complete the project on time, which has resulted in significant delays**.

Lack of transparency: There have been concerns about the lack of transparency in the **awarding of contracts and procurement processes for the project.** The

Kenyan government has been accused of not following **due procedures in awarding contracts to CRBC and other companies involved in the project**.

Environmental concerns: As mentioned earlier, there are concerns about the **environmental impact of the project**, and CRBC has been accused of **not taking adequate measures to mitigate the impact of the project on the environment.**

Land acquisition: There have been allegations that CRBC has been involved in **the forced eviction of local communities from their land without proper compensation**. This has led to **protests** and delays in the project's implementation.

Labor issues: There have been reports of labor exploitation and mistreatment of workers employed by CRBC in the project. Some workers have reportedly been forced to **work long hours without proper pay and benefits**.

When Ij-reportika team contacted the locals they complained that either local workers are not employed in this project or if they are employed, they are mistreated and exploited by the Chinese masters at the workplace.

Overall, CRBC's involvement in the Dongo Kundu SEZ project has been controversial, with several stakeholders accusing the company of not adhering to best practices in project implementation and management.

Standard Gauge Railway Project, Kenya

Environment Damage Completed Delayed Cost Overrun Corruption

The **Standard Gauge Railway Project in Kenya** was constructed by the **China Road and Bridge Corporation (CRBC), a subsidiary of China Communications Construction Company (CCCC), with financing from the Exim Bank of China**. The construction of the **Standard Gauge Railway Project in Kenya** began in **December 2014** and was completed in **May 2017**.

The project was completed in **three phases**, with the first phase being the **construction of the Mombasa to Nairobi railway line**, **the second phase being the construction of the Nairobi to Naivasha branch line, and the third phase being the extension of the railway to Malaba on the border with Uganda**.
Some of the issues that the project has faced include:

High Cost: The project has been criticized for its high cost, which was estimated to be **$3.8 billion**, making it one of the most expensive infrastructure projects in Kenya's history. According to our research project was overpriced, and the high cost has contributed to Kenya's growing debt burden.

Allegations of Corruption: The project has also faced allegations of corruption, with some Kenyan officials accused of receiving kickbacks from Chinese companies involved in the project. In 2019, the director of the Kenyan Anti-Corruption Commission said that his agency was investigating allegations of Corruption related to the project.

Debt Sustainability: The project has also raised concerns about Kenya's ability to repay the loans used to finance it. The railway project has contributed significantly to Kenya's growing debt burden, which has raised questions about the country's debt sustainability and its ability to repay its loans to China.

William Ruto, the current president of Kenya, has made available financing details for this contentious BRI project that his predecessor's administration tried to keep hidden for years in court.

The disclosure of the loan agreements totalling $3 billion fulfils Ruto's election campaign pledge to increase openness in dealings between Nairobi and Beijing, which most in Kenya blame for bogging the country down in debt.

Following are the loan agreements that hint at how Kenya's debts rose to more than **70% of its GDP:**
https://nation.africa/resource/blob/4010824/ffa75988deabe1d97fc877393348c6f2/Mombasa-nairobi-sgr-buyer-credit-loan-agreement-data.pdf

SGR Phase 2A Project, Kenya

Environment Damage **Delayed** **Cost Overrun** **Corruption** **Poor Quality**

The **SGR Phase 2A Project** is one of **several infrastructure projects in Africa** that are being funded by **China as part of the BRI**. The project is expected to cost **$3.8 billion** and will involve the construction of a **471-kilometer railway line from Nairobi to Naivasha**. The railway line will be the **second phase of the SGR in Kenya and will connect the country's capital city** to its main inland port. The project is scheduled to be completed in **2024**.

The SGR Phase 2A Project was **first proposed in 2015**. In 2017, the Kenyan government signed a **$3.8 billion loan agreement with China Exim Bank to finance the project**. The construction on the project began **in 2018 and it is Still Under Construction**.

The main contractor for the project is **China Road and Bridge Corporation (CRBC)** while the other companies involved in the project include **China**

Communications Construction Company (CCCC), China Railway Group Limited (CR), and **China Railway Construction Corporation (CRCC)**.

Figure 8 Protests against the SGR project

In 2019, the Kenyan government forcefully expropriated land from **a group of landowners** who were refusing to **sell their land for the railway line**. This led to protests and legal challenges, which further delayed the project.

Uhuru Kenyatta, the president of Kenya, struggled tremendously to refute claims that his nation had constructed the standard gauge railway (SGR) **that led "nowhere" in 2019**. This occurred during the commissioning of SGR project phase 2A, which abruptly ends in the prickly bushes of Naivasha, around 120 km from the capital Nairobi.

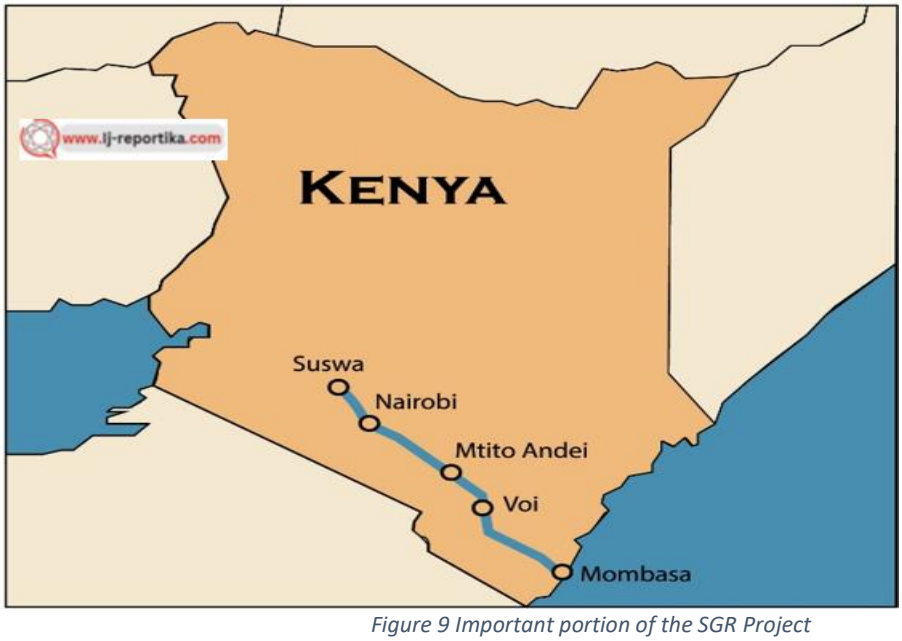

Figure 9 Important portion of the SGR Project

The **140 km ($1.2 billion)** railway that runs from **Nairobi to Suswa** has remained mainly **inactive** for **four years after being put into service**. In reality, because both the goods and passenger service trains arrive at Suswa, where the 20-kilometer section from Suswa to Duka Moja terminates, **the infrastructure is rapidly deteriorating**.

In addition to the much-discussed **"SGR to nowhere"** debate, the project also encountered several demonstrations and the ire of the people. After the government revealed intentions to construct a railway line through **Nairobi National Park in 2019**, **demonstrations broke out in Kenya**. The railway line, according to environmentalists and wildlife conservationists, **would divide the park and interfere with animal movement patterns**.

Figure 10 Protests against the SGR Project by Environmentalists

The government said that the railway line was essential to spurring economic growth and generating jobs. They said that there will be little environmental effect during construction. **The government finally decided to relocate the railway line around the park, but the demonstrations persisted.**

Mambasa-Nioka-Lubumbashi Railway Project, Democratic Republic of Congo

Environment Damage Delayed

The **Mambasa-Nioka-Lubumbashi Railway Project** is a multi-billion-dollar infrastructure project in the Democratic Republic of Congo that aims to improve transportation links between the country's eastern and southern regions. The project is being developed by the **Congolese government with the help of Chinese state-owned companies including China Railway Construction Corporation (CRCC), China Civil Engineering Construction Corporation (CCECC),**

and China Railway Engineering Corporation (CREC). These companies are responsible for the construction of railway tracks, associated infrastructure, and other components of the project.

The project has **faced delays and funding issues** due to the **complex and challenging terrain** through which it will pass. There have also been concerns over the **environmental impact and displacement of local communities**.

Overall, the involvement of Chinese state-owned companies in the Mambasa-Nioka-Lubumbashi Railway Project has been **controversial**, with **several stakeholders accusing the companies of not adhering to best practices in project implementation and management**.

Maputo-Katembe Bridge Project, Mozambique

Completed Cost Overrun Poor Quality

Southern Mozambique's Maputo Bay is crossed by the **Ponte de Maputo a Katembe, a suspension Bridge.** The Bridge links the **southern bank's neighborhood of Katembe** with **the northern bank's capital city of Maputo in Mozambique**. The **Bridge's construction work started in 2014**, and it was formally inaugurated on **November 10, 2018**. The **Chinese Road and Bridge Corporation** handled the construction work, while the **Chinese Exim Bank** provided loans for **the majority of the project's funding.**.

Our investigations found that the project's price and quality are a downside and overall, it is **not financially feasible**. The expenses total **726 million US dollars,** of which the **Chinese Exim Bank provided special loans for 85% (681.6 million US dollars) of the cost.** These have a **20-year term** and a **4% interest rate**. A further **10% (or $72.5 million)** is granted under different conditions through the Exim Bank, and **5% will be covered directly by the Mozambican government.** These loan conditions turned out to be unsustainable for Mozambique.

Kribi Deep Sea Port Project, Cameroon

Environment Damage Completed Cost Overrun Corruption

The **Kribi Deep Sea Port Project in Cameroon** is a part of **China's Belt and Road Initiative (BRI).** The project was developed with funding and technical support from China and is one of the **flagship infrastructure projects of the BRI in Africa.**

The Kribi Deep Sea Port is in the southern region of **Cameroon, near the border with Equatorial Guinea**. The port is designed to **handle large container ships and bulk carriers and includes a terminal for liquefied natural gas (LNG) exports.** The project also includes the development of a new industrial zone and a special economic zone, with the aim of attracting foreign investment and promoting economic growth in the region.

Several Chinese companies were involved in the construction and development of the Kribi Deep Sea Port Project in Cameroon.

China Harbour Engineering Company (CHEC), a state-owned enterprise under China Communications Construction Company (CCCC), was the main contractor for the project. CHEC was responsible for the design, construction, and operation of the port, and provided technical support and equipment for the project.

China Machinery Engineering Corporation (CMEC) was also involved in the project, providing engineering, procurement, and construction services for the terminal for liquefied natural gas (LNG) exports. In addition, China Export and Credit Insurance Corporation (Sinosure) provided insurance coverage for the project.

Other Chinese companies were also involved in the development of the new industrial and special economic zones associated with the port, including **China National Complete Plant Import & Export Corporation (Complant) and China Road and Bridge Corporation (CRBC).**

Overall, the Kribi Deep Sea Port Project was a major collaboration between Chinese companies and the government of Cameroon.

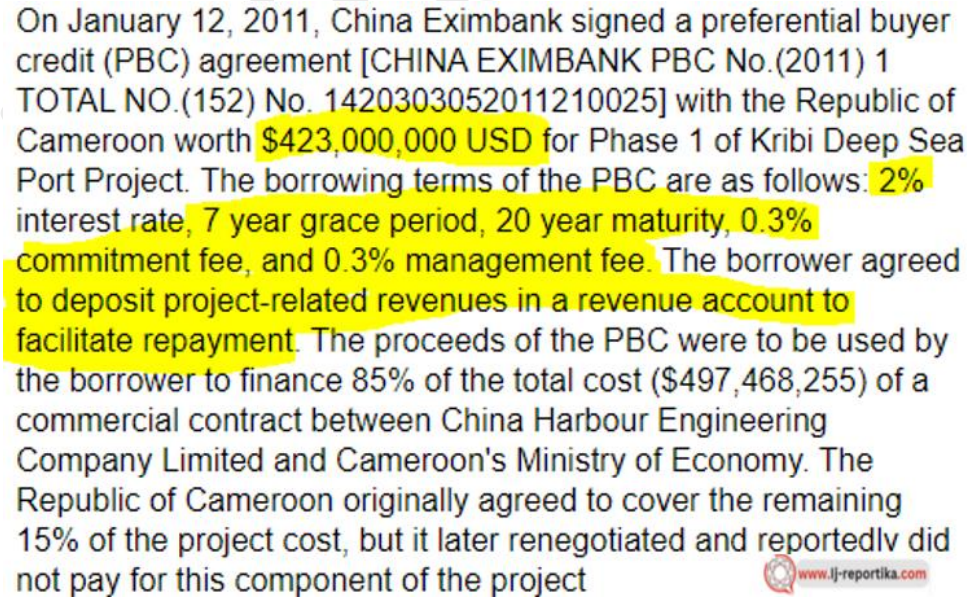
On January 12, 2011, China Eximbank signed a preferential buyer credit (PBC) agreement [CHINA EXIMBANK PBC No.(2011) 1 TOTAL NO.(152) No. 142030305201121002S] with the Republic of Cameroon worth $423,000,000 USD for Phase 1 of Kribi Deep Sea Port Project. The borrowing terms of the PBC are as follows: 2% interest rate, 7 year grace period, 20 year maturity, 0.3% commitment fee, and 0.3% management fee. The borrower agreed to deposit project-related revenues in a revenue account to facilitate repayment. The proceeds of the PBC were to be used by the borrower to finance 85% of the total cost ($497,468,255) of a commercial contract between China Harbour Engineering Company Limited and Cameroon's Ministry of Economy. The Republic of Cameroon originally agreed to cover the remaining 15% of the project cost, but it later renegotiated and reportedly did not pay for this component of the project

Figure 11 Terms of the unviable loan taken for the project (Source : https://china.aiddata.org/projects/350/)

But in addition to being financially unaffordable for the government of Cameroon, the project was plagued by problems including delays, corruption, evictions, and degradation of the local ecology.

Nairobi-Mombasa Highway Project, Kenya

Environment Damage Delayed Cost Overrun Corruption

The **Nairobi-Mombasa Expressway Project** was first announced in **2016**. The project was originally scheduled to be completed in 2020, but it has been delayed several times. **The project is now scheduled to be completed in 2024.**

The companies involved in the project are **China Road and Bridge Corporation (CRBC), China Communications Construction Company (CCCC), Bechtel Corporation and Meridiam Infrastructure**

The project has faced several issues, including:

Land acquisition problems: The project has faced significant challenges in acquiring land for the expressway. Some landowners have refused to sell their land, and others have demanded adequate prices. This has delayed the project and increased its cost.

Financial challenges: The project has also faced financial challenges. The original cost of the project was estimated to be $1.5 billion, but this has since increased to $3.2 billion. This increase in cost has been due to a number of factors, including the high cost of land acquisition and the need to make changes to the design to address environmental concerns.

Corruption allegations: There have also been allegations of Corruption surrounding the project. Many Kenyan officials have been accused of accepting Bribes from Chinese companies in exchange for awarding them contracts for the project. These allegations have led to investigations by the Kenyan government.

Zambia-Malawi Railway Rehabilitation Project, Zambia and Malawi

Cost Overrun Environment Damage Delayed

The Zambia-Malawi Railway Rehabilitation Project is one of several infrastructure projects in Africa that are being funded by China as part of the **BRI**. The project is expected to cost $1.2 billion and will involve the rehabilitation and modernization of the **388-kilometer railway line between Chipata, Zambia, and Mchinji, Malawi.** The rehabilitated railway line will improve the movement of goods and people between Zambia and Malawi, and it will also boost trade between the two countries. The project is scheduled to be completed in **2024**.

The Zambia-Malawi Railway Rehabilitation Project was **first announced** in **2015**. The project was originally scheduled to be completed in **2020**, but it has been delayed several times. The project is now scheduled to be completed in **2024**.

The companies involved in the project are **China Civil Engineering Construction Corporation (CCECC)**, China Railway Seventh Group Corporation, Zambia Railways Limited and Malawi Railways Limited.

The project has also faced financial challenges. The original cost of the project was estimated to be **$1.2 billion**, but this has since increased **to $1.5 billion**. . The project is still facing financial challenges, which could lead to further delays.

The project has also faced environmental concerns. Some environmental groups have raised concerns about the impact the railway line will have on wildlife and water resources. For example, in **2018**, **the Zambian government** was forced to change the design of the railway line after environmental groups raised concerns about the impact the project would have on a nearby wetland. This change to the design led to delays and increased costs.

Karuma Hydropower Project, Uganda

Delayed Cost Overrun Corruption Poor Quality

The **Karuma Hydropower Project** is one of several infrastructure projects in Africa that are being funded by China as part of the **BRI**. The project is expected to **cost $2.7 billion** and will involve the construction of a 600-megawatt hydroelectric power plant on the Nile River. The power plant will be the largest in Uganda and will provide much-needed electricity to the country. The project is scheduled to be completed in **2023**.

The Karuma Hydropower Project is part of the **BRI**'s "**Energy Silk Road**" initiative, which aims to connect China to Africa and Europe through a network of power plants, transmission lines, and other energy infrastructure. The project is seen as a way to boost trade and investment between China and Africa, and to improve energy security in both regions.

The **Karuma Hydropower Project** was **first proposed** in 1994. In **2013**, the Ugandan government signed a $2.3 billion loan agreement with China Export-Import Bank (EXIM) to finance the project. Construction on the project began in **2014**. Even nine years later, the project is **STILL UNDER CONSTRUCTION**.

The main contractor for the project is **China Gezhouba Group Corporation (CGGC)** while the other companies involved in the project include **China International Water & Electric Corporation (CWE)**, China Railway 15th Bureau Group Corporation, and **Sinohydro Corporation Limited**.

The project has also faced financial challenges. **The original cost of the project was estimated to be $2.3 billion, but this has since increased to $2.7 billion.**

Since the beginning of the project, corruption-related concerns have surrounded it. Our investigation indicates that the Ugandan government failed to follow the appropriate procurement processes when awarding the contract to **CGGC. Local residents have testified that CGGC employed subpar materials and labour on the project, which rendered it subpar.**

Lamu Coal Power Plant Project, Kenya

Halted Environment Damage Cost Overrun

The **Lamu Coal Power Plant Project** in Kenya was originally a part of the Belt and Road Initiative (**BRI**). However, in **2019**, the Kenyan government suspended the project due to environmental and financial concerns. The project was to be a 1,050-megawatt coal-fired power plant, and it was estimated to **cost $3.8 billion.** The project was to be financed by a loan from the **China Exim Bank**.

The environmental concerns about the project were related to the impact of the plant on air quality and water resources. The project was also opposed by local communities, who were concerned about the impact of the plant on their livelihoods.

The financial concerns about the project were related to the high cost of coal and the uncertainty of future demand for electricity in Kenya.

In **2021**, the Kenyan government announced that it was no longer pursuing the **Lamu Coal Power Plant Project**. The government said that it was instead pursuing a more sustainable energy mix, which would include more renewable energy sources. The decision to cancel the project was welcomed by environmental groups and local communities.

Batoka Gorge Hydro-Electric Scheme Project, Zambia and Zimbabwe

Corruption Environment Damage Delayed Cost Overrun Poor Quality

The **Batoka Gorge Hydro-Electric Scheme Project is part of the Belt and Road Initiative** (**BRI**). The project is a proposed hydroelectric power plant on the **Zambezi River**, which is located on the border between Zambia and Zimbabwe. **The project is estimated to cost $4 billion and would have a generating capacity of 2,400 megawatts**.

The Batoka Gorge Hydro-Electric Scheme Project has been in the works for over 50 years. The project was **first proposed** in 1969, but it was not until **2012** that

a memorandum of understanding was signed between **Zambia and Zimbabwe** to move the project forward.

The Batoka Gorge Hydro-Electric Scheme Project became a part of **BRI** in **2017**. **The inclusion of the Batoka Gorge Hydro-Electric Scheme Project in the BRI is a sign of China's growing interest in Africa.**

The companies involved in the **Batoka Gorge Hydro-Electric Scheme** Project are **Power Construction Corporation of China (Power China), Sinohydro Corporation, China Gezhouba Group Corporation, China Three Gorges Corporation, China International Water and Electric Corporation (CWE)**
These companies are responsible for the engineering, procurement, and construction of the project. They are also responsible for the operation and maintenance of the project once it is completed.

The project has faced financing challenges and concerns over its environmental impact. **There have also been disputes between Zambia and Zimbabwe over the project's ownership and implementation.**

In **2019**, **a group of landowners in Zambia filed a lawsuit to stop the project**. The landowners argued that the project would displace them from their homes and that it would damage the environment. The lawsuit was eventually dismissed.

In **2018**, **a report by the Zambian Anti-Corruption Commission found that there were irregularities in the procurement process for the project.** The report found that the government had not followed proper procedures and that it had awarded the contract to a company that was not the most qualified.

According to our investigation, Chinese companies are not being transparent about the project's costs. This has led to concerns about the project's overall budget and the potential for cost overruns.

The project was originally scheduled to be completed in 2022, but it is now not expected to be completed until 2025.

Kano-Maradi Railway Project , Nigeria and Niger

Environment Damage Delayed Cost Overrun Corruption Poor Quality

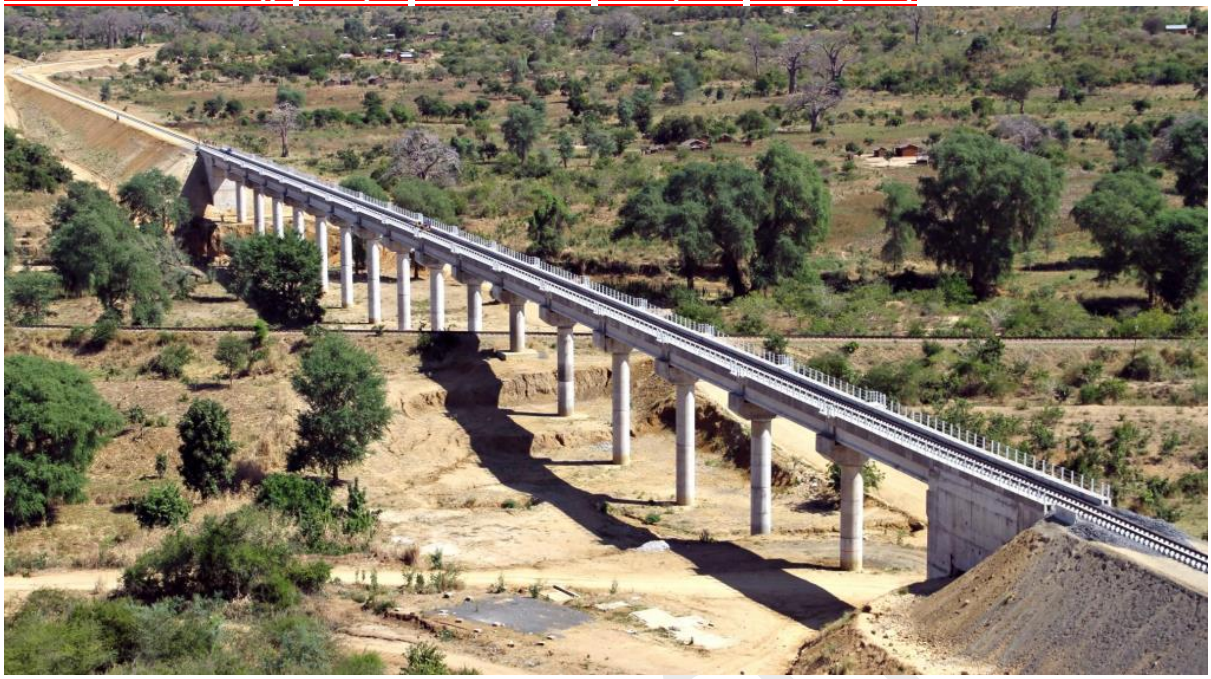

Figure 12 Kano-Maradi Railway Project , Nigeria and Niger

The **Kano-Maradi Railway Project** is **a 283km railway** line that will connect Kano in Nigeria to Maradi in Niger Republic. **The project is expected to cost $1.9 billion and is being funded by a combination of Nigerian and Chinese loans**. The project is scheduled to be completed in **2023**.

The **Kano-Maradi Railway Project** was **first proposed** in **2015**. The Nigerian government awarded the contract to the **China Civil Engineering Construction Corporation (CCECC)** in **2016**. The project was originally scheduled to be completed in **2021**, but it has been delayed due to a number of factors, including financial challenges, **Corruption** and COVID-19 pandemic.

The project was awarded to **CCECC**, without a transparent bidding process. There were concerns raised by some Nigerian officials and civil society groups that the bidding process was not open and competitive, and that the project was awarded to **CCECC** based on political considerations rather than merit.

The **project's anticipated cost was originally $1.9 billion, but it has subsequently climbed to $2.2 billion and is still being built.** Much recently, on **May 10**, **2023**, the **Federal Executive Council (FEC)** gave the go-ahead to spend a whopping **N453.90 billion rupees on train stock, operating and maintenance equipment for Kano-Maradi standard gauge rail line. The politics of the concerned countries have been rocked by this.**

Lomé Container Terminal Expansion Project, Togo

Cost Overrun Environment Damage Delayed Corruption Poor Quality

The **BRI Lomé Container Terminal Expansion Project** is a port expansion project in Lomé, Togo**. The project is being funded by a $550 million loan** from the **China Exim Bank** and is being implemented by the **China Harbour Engineering Company (CHEC).** The project is scheduled to be completed in **2025**.

The project will expand the Lomé Container Terminal from 1.2 million TEUs to 2.5 million TEUs. The expansion will include the construction of a new quay wall, a new yard, and a new container crane. The project will also improve the port's infrastructure, including the roads, railways, and power supply.

Numerous protests have been held against the project. Locals in Lomé protested the proposal in 2018 by staging demonstrations. The initiative, according to the demonstrators, would force people from their homes and harm the environment. **Residents of the project site were forcibly removed by the Togolese authorities in 2019.** More protests and demonstrations followed as a result.

In **2019**, **the Togolese government commissioned a study to assess the environmental impact of the project.** The study found that the project would have a significant impact on the environment, but that the impact could be mitigated. This infuriated many environmentalists, who protested the project.

In 2020, the Togolese government announced that the cost of the project had increased from $550 million to $600 million. The government attributed the increase in cost to the high cost of land acquisition and the need to make changes to the design to address environmental concerns.

There were several charges of **Corruption** involving Togolese government officials and CHEC personnel. The Togolese government declared in **2022** that it was investigating **Corruption** charges. The administration has yet to publicise the investigation's results.

Tanzania-Zambia Railway (TAZARA) Rehabilitation Project, Tanzania and Zambia

Cost Overrun Environment Damage Delayed Corruption Poor Quality

The **Tanzania-Zambia Railway (TAZARA)** is a 1,860 km railway line linking Tanzania's port of Dar es Salaam to Kapiri Mposhi in Zambia. The TAZARA Rehabilitation Project was launched in **2012** to upgrade and modernize the railway line, which was built in the 1970s with Chinese support. The project has been divided into three phases, and the timeline for each phase is as follows:

- Phase I (**2012**-**2014**): Preliminary works, including site surveys and feasibility studies.
- Phase II (**2014**-**2019**): Rehabilitation of the railway line, including upgrading the tracks, **Bridge** s, and signaling systems.
- Phase III (**2019**-**2025**): Modernization of the railway line, including the introduction of new locomotives, wagons, and other equipment.

The TAZARA Rehabilitation Project is being implemented by **China Civil Engineering Construction Corporation (CCECC)**, a subsidiary of **China State Construction Engineering Corporation (CSCEC),** which is the parent company of **CCECC**. The project is being funded by the Chinese government through a preferential loan.

The TAZARA Rehabilitation Project has faced several issues and challenges, including delays, cost overruns, and technical problems. Some of the main issues and failures are:

Poor maintenance and management: The TAZARA railway has been poorly maintained and managed since it was built, which has led to operational problems and safety concerns. The railway has suffered from a lack of investment and expertise, as well as **Corruption** and mismanagement.

Technical problems: The TAZARA railway has outdated equipment and infrastructure, which has led to frequent breakdowns and delays. The railway also lacks modern signalling systems, which has contributed to accidents and safety concerns.

Financing problems: The TAZARA railway has been facing financial difficulties for many years, with revenues failing to cover operating costs. The railway has also struggled to repay its debt to China, which has led to concerns over debt sustainability.

Political interference: The TAZARA railway has been subject to political interference and corruption, with political elites using the railway for their own interests rather than the public good. Our investigations discovered that Chinese government is using the railway as a tool of influence in the region.

In October **2019**, **workers at the railway went on strike to protest unpaid wages and poor working condition**s. The strike disrupted operations and led to a **backlog of cargo at the port of Dar es Salaam**.

In December **2020**, residents of a village in Tanzania staged a demonstration against the TAZARA railway, claiming that it **was damaging their crops and livestock.** The villagers demanded compensation for the damage caused by the railway.

In February **2021**, **a train derailment on the TAZARA railway in Zambia resulted in the death of at least five people and injured several others.** The accident was attributed to technical problems and lack of maintenance on the railway line.

In **2022**, the Tanzanian government announced that the cost of the project had increased from **$400 million to $450 million,** causing an uproar.

Grand Inga Dam Project, Democratic Republic of Congo

Environment Damage Delayed Cost Overrun Corruption

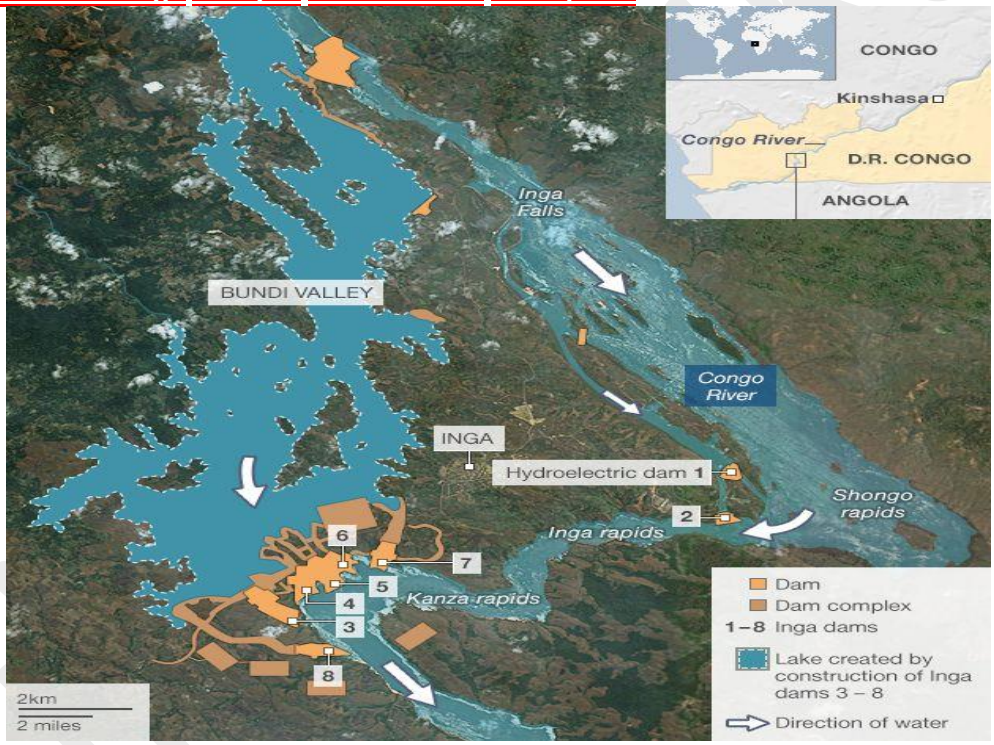

Figure 13 Grand Inga Dam Project

The **Grand Inga Dam Project** is a proposed hydroelectric dam complex on the Congo River in the Democratic Republic of the Congo. The project has been under consideration for over 50 years, and it is estimated to **cost $80 billion** to complete. **The Grand Inga Dam would be the world's largest hydroelectric power plant, with an installed capacity of 40,000 megawatts**. The project has been proposed as part of the Belt and Road Initiative (**BRI**).

The project is being implemented by **China Three Gorges Corporation (CTG),** a Chinese state-owned enterprise that specializes in hydroelectric power generation. **CTG** has signed several agreements with the DRC government to

develop the **Grand Inga hydropower project**, including the construction of Grand Inga III, which will have a capacity of **4,800 MW**.

The Grand Inga Dam Project has faced several issues and challenges, including environmental concerns, financial difficulties, and political instability. Some of the main issues and failures are:

Environmental concerns: The Grand Inga Dam Project has raised concerns over its potential environmental impact, including the displacement of local communities, loss of biodiversity, and damage to river ecosystems.

Financing problems: The Grand Inga Dam Project has faced difficulties in securing funding for its construction, with estimates of the total cost ranging from **$80 billion to $100 billion**. The project has also struggled to attract private sector investment due to its high risk profile.

Political instability: The DRC is one of the most politically unstable countries in the world, with a history of conflict and corruption. The Grand Inga Dam Project has been subject to political interference and corruption, which has led to delays and uncertainty over its future.

There have been several protests and demonstrations related to the Grand Inga Dam Project. **In 2016, environmental activists staged a protest outside the CTG headquarters in Beijing to demand** that the company address the environmental concerns associated with the project.

In 2018, a coalition of civil society organizations in the DRC called for greater transparency and **public participation** in the development of the Grand Inga hydropower project.

In 2019, a group of NGOs published a report criticizing the lack of transparency and accountability in the Grand Inga project and called for **greater involvement of local communities in the decision-making process.**

Mtwara-Dar es Salaam Natural Gas Pipeline Project, Tanzania

Environment Damage Delayed Cost Overrun Corruption Poor Quality

The **Mtwara-Dar es Salaam Natural Gas Pipeline Project is a joint venture between the Tanzania Petroleum Development Corporation (TPDC)** and **China Petroleum Technology & Development Corporation (CPTDC), a subsidiary of China National Petroleum Corporation (CNPC)**. The project aims to transport natural gas from the Mtwara region in southern Tanzania to Dar es Salaam in the north, where it will be used to generate electricity.

In **2011**, **the Tanzanian government signed a memorandum of understanding with China to finance and construct the pipeline. In 2013, construction of the pipeline began**. The Mtwara-Dar es Salaam Natural Gas Pipeline Project is a **$1.2 billion project** that will **transport natural gas from the Mtwara region of Tanzania to the Dar es Salaam region**.

The project is being funded by a combination of Chinese loans and Tanzanian government contributions. **The project is scheduled to be completed in 2023. The project's initial budget was estimated at $1.2 billion, but the final cost of the project was reported to be $1.5 billion, leading to accusations of mismanagement and cost overruns.**

The pipeline has faced technical challenges, including leaks and maintenance issues, which have resulted in interruptions to the **supply of natural gas to power plants in Dar es Salaam.**

In **2013**, farmers in the **Mtwara region protested against the construction of the pipeline, citing concerns over land acquisition, compensation, and the potential environmental impact of the project**. The protests turned violent, leading to clashes with the police, and several people were killed or injured.

In **2015**, residents of **Dar es Salaam staged protests over the high cost of electricity, which they attributed to the delay in the completion of the pipeline and the continued use of expensive diesel generators to generate power**. The protests led to the temporary shutdown of several major roads in the city.

In **2018**, there were protests in **Mtwara over the government's decision to reduce the price of natural gas supplied through the pipeline to industries in the region, which led to job losses and reduced revenues for local businesses.** The protests resulted in clashes with the police and the arrest of several protesters.

Nacala Corridor Railway and Port Project, Mozambique and Malawi

Delayed **Cost Overrun**

In **Nacala, Mozambique, a new railway line and a deep-water port will be built as part of the $5 billion Nacala Corridor Railway and Port Project**. Chinese financing and contributions from the governments of Mozambique and Malawi are used to finance the project. **The project is supposed to be finished in 2025**, however it is very unlikely to be finished by that date due to several cost overruns and the project's location in an area that is prone to violence and instability.

Nacala International Airport Project, Mozambique

Delayed Cost Overrun Corruption Poor Quality

The **Nacala International Airport Project is a $125 million project** that will construct **a new international airport in Nacala, Mozambique**. The project is being funded by a combination of **Chinese loans and contributions** from the government of **Mozambique**. The project is scheduled to be completed in **2023** (fully functional).

The project has **faced delays and financing difficulties, with some investors pulling out due to concerns over the country's political instability and economic challenges**.

Despite being a difficult and complicated undertaking, the Nacala International Airport undertaking has the potential to be a significant development success story. The project is anticipated to accelerate economic growth and enhance commercial and transportation connections between Mozambique and other regional nations.

Addis Ababa-Djibouti Railway Project, Ethiopia and Djibouti

Environment Damage Completed Cost Overrun Corruption

Figure 14 Addis Ababa-Djibouti Railway Project, Ethiopia and Djibouti

The Addis Ababa-Djibouti Railway is a 752-kilometer railway that connects the capital city of Ethiopia, Addis Ababa, to the port of Djibouti. The project was

financed by the Chinese government and built by Chinese companies. The railway was completed in 2017 and has been operating since then.

Companies involved in the project were China Railway Group Limited (CREC), **China Civil Engineering Construction Corporation (CCECC)** and China Railway Construction Corporation Limited (CRCC). In **2014**, the Ethiopian government terminated the contract of the project's initial contractor, **China Communications Construction Company (CCCC)**, due to "delays and incompetence." This caused a delay of several months in the project's construction.

The project has been plagued by cost overruns. The initial cost of the project was estimated to be **$2.5 billion, but it eventually cost $4 billion**.

In **2013**, there were **protests against the project in the Ethiopian town of Dire Dawa.** The protesters were concerned about the environmental impact of the project and the fact that it was being funded by China.

In **2014**, there were further protests against the project in the **Djiboutian town of Tadjoura.** The protesters were concerned about the displacement of people and the fact that the project was owned and operated by a Chinese company.

In **2015**, there were reports of **Corruption in the project. It was alleged that some officials were taking Bribes in exchange for awarding contracts to Chinese companies.**

In **2016**, **several protests broke out in Ethiopia against the government's handling of the resettlement of local communities along the railway route**.

In **2017**, the **railway was the target of an attack by rebels from the Ogaden National Liberation Front (ONLF), resulting in the deaths of several people.**

Despite all the setbacks, it is the first modern railway in Ethiopia and the first electrified railway in Africa. The railway has had a significant impact on the economies of Ethiopia and Djibouti. It has reduced the cost of transporting goods and people between the two countries, and it has helped to boost trade and investment. The railway has also created jobs and improved the quality of life for people in the region.

Coastal Corridor Highway Improvement Project, Mozambique

Environment Damage Delayed Cost Overrun Corruption Poor Quality

The Coastal Corridor Highway Improvement Project is **a $1.2 billion project** to upgrade **470 kilometers of highway in Mozambique**. The project is being financed by the Export-Import Bank of China (EXIM Bank) and is expected to be completed in **2025**.

The project has faced challenges with financing and concerns over its potential impact on local communities and the environment. There have also been allegations of **Corruption** and mismanagement.

The project was launched in 2007 and was completed in **2014**.

Companies involved in the project were **China Road and Bridge Corporation** (**CRBC**), a subsidiary of **China Communications Construction Company (CCCC)**

The project faced several delays and cost overruns, with the final cost being significantly higher than the initial budget. There were also concerns about the quality of the road construction, with reports of potholes and drainage problems.

In addition, there were complaints about the environmental impact of the project, including damage to wildlife habitats and disruption to local communities.

In **2013**, **protests broke out in the city of Chimoio, located along the highway**, over the **resettlement of local communities** and compensation for land lost during the construction of the road.

In **2014**, **protests erupted in the city of Beira over the high toll fees charged on the highway.** The protesters claimed that the fees were too high and were a burden on the local population.

Lekki Port Project, Nigeria

Environment Damage Completed Corruption Poor Quality

One of the **BRI**'s premier projects in Africa is the Lekki Port Project. It is a deep-sea port worth $1.5 billion that is situated in Lagos, Nigeria. The project was completed in **2022**, with a 2.7 million TEU annual capacity.

Lekki Port's development started in 2017 with help from China Development Bank finance. Lekki Port LFTZ (Lagos Free Trade Zone) Enterprise built the project. This is a special purpose entity controlled by a consortium of investors that also includes local and federal Nigerian government departments, led by state-owned **China Harbour Engineering** and **Tolaram**, a Singapore-based conglomerate.

The project has faced some issues and challenges, including delays caused by the COVID-19 pandemic, land acquisition and compensation issues, and concerns about the environmental impact of the project. In addition, there have been protests and demonstrations by local communities and environmental groups who are concerned about the potential negative effects of the project on the local ecosystem, including the destruction of mangroves and wetlands.

Kafue Gorge Lower Hydroelectric Power Station Project, Zambia

Delayed Cost Overrun Poor Quality

The **Kafue Gorge Lower Hydroelectric Power Station Project is a $2 billion project** that will generate 750 megawatts of electricity. The project is being financed by a combination of loans from Chinese banks and equity from the Zambian government. The project is expected to be completed in **2023**.

The project was launched in **2015** and is being constructed by **Sinohydro**, a Chinese state-owned hydropower engineering and construction company.

The project has faced challenges with financing and concerns over its potential environmental impact and potential displacement of local communities. There have also been disputes over the project's ownership and implementation.

The **Kafue Gorge Lower Hydroelectric Power Station Project** has a 20-year grace period and a repayment period of 25 years. Zambia started repaying the loan in **2022** and will be required to make an annual repayment of approximately US$170 million.

There are concerns about the impact of this debt burden on Zambia's economy, particularly given the country's relatively low GDP and high poverty rates. According to our investigation China is using the debt as leverage to exert political influence over Zambia.

Zungeru Hydroelectric Power Plant Project, Nigeria

Environment Damage Delayed Cost Overrun Corruption

The **Zungeru Hydroelectric Power Plant Project is a $2.3 billion** project that will generate 700 megawatts of electricity. The project is being financed by a combination of loans from **Chinese banks and equity from the Nigerian government. The project was originally scheduled to be completed in 2018,** but it has been delayed due to a number of factors, including resettlement issues, environmental concerns, and financial difficulties. **The project is now expected to be completed in 2023.**

The Zungeru Hydroelectric Power Plant Project is also expected to have a significant impact on the environment. **The project will create a reservoir that will flood 10,000 hectares of land. This will displace about 3,000 people and could impact the local ecosystem.**

The Zungeru Hydroelectric Power Plant Project is one of the largest infrastructure projects in Nigeria.
Companies Involved in the project are China National Electric Engineering Co. (CNEEC) and China National Machinery Import and Export Corporation (CMC).

The project has faced challenges with financing and concerns over its potential environmental impact and potential displacement of local communities. There have also been disputes over the project's ownership and implementation.

According to our investigation, the project cost has increased from an initial estimate of **$1.3 billion to over $2.5 billion.**

In **2016, local residents protested against the project, claiming that they were not adequately compensated for their land and that the project would negatively impact their livelihoods.** The protests resulted in clashes with the police and several injuries.

In **2017**, **it was reported that the project had faced significant setbacks due to a lack of funding from the Nigerian government**. This led to delays in construction and a slowdown in progress.

In **2018**, **the Nigerian Senate launched an investigation into the project, citing concerns over Corruption** and mismanagement of funds. The investigation was ongoing as of **2021**.

In **2019**, it was reported that the project had been affected by insecurity in the region, with workers and contractors facing threats from armed groups.

Dar es Salaam-Isaka-Kigali/Keza-Musongati (DIKKM) Railway Project, Tanzania, Rwanda, and Burundi

Environment Damage Delayed Cost Overrun Corruption

The **DIKKM Railway Project is a 753-kilometer railway line** that will connect **Dar es Salaam, the largest city in Tanzania, to Kigali, the capital of Rwanda**. The project is expected **to cost $5 billion and is scheduled to be completed in 2025**. The **DIKKM** Railway Project is expected to boost economic growth and trade between Tanzania, Rwanda, and Burundi. It will also help to improve regional connectivity and reduce poverty.

In **2013**, the governments of **Tanzania, Rwanda, and Burundi** signed an agreement to develop the **DIKKM** railway project.

In **2016**, the governments of Tanzania and Rwanda signed a loan agreement with the **Export-Import Bank of China for $1.3 billion to finance the construction of the first phase of the project, from Dar es Salaam to Morogoro in Tanzania**.

In **2018**, the government of Tanzania signed another loan agreement with **China for $1.1 billion to finance the second phase of the project, from Morogoro to Makutupora in Tanzania.**

In **2023**, it is **Still Under Construction**.
The Dar es Salaam-Isaka-Kigali/Keza-Musongati (DIKKM) Railway Project has been plagued by cost overruns. **The original cost of the project was estimated at $2.5 billion**, **but the actual cost is now expected to be closer to $5 billion.** This is due to a number of factors, including the difficult terrain, the need to relocate people and businesses, and the rising cost of materials.

The cost overruns have put a strain on the finances of Tanzania, Rwanda, and Burundi. The three countries are now struggling to find the money to complete the project. This has led to delays in the construction of the railway, and it is now unclear when the project will be completed.
In Tanzania, there were protests by residents of areas along the railway route who claimed that they were not adequately compensated for the land acquired for the project. **In January 2020, the Tanzania Rural and Urban Roads Agency (TARURA) reported that over 4,000 households were affected by the project, and that only about half of them had been compensated. The residents also complained about inadequate resettlement and compensation procedures.**

In Rwanda, there were also protests by residents of areas along the railway route who claimed that they were not adequately compensated for the land acquired for the project. **In October 2019, residents of Mageragere Sector in Kigali staged a protest, claiming that they were not properly informed about the compensation process and that the compensation they received was insufficient**. The protest resulted in the suspension of the compensation process for a while.

Central African Backbone (CAB) Project, Central African Republic, Chad, Democratic Republic of Congo, Gabon, Republic of Congo, and Cameroon

Environment Damage Delayed Cost Overrun

The CAB Project is a $2 billion project to build a high-speed fiber optic network that will connect six countries in Central Africa: the Central African Republic, Chad, the Democratic Republic of Congo, Gabon, the Republic of Congo, and Cameroon.

The CAB project involves several companies, including Huawei, ZTE, **China Machinery Engineering Corporation (CMEC)**, and **China National Electric Engineering Company (CNEEC)**.

The project has faced several challenges, including delays, cost overruns, and security issues. In **2013**, the project was temporarily halted due to insecurity in the Central African Republic (CAR). The conflict in CAR also led to the destruction of several telecommunication infrastructures, including the CAB fiber optic cable.

In **2017**, the project was hit by a financial scandal in Cameroon. The Cameroon government was accused of diverting funds meant for the project into a private account. The **World Bank** and the **African Development Bank (AfDB)** suspended funding for the project following the scandal.

In **2018**, the CAB project was criticized by several civil society organizations for its potential negative impact on human rights. The organizations argued that the project could be used by governments to increase surveillance and suppress dissent.

The **Central African Backbone (CAB) Project** has experienced significant cost overruns. The original cost of the project was estimated at $2 billion, but the actual cost is now expected to be closer to $4 billion.

The six countries engaged in the project are struggling financially as a result of the cost overruns. The nations are now having trouble raising the necessary funds to finish the project. The building of the network has been delayed as a result, and it is now unsure when the project will be finished.

Concerns regarding the project's viability have also been raised as a result of the cost overruns. The CAB Project is anticipated to significantly increase Central Africa's economy. The six nations are finding it challenging to produce sufficient revenue to pay for the network's operational expenses due to the project's exorbitant cost, though. As a result, the network became a financial burden for the six countries.

Zambia-Malawi Interconnector Project

Environment Damage **Delayed** **Cost Overrun** **Corruption**

The Zambia-Malawi Interconnector Project is **a $375 million** project to build a **330-kilovolt (kV) high-voltage direct current (HVDC) transmission** line that will connect the two countries. The project is expected to be completed in **2023**.

The project has faced a number of challenges, including delays, cost overruns, and protests. The project was originally scheduled to be completed in **2018**, but it has been delayed by several years. **The cost of the project has also increased from an initial estimate of $250 million to $375 million.**

There have been a number of protests against the project, both in Zambia and Malawi. The protesters have raised concerns about the environmental impact of the project, the potential for corruption, and unviable Chinese loans.

In **2019**, there were protests against the project in the **Zambian town of Chipata**. The protesters were concerned about the environmental impact of the project and the fact that it was being funded by China.

In **2020**, there were further protests against the project in the **Malawian town of Mzuzu. The protesters were concerned about the cost of the project and the fact that it was being delayed.**

In **2021**, **there were reports of Corruption in the project. It was alleged that some officials were taking Bribes in exchange for awarding contracts to Chinese companies.**

Tema-Aflao Railway Project, Ghana

Delayed **Cost Overrun**

The **Tema-Aflao Railway Project** is a $2.2 billion project to rehabilitate and modernize a 109-kilometer railway line that connects the port city of Tema and the border town of Aflao. The project is expected to be completed in **2025**. The construction of the railway is being undertaken by a consortium of Chinese companies, including China Railway Group, China Civil Engineering Construction Corporation, and **Sinohydro**.

Cost overruns have been a problem for the **Tema-Aflao Railway Project. The project was initially projected to cost $1.8 billion, but it ultimately ended up costing $2.2 billion. This results in a $400 million, or 22%, cost overrun.**

The Ghanaian government is quite concerned about the **Tema-Aflao Railway Project**'s cost overruns. It is unclear how the government would pay for the additional expenses as the project is already beyond budget. The project's completion might be delayed further as a result of the cost overruns, which would hurt Ghana's economy.

Dodoma City Water Supply Project, Tanzania

Environment Damage **Delayed** **Poor Quality**

The Dodoma City Water Supply Project is a $100 million project to improve the water supply in Dodoma, the capital of Tanzania. The project is being funded by a loan from the **China Exim Bank**. The project is expected to be completed in **2023**.

The project has faced challenges with financing and concerns over its potential impact on local communities and the environment. There have also been disputes over land acquisition and compensation for affected communities.

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Nepal

Here are the year-on-year trade statistics and balance of payment of Nepal with China from 2017 to 2022:

Year	Nepal's Import from China	Nepal's Export to China	Balance of Payment
2017	1,247 million USD	181 million USD	-1,066 million USD
2018	1,477 million USD	213 million USD	-1,264 million USD
2019	1,702 million USD	245 million USD	-1,457 million USD
2020	1,932 million USD	278 million USD	-1,654 million USD
2021	2,162 million USD	311 million USD	-1,851 million USD
2022	2,401 million USD	345 million USD	-2,056 million USD

Table 6 Trade statistics of Nepal with China from 2017 to 2022

As you can see, Nepal and China have a trade deficit. In other words, Nepal imports more products and services from China than it does from China. In recent years, the **trade gap** has been widening. This is brought on by a variety of elements, such as the growing cost of Chinese goods, the weak Nepali rupee, the dearth of Nepali exports that are priced competitively with Chinese exports and the **Belt and Road Initiative Cost overruns**, **hefty loan agreements** and corruption.

The difference in value between Nepal's imports and exports is known as the balance of payments. In recent years, **the payment balance has been n**egative. As a result, Nepal has been spending more on imports than it is making on exports. The **BRI is the root cause of the negative balance of payments**.

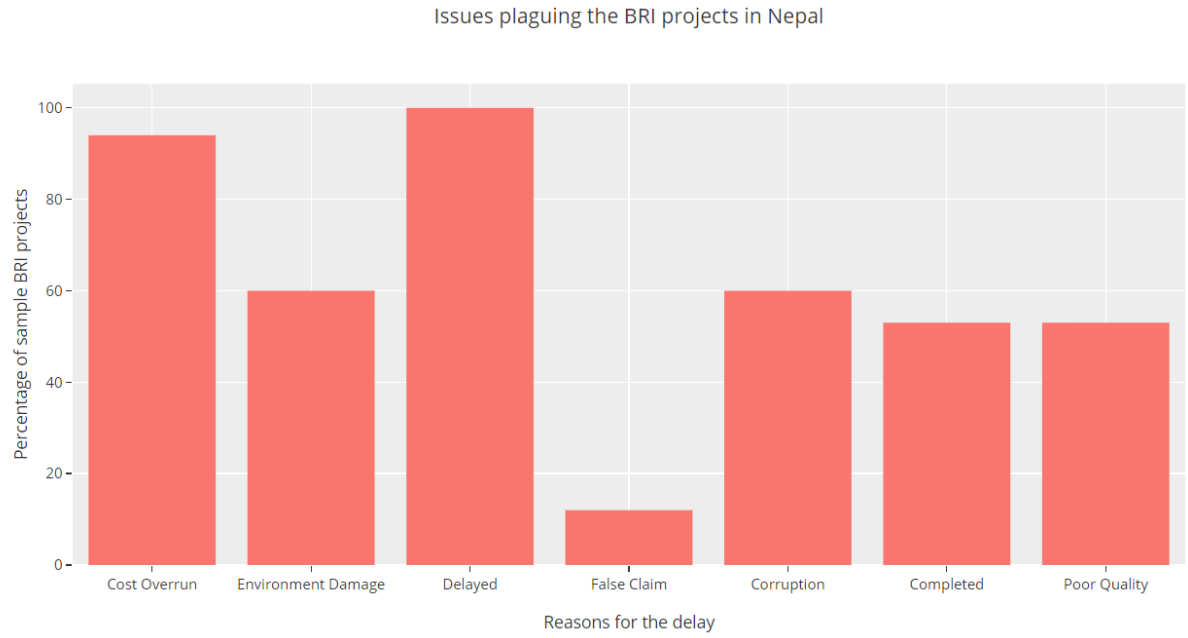

Figure 15 Issues faced by the BRI projects in Nepal

Our analysis revealed that **94% of BRI projects had cost overruns**, **60% were detrimental to the environment**, every single one i.e. **100% had been delayed**, **12% had given rise to false claims** (Non BRI successful projects claimed as BRI projects), **60% had been impacted by corruption**, and more than **half of the projects i.e 53%** which are under construction or are completed **had poor quality**.

List of the projects that have suffered cost overruns:
Transport Projects:

- Rasuwagadhi-Kathmandu Road Upgrade
- Kimathanka-Hile Road Construction
- Road Construction from Dipayal to the Chinese Border
- Tokha-Bidur Road
- Galchhi-Rasuwagadhi-Kerung 400kv Transmission Line
- Kerung-Kathmandu Railway
- Kathmandu Ring Road Expansion Project
- Kathmandu-Pokhara Fast Track

Energy Projects:

- Tamor Hydroelectricity Project
- Phuket Karnali Hydroelectric Project
- West Seti Hydroelectric Project
- Trishuli 3A Hydroelectric Project
- Trishuli 3B Hydroelectric Project
- Middle Marsyangdi Hydroelectric Project
- Lower Arun Hydroelectric Project
- Upper Trishuli 3A Hydroelectric Project
- Upper Trishuli 3B Hydroelectric Project
- Kulekhani 3 Hydroelectric Project
- Gandak Multipurpose Project
- Mahakali Multipurpose Project

Education Project:

- Madan Bhandari Technical Institute

Water Project:

- Kathmandu Metropolitan City Drinking Water Supply Project

Urban Development Project:

- Kathmandu Valley Urban Development Project

Nepal-China Projects:

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- Nepal-China Cross-border Railway Project
- Nepal-China Transmission Line Project

Here are some of the Chinese companies that have been charged with corruption allegations in Nepal:

- **China Communication Construction Company (CCCC):** This company was accused of overcharging the Nepal government for the Melamchi Drinking Water Project. The total cost of the project was $2.5 billion, and it is alleged that CCCC overcharged by $1 billion.
- **Sinohydro Corporation**: This company was accused of overcharging the Nepal government for the Upper Trishuli 3A Hydropower Project. The total cost of the project is $1.2 billion, and it is alleged that Sinohydro overcharged by $200 million.
- **China Gezhouba Group Corporation**: This company was accused of overcharging the Nepal government for the West Seti Hydropower Project. The total cost of the project is $2.4 billion, and it is alleged that China Gezhouba Group Corporation overcharged by $500 million.

Hydro-electricity Projects

Budhi Gandaki Hydroelectricity Project

Cost Overrun Delayed Corruption Poor Quality

Political unrest, as well as worries about the project's effects on the environment and society, have caused delays and finance problems. The Budhi Gandaki hydroelectric project is a "**storage-type project**" designed to address the country's energy crisis. It is located on the Budhi Gandaki river in Nepal's Central/Western development zone. **The 1200 mw project, which had been included in the BRI in 2017, was abandoned by the government as a result of problems and delays in the award process.**

The project is being constructed by the China Gezhouba Group Corporation (CGGC) and is expected to **cost $2.5 billion**. However, the project has been plagued by cost overruns and delays. In **2018**, the project's estimated cost was increased to **$3.5 billion**. In 2020, the project's completion date was pushed back from **2022 to 2024**.

There have been several corruption cases related to the Budhi Gandaki Hydroelectricity Project. In 2019, the Nepali government filed a corruption case against the **China Gezhouba Group Corporation (CGGC).** The government

accused CGGC of overcharging for the project and of using substandard materials. The case is still pending in court.

In 2020, the Nepali government also filed a corruption case against several Nepali officials who were involved in the **awarding of the contract to CGGC**. The government accused the officials of accepting bribes from CGGC in order to award the contract to the company. The case is also still pending in court.

The corruption cases related to the **Budhi Gandaki Hydroelectricity Project** have raised concerns about the transparency and accountability of the project. The cases have also cast a shadow over the future of the project. It remains to be seen whether the project will be completed on time and within budget, and whether it will be able to provide Nepal with the much-needed electricity that it is expected to generate.
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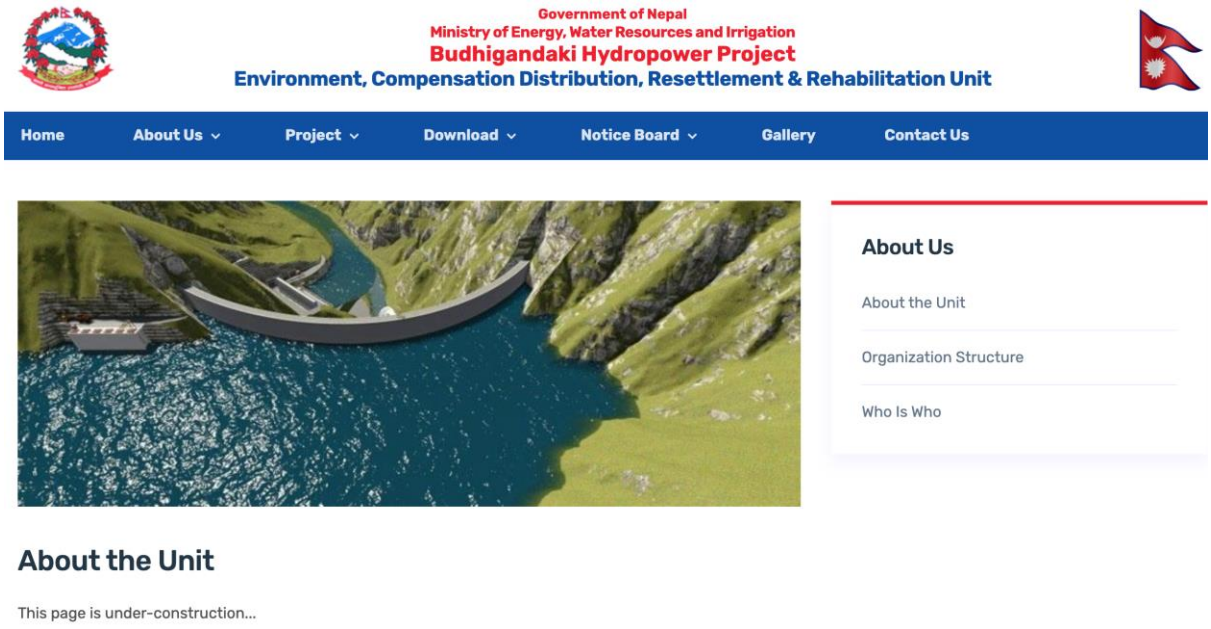

Figure 16 The Budhi Gandaki Project Website Page

Ij-Reportika reporters talked to a lot of locals who said that this project has demolished their lives completely. Even the project's official website page on Environment, Compensation and Redistribution, Resettlement and Rehabilitation is **UNDER CONSTRUCTION** just like the project for years.

West Seti Hydroelectric Project

Cost Overrun Delayed FalseClaim Poor Quality

The project has faced delays and financing issues due to political instability and concerns over environmental and social impacts. The West-Seti Hydropower Project and Seti River Project (SR6), joint storage projects totalling 1200MW that

China had twice abandoned, were officially granted by Nepal to **India's National Hydro Power Corporation (NHPC).**

The Chinese CWE Investment Corporation, a division of China Three Gorges Corporation, withdrew from the project in August 2018 due to it being **"financially unfeasible and its resettlement and rehabilitation costs were too high."**

Snowy Mountain Engineering Corporation's license had not been extended by Nepal prior to that time due to the Chinese company's inability to start the work "**convincingly**" for a whole decade in the middle of the 1990s.

The West Seti Project predates the **BRI**, however Chinese BRI specialists previously referred to it as a BRI project before CWE formally declined of it, which resulted in significant financial losses for Nepal.
The cost overrun in the **West Seti Hydroelectric Project** is estimated to be around **$932 million USD**. The project was initially estimated to cost $2.5 billion USD, but the cost has increased due to several factors.

Upper Tamakoshi Hydropower Project

Environment Damage Cost Overrun Delayed Corruption Completed Poor Quality

The Upper Tamakoshi Hydropower Project is a 456-megawatt hydroelectric project in Nepal. The project was initially scheduled to be completed in 2018, but it was delayed due to several factors, including:

- The complex geology and topography of the area
- The remote location of the project
- The need to relocate thousands of people
- Corruption

Figure 17 Upper Tamakoshi Hydropower Project

The project was finally completed in 2021, but the cost overrun was significant. The project was initially estimated to **cost Rs. 35 billion, but it ultimately cost Rs. 76 billion.**

The **environmental impact** of the project has also been a concern. The project has displaced thousands of people and has inundated a large area of forest. Environmentalists have also raised concerns about the project's potential impact on the endangered **snow leopard.**

Here are some examples of protests against the Upper Tamakoshi Hydropower Project:
In **2015**, locals protested against the project, **demanding that they be given a share in the project's benefits.**

In **2016**, workers protested against the project, **demanding higher wages and better working conditions.**

In **2017**, environmentalists protested against the project, **saying that it would have a negative impact on the environment.**

Tamor Storage Hydroelectric Project

Environment Damage **Cost Overrun** **Delayed** **Corruption**

The Tamor Storage Hydroelectric Project, also known as the Upper Tamor Hydroelectric Project, is a hydropower project located in eastern Nepal. The Tamor Storage Hydroelectric Project is being developed by a consortium of Chinese and Nepali companies**. The Chinese companies involved are Power**

Construction Corporation of China (PCCCL) and China Gezhouba Group Corporation (CGGC). The Nepali companies involved are Hydroelectricity Investment and Development Company Ltd. (HIDCL) and Nepal Electricity Authority (NEA).

Figure 18 Tamor Storage Hydroelectric Project Mou Signing Ceremony

In 2019, a Memorandum of Understanding (MoU) was signed between the **Investment Board of Nepal (IBN), Power Construction Corporation of China (PCCCL), and Hydroelectricity Investment and Development Company Ltd. (HIDCL)** to conduct a detailed feasibility study (**DFS**) for the project. The DFS was completed in **2020**.

In 2022, a consortium of **China Gezhouba Group Corporation (CGGC) and HIDCL was awarded the contract to construct the project**.
Construction of the project is expected to start in 2023 and be completed in 2028. **The project is getting delayed due to huge cost overruns and corruption allegations by the common Nepali citizens.**

The **Tamor** Storage Hydroelectric Project has been met with protests, demonstrations, and uproars from local communities and environmental

groups. **The protests have been held in various locations in Nepal, including Myanglung, Chisapani, Biratnagar, and Panchthar.**

In **2020**, there were protests against the project in the villages of **Myanglung** and Chisapani. **The protesters were concerned about the project's impact on their livelihoods and the environment.**

In **2021**, there were protests against the project in the town of **Biratnagar**. The protesters were concerned about the **project's impact on the environment and the possibility of a dam breach.**

In **2022**, there were protests against the project in the district of **Panchthar**. The protesters were concerned about the **project's impact on their livelihoods and the environment.**

In addition to environmental harm, the project has already experienced significant financial overruns. Costs for the project have drastically gone up. It was once expected to **cost $1.5 billion, but the current estimate is $2 billion.**

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The Road projects

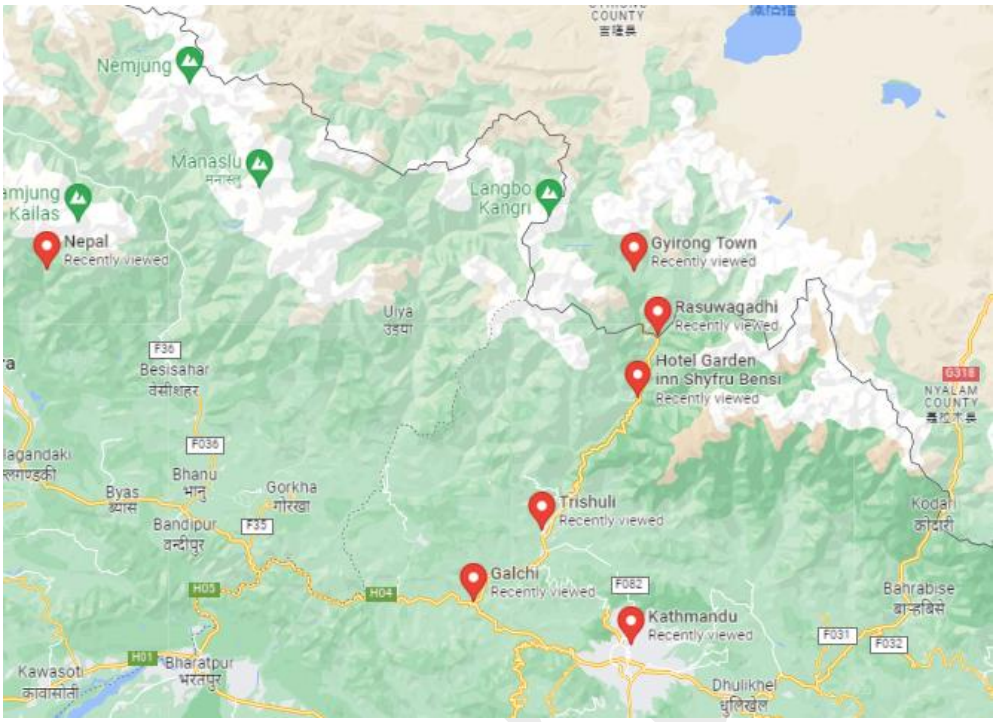


Figure 19 The major connecting points on the Road Project

Kathmandu-Nijgadh Expressway

Environment Damage Delayed Poor Quality Cost Overrun Poor Quality

The **Kathmandu-Nijgadh Expressway** is a controlled-access highway connecting Kathmandu and Nijgadh in the Terai region of Nepal. The road **is 72.5 kilometers** long, with 55.5 kilometers of plain roads, 10.59 kilometers of tunnels, and 6.41 kilometers of bridges. The expressway is being constructed by the Nepal Army, originally scheduled to be completed by September 2021. The new set target date for completion is 2024. As of July 2021, 16.1% of the work has been completed.

On the expressway, there are three tunnels. **China State Construction Engineering Company** Limited has been given the contract to build the 3.355 km long **Mahadev Danda tunnel,** while the **Chinese Polychagnda Engineering Company** has been given the contract to build the 1.630 km long Dhedre-Lendanda tunnel.

The project has faced **protests** and opposition from local communities and environmental groups over concerns about land acquisition, deforestation, and impacts on biodiversity. There are also concerns about the potential negative impacts on local communities and cultural heritage sites along the proposed route.

Figure 20 Kathmandu-Nijgadh Expressway Project Protests

The project has been delayed several times. The original target date for completion was **September 2021**, but it is now expected to be completed in 2024. The project's cost has increased significantly. **The original cost estimate was $225 million USD, but it is now estimated to cost $375 million USD, which is equivalent to $150 million USD.**

There have been protests regarding the potential damage to the cultural heritage in the **Kathmandu-Nijgadh Expressway project**. The project is expected to pass through a number of areas that are home to important cultural heritage sites, including:

- The **ancient town of Sano Khokana**, which is home to several temples and monasteries.
- The **town of Chhaimale**, which is home to several historical buildings.
- The **town of Gausel,** which is home to several temples and monasteries.
- The **town of Malta,** which is home to several historical buildings.
- The **town of Budune,** which is home to several temples and monasteries.
- The **town of Chhatiwan,** which is home to several historical buildings.

The protesters are concerned that the construction of the **expressway will damage these cultural heritage sites.** They have called on the government to take steps to protect these sites, such as by rerouting the expressway or by using non-destructive construction methods.

Rasuwagadhi-Kerung Border Point - The Rasuwagadhi border

China's geopolitical interests | Poor Quality | Delayed | Completed | Cost Overrun

The land boundary between Nepal and China lies at the Rasuwagadhi-Kerung border point. It is situated in the **Nyalam** County of **Tibet** and **the Rasuwa District of Nepal.** The sole land border between China and Nepal that is available for trade and tourism was opened in **2014**.

It has been a source of controversy since its opening. The primary problems have been the **high toll prices, the poor infrastructure, and the negative effects of the border crossing on the environment.**

The cost of crossing the border is substantial. The fee for a truck hauling products **in 2023 is $1,000 USD**. For companies wanting to export items from Nepal to China, this is a considerable expense.

The point's infrastructure is likewise **subpar**. The **customs office** is small and chaotic, and there is no decent route leading there. Travellers and traders find it challenging to cross the border as a result.

More than 1,000 containers carrying clothing, shoes, gadgets, fruits, and raw materials were recently blocked from entering Nepal by China at Rasuwagadhi Point, imposing **an unofficial blockade** of the border.

Concerns regarding the potential **militarization** of the border and its effects on Nepal's sovereignty have been raised as a result of the ongoing use of **blockades** as a weapon against that country.

Rasuwagadhi-Hilsa Road Project

China's geopolitical interests | Environment Damage | Delayed | Poor Quality | Cost Overrun

The Rasuwagadhi-Hilsa Road Project is a road construction project in Nepal. It is a part of the Trans-Himalayan Multi-Dimensional Connectivity Network (THMDCN) project, which is a joint initiative of Nepal and China. The project aims to construct a 112-kilometer road from **Rasuwagadhi** to **Hilsa**. The road will be a two-lane, all-weather road and is expected to be completed in **2025**.

The Rasuwagadhi-Hilsa Road Project is being financed by the Chinese government. The construction of the road is being carried out by a consortium of Chinese and Nepali companies. The **Chinese companies involved in the project are the China Road and Bridge Corporation (CRBC) and the Sinohydro Corporation Limited**. The Nepali companies involved in the project are the Nepali Army and the Road Division.

The Rasuwagadhi-Hilsa Road Project has faced a number of challenges. The main challenges have been the difficult terrain, the presence of landmines, and the protests from local communities.

The terrain in the area where the road is being constructed is very difficult. The area is mountainous and there are a number of rivers and streams that need to be crossed. The presence of landmines in the area is also a major challenge**. The landmines were left behind by the Maoist rebels who fought a civil war in Nepal from 1996 to 2006**. The protests from local communities have also been a challenge. The local communities are concerned about the impact of the road on their environment and their livelihoods.

In 2020, there were protests against the **Rasuwagadhi-Hilsa** Road Project in the villages of **Sano Khokana, Chhaimale, Gausel, Malta, Budune, and Chhatiwan**. The protesters were concerned about the impact of the road on their livelihoods and the environment.

Railway Projects

Sino-Nepal Road-Rail Freight Service

China's geopolitical interests Environment Damage Delayed Cost Overrun Corruption

The Sino-Nepal Road-Rail Freight Service is a transportation project aimed at enhancing connectivity between China and Nepal through the development of road and rail infrastructure. While I can provide a general overview of the timeline, companies involved, and some notable issues, protests, and demonstrations, please note that I may not have specific details about every single event or incident.

China and Nepal signed **a memorandum of understanding (MoU)** to explore the possibility of a cross-border rail link in 2016. In 2017, The governments of China and Nepal agreed to conduct a feasibility study for the construction of a railway connecting the two countries.

In 2018, During Chinese **President Xi Jinping's visit to Nepal,** both countries signed various agreements, including one on the development of cross-border rail and road connectivity.

In 2020, The construction of the **Rasuwagadhi-Kathmandu railway** project officially began. This railway is a crucial part of the Sino-Nepal road-rail freight service.
In 2020, the Nepali government announced that the cost of the Sino-Nepal Road-Rail Freight Service had increased from **$100 million to $200 million**. The

increase in cost was due to several factors, including delays in construction and the rising cost of materials.

In the hamlet of Syaphrubesi in 2022, there were a number of protests and demonstrations against the Sino-Nepal Road-Rail Freight Service. People who were worried about how the service will affect their livelihoods and the environment organised the demonstrations.

The Sino-Nepal Road-Rail Freight Service is a major infrastructure project that is expected to have a significant impact on Nepal. The project has faced a number of challenges, but it is still on track to be completed in 2023.

Nepal-China Railway Project

China's geopolitical interests Environment Damage Delayed Cost Overrun Poor Quality

The **Nepal-China Railway Project**, also known as the **Kerung-Kathmandu Railway,** aims to establish a railway connection between Nepal and China.

China Railway Construction Corporation (CRCC) is one of the major companies involved in the construction of the railway project along with **Nepal Railway Company Limited**.

A Memorandum of Understanding (**MoU**) to examine the potential of a cross-border rail link was signed in **2016** by China and Nepal.

In **2017**, The feasibility study for the railway project was carried out.

In **2020**, The construction of the **Kerung-Kathmandu Railway officially began**.
In September **2019**, protests erupted in **Nepal's Rasuwa district**, demanding **compensation** for the land acquired for the railway construction. The protesters claimed that they were not adequately compensated for their properties.

In November **2021**, demonstrations took place in Kathmandu, where protestors raised concerns about the environmental impact of the railway construction. They argued that the project could damage the fragile ecosystem in the region.

In March **2022**, local residents in the Rasuwa district protested against the project, demanding better **employment opportunities** and compensation for their land.
In June **2022**, another round of protests occurred in Rasuwa, as locals expressed dissatisfaction with the **compensation** rates offered for their land and raised concerns about potential displacement.

The project, which aims to construct a railway connecting **Nepal and China**, has **faced opposition** and concerns over its feasibility and potential environmental and social impacts. The project has also faced criticism over its lack of transparency and consultation with local communities.

The cost overrun for the Nepal-China Railway Project is estimated to be around $2 billion. The original cost of the project was estimated to be **$5.5 billion**, but the actual cost is expected to be **around $7.5 billion.**

Kathmandu Monorail Project

China's geopolitical interests | Corruption | Delayed | Cost Overrun | Poor Quality

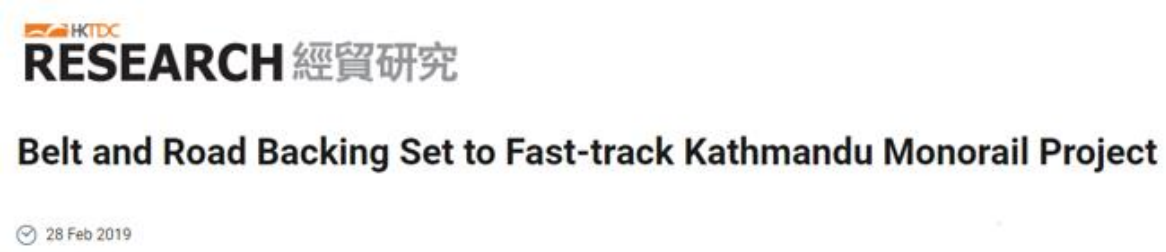


Figure 21 China backed media calling Kathmandu Monorail Project under BRI

A China backed newspaper in Feb 2019 gave a headlin**e "Belt and Road Backing Set to Fast-track Kathmandu Monorail Project".**

In February 2019, a Chinese-backed tabloid headlines, **"Belt and Road Backing Set to Fast-track Kathmandu Monorail Project".** It's 2023, and the project has yet to see the light of day.

The Kathmandu Metropolitan City inked an agreement with **China Railway Construction Corporation (CRCC)** in December 2018 to perform a detailed project study on the proposed Kathmandu monorail project along the 27-kilometer ring route. The project was scheduled to be finished in three years at a cost of $1.02 billion**. However, the project's implementation was hampered by a lack of collaboration among local governments**. The project has been chastised for having only one track and a lack of professionals to deal with technical concerns. **The CRCC also stop showing interest in the completion of the project.**

Trans-Himalayan Multidimensional Connectivity Network/Trans-Himalayan Economic Corridor

China's geopolitical interests Environment Damage Delayed Poor Quality Cost Overrun

Figure 22 Trans-Himalayan Multi-Dimensional Connectivity Network Map

The **Trans-Himalayan Multi-Dimensional Connectivity Network (THMCN) and the Trans-Himalayan Economic Corridor (THEC)** are ambitious initiatives aimed at enhancing connectivity and promoting economic cooperation among countries in the Himalayan region.

Chinese companies, including **China Railway Construction Corporation (CRCC)** and other infrastructure and construction firms, are often involved in developing the infrastructure for the THMCN and THEC projects.

During an official visit to Nepal in **2019**, Chinese President and General Secretary of the Communist Party Xi Jinping praised the corridor for transforming Nepal **"from a landlocked to a land-linked country."**

The THMCN and THEC initiatives have faced geopolitical challenges, including concerns from **neighbouring countries** about the **strategic implications of China's involvement in the region**. These concerns can lead to diplomatic complexities and disagreements.

Industrial Parks

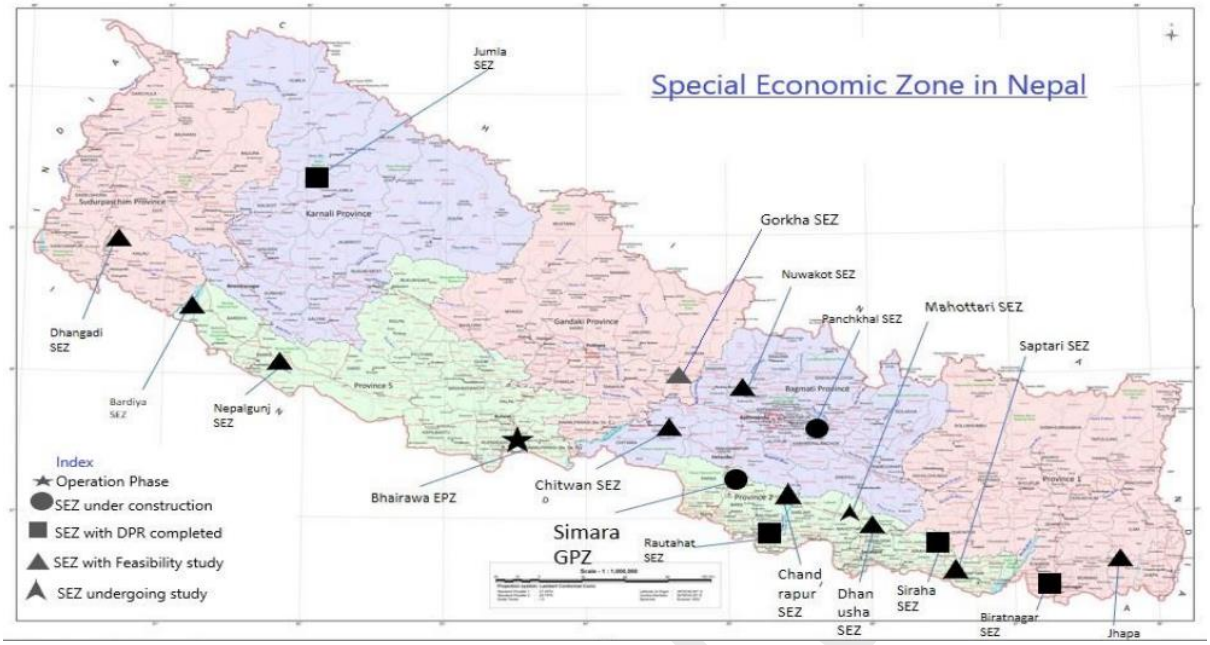
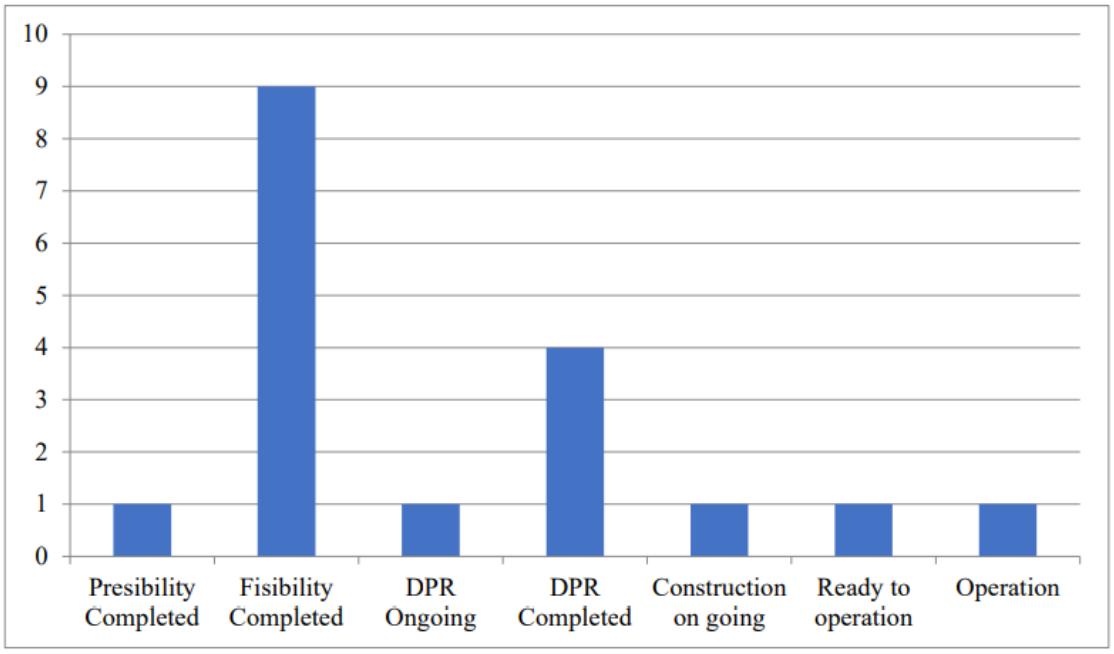


Figure 23 Status of SEZs in Nepal



Source: Special Economic Zone Authority

Figure 24 Development Status of SEZs in Nepal in 2022

Most of the SEZs are stuck at some stage or the other in Nepal. The glaring BRI SEZ projects stuck in Nepal are:

Sino-Nepal SEZ in Chitwan

Environment Damage Delayed Cost Overrun Corruption

The Sino-Nepal SEZ in Chitwan is a joint venture between the **Nepali government and the Chinese company**, **China Communications Construction Company (CCCC).** The SEZ is located in the Chitwan district of Nepal, which is a UNESCO World Heritage Site.

The Sino-Nepal SEZ in Chitwan was originally expected to cost **$1 billion**, but the cost has now risen to **$1.5 billion**. The SEZ was originally expected to be completed in **2020**, but it is now expected to be completed in **2023**.

Sino-Nepal SEZ in Jhapa

Environment Damage Delayed Cost Overrun Corruption

The Sino-Nepal SEZ in Jhapa is a joint venture between the Nepali government and the Chinese company, **China Three Gorges Corporation (CTG).** The SEZ is located in the Jhapa district of Nepal, which is a border district with India.

It will include electric vehicles, textile, garments and food processing industries among others. It will be built on 1,000 hectares of land at estimated cost of Rs $1 billion, the funds mainly coming from China.

The Sino-Nepal SEZ in Jhapa was originally expected to **cost $1 billion**, but the cost has now risen to **$1.5 billion**. The SEZ was originally expected to be completed in **2021**, but it is now expected to be completed in **2024**.

Damak Clean Industrial Park

Corruption Delayed Cost Overrun

The Damak Clean Industrial Park is a joint venture between the **Nepali government** and the Chinese company, **China Gezhouba Group Corporation (CGGC).** The park is located in the Damak district of Nepal, which is a border district with India.

Damak Clean Industrial Park would be constructed on around **902.928 hectares** in the local Damak, Gaurahadaha, and Kamal levels. **China** would pay for the project's development and hand it back to Nepal **after 40 years.**

Approximately ten years have passed since the decision to build the park, eight years have since the land was purchased, and two years have since the foundation stone was laid, but the work has not yet advanced, according to

our investigation. The deal for building the park that was meant to be developed as part of China's Belt and Road Initiative (BRI) has also drawn criticism from the locals.
China has long stalled progress on the Damak Industrial Park in Nepal. Our study indicates that the project, which was intended to create a million jobs and revolutionise the industrial sector, is encountering protests from the villagers over the little compensation they received for the acquisition of their property.

Locals have objected to the lack of transparency and the unauthorized occupation of their lands**. Over 5,000 demonstrators have bemoaned unlawful activity in the industrial area run by the BRI**. Additionally, it is said that DCIP will have an impact on the socioeconomic, cultural, and physical environment while also being advantageous to the residents.

Airports

Pokhara International Airport

Environment Damage Completed Delayed Cost Overrun FalseClaim Corruption

The Pokhara International Airport was embroiled in controversy over **"BRI or not BRI"** as well as delays, funding difficulties, worries about environmental effects, and the relocation of local populations.

The Nepali government and China Exim bank inked a government concessional loan (GCL) arrangement worth RMB 1.37 billion in 2016 to fund the construction of the Pokhara International regional airport. **The government awarded the project to the Chinese business CAMCE Engineering Co. Ltd.**

The opening of the Pokhara International Airport in Nepal took place on January 1st, 2023. The Chinese Embassy in Nepal thanked the government of Nepal on the occasion and declared the airport to be **a "flagship project of China-Nepal BRI cooperation."**

At least three officials from the foreign affairs, finance, and tourism ministries that loan negotiations for the project had started prior to the BRI's conception in China. Therefore, the assertion made by the Chinese Embassy is based on their own interpretation, which the Nepali side denies, they claimed.

China has attempted to include non-BRI projects under BRI over the years to salvage its reputation due to delays, financial losses, and other issues.

Figure 25 Republica Nepal's Controversial Headline

Many prominent Nepali News portals like RepublicaNepal toed the Chinese propaganda on the project and called it the "First BRI project of China in Nepal".

Other Projects

Sino-Nepal cross-border optical fiber cable

China's geopolitical interests Delayed Surveillance

Nepal Telecom and China Telecom Global have established a connection by laying optical fibre lines between Kerung in China and Rasuwagadi in Nepal, around 50 kilometres north of Kathmandu. Nepal Telecom has laid fibre optic cable from Kathmandu to Rasuwagadhi via Dhading and Rasuwa districts. In three and a half years, China Telecom installed an 820-kilometer-long optical cable on the plateau at an average altitude of 4,000 metres. Despite delays, the connection was built and services were launched. The connection was one of the BRI project's accomplishments in the country.

However, an ex-Nepal minister on the condition of anonymity informed us that the link might be used for Chinese surveillance, thus it was prioritised above other BRI projects.

Kerung Rasuwagadhi-Galchhi-Ratmate 400kv Transmission Line

Delayed Cost Overrun Corruption

Nepal and China collaborated to build the world's first cross-border 400 kv transmission line. Both nations organised a collaborative technical team to hasten its development in the G2G paradigm. However, the project is still in its early stages, with no visible progress on preparing a thorough project study, construction, or funding methods. During the visit of Chinese Foreign Minister and State Councillor Wang Yi to Nepal, the two countries inked an agreement for the prompt construction of the 400kv transmission line project.

Hou Yanqi, the Chinese ambassador to Nepal, stated in April 2022 that Nepal was one of the BRI's most significant pillars and that projects were still moving forward despite the "**speed of pragmatic collaboration**" slowing down because of the coronavirus pandemic and Nepal's changing political climate.

Pakistan

Here is a table of the year-on-year trade statistics of Pakistan with China from 2017 to 2022:

Year	Pakistan's Import from China	Pakistan's Export to China	Balance of Payment
2017	10,815.3 USD Million	3,463.6 USD Million	-7,351.7 USD Million
2018	13,733.4 USD Million	4,407 USD Million	-9,326.4 USD Million
2019	16,095.1 USD Million	4,997.2 USD Million	-11,107.9 USD Million
2020	16,688.3 USD Million	5,563.5 USD Million	-11,124.8 USD Million
2021	22,589.1 USD Million	6,663 USD Million	-15,926.1 USD Million
2022	25,198.7 USD Million	4,143.2 USD Million	-21,055.5 USD Million

Table 7 Trade statistics of Pakistan with China from 2017 to 2022

The **Pakistan economy** is in a state of flux. The country is facing several challenges, including **high inflation, a widening trade deficit, and a slowing economy.**

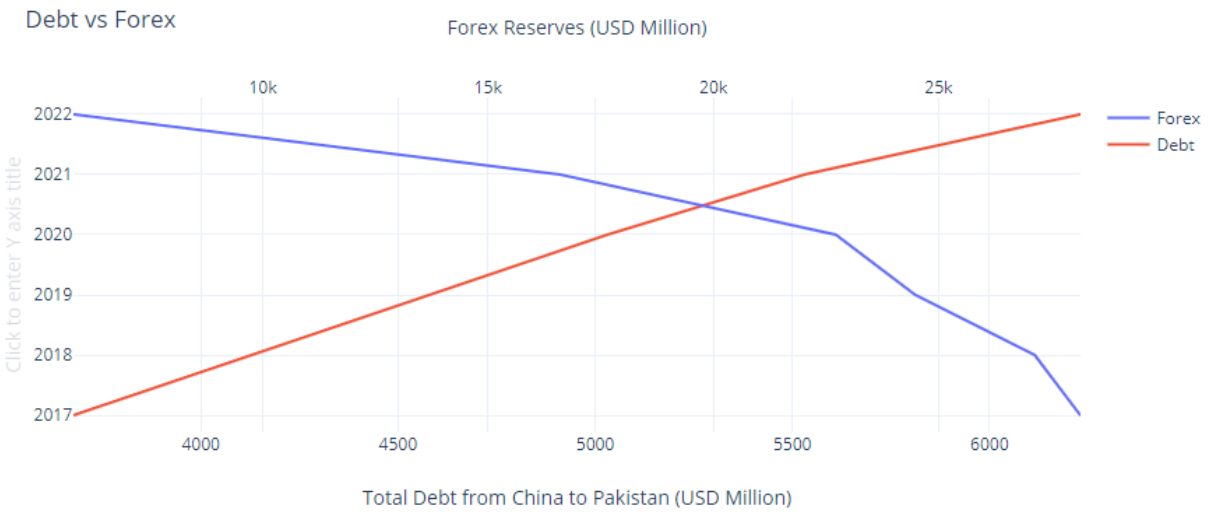


Figure 26 Pakistan's Forex vs External Debt from 2017 to 2022

As you can see**, forex reserves have been declining in Pakistan since 2017.** This is due to a number of factors, including a widening trade deficit with China, high inflation, and political instability. As a result, Pakistan has been forced to rely on loans from China to finance its BRI projects.

Total **debt from China to Pakistan has been increasing since 2017**. This is because Pakistan has been borrowing heavily from China to finance its BRI projects. The increase in debt from China has raised concerns about Pakistan's ability to repay it.

The Belt and Road Initiative (BRI) and its part China-Pakistan Economic Corridor (CPEC) are two major projects that are having a significant impact on Pakistan

economy. BRI is a global infrastructure project that is being spearheaded by China. CPEC is a part of BRI and is a **$62 billion project** that is aimed at connecting China's Xinjiang province to the Arabian Sea through Pakistan.

CPEC has been a **major source of investment for Pakistan**. However, it has also led to several problems. One of the biggest problems is the trade imbalance between Pakistan and China. Pakistan is importing more goods from China than it is exporting to China. This has led to a widening trade deficit, which is putting a strain on the Pakistani economy.

Another problem with CPEC is that it has led to a rise in debt. Pakistan has borrowed heavily from China to finance CPEC projects. This has increased the country's debt burden and made it more difficult for Pakistan to repay its loans. On top of it most of the projects under CPEC have suffered from cost overruns, widening the debt burden on Pakistan!!

List of the projects that have suffered cost overruns:

Transport

- Karachi Circular Railway
- Lahore-Karachi Motorway
- Multan-Sukkur Motorway
- Peshawar-Karachi Motorway
- Gwadar International Airport
- Havelian-Dera Ismail Khan Motorway
- Diamer-Bhasha Dam
- Karakoram Highway Phase II
- Gwadar Port
- ML-1 Railway Line

Energy

- Dasu Hydropower Project
- Karot Hydropower Project
- Suki Kinari Hydropower Project
- Thar Coalfield Project
- Neelum-Jhelum Hydropower Project
- Sahiwal Coal Power Project
- Muzaffargarh Coal Power Project
- Jamshoro Coal Power Project
- Rahim Yar Khan Coal Power Project
- Chiniot Coal Power Project

Other

- Gwadar Free Zone
- Pak-China Friendship Hospital
- Pak-China Friendship University
- Pak-China Vocational Training Institute
- Pak-China Cultural Center

There are a number of Chinese companies that have been charged with corruption allegations in Pakistan. Some of the most notable cases include:

- **Yabaite Group**: This company was accused of receiving kickbacks from the Punjab government in connection with the Multan Metro Bus project. The total cost of the project was $278 million, and it is alleged that Yabaite received $10 million in kickbacks.
- **China State Construction Engineering Corporation (CSCEC):** This company was accused of overcharging the Pakistani government for the Sukkur-Multan motorway project. The total cost of the project was $2.5 billion, and it is alleged that CSCEC overcharged by $7 billion.
- **Hydro China and Three Gorges**: These two companies were accused of overcharging the Pakistani government for wind power projects under the China-Pakistan Economic Corridor (CPEC). The total cost of the projects were overcharged by more than $5 billion.

Our rigorous investigation has revealed that **CPEC is failing**. The Pakistani government has acknowledged that it is having difficulty paying back the loans it took out to fund the project. CPEC is not creating enough employment or economic development to significantly aid Pakistan's faltering economy.

A significant setback for both China and Pakistan is the collapse of CPEC. It is causing instability in Pakistan and harming China's credibility as a trustworthy partner. Here is an analysis of some of the flagship projects under the CPEC.

Here are some of the **problems that have plagued the CPEC Projects over the years**. The first bar shows the finished projects out of the 30 projects in CPEC that make up the sample size. Though **40% of the initiatives in the sample from Pakistan in previous years were finished but 36.47% of the projects were of poor quality and suffered from major flaws**.

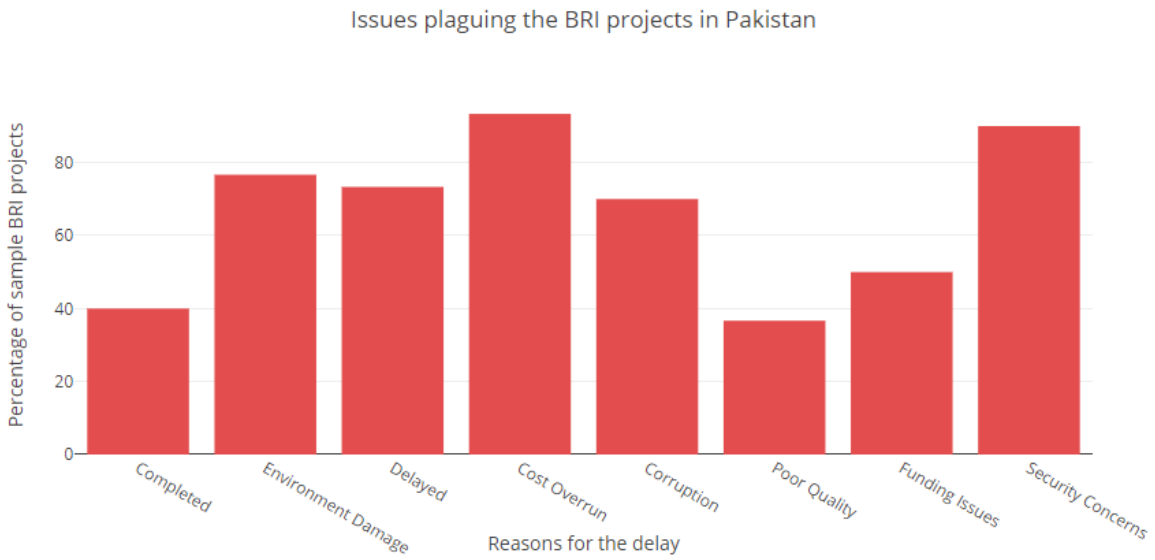


Figure 27 Issues faced by the BRI projects in Pakistan

A staggering **93.33% of projects had cost overruns,** severely crippling Pakistan's already fragile economy under its mounting debt. Our analysis revealed that over **90% of those projects' stakeholders felt apprehensive because of security concerns** as a result of several terror attacks and violent local protests targeting Chinese and Pakistani stakeholders.

Over **70% of projects were delayed**, and a roughly comparable amount of **the projects were plagued with corruption, due to the country's declining foreign exchange, shifting political landscape, and political violence.** Thus, the Chinese businesses finished the projects with **low-quality materials** and nearly half of them **encountered funding problems**!

SEZ/Industrial Parks

The common problems faced by the SEZ Projects under CPEC in Pakistan

1. **Financial Challenges**: Some SEZ projects have faced financial difficulties, with companies struggling to secure necessary funding or facing issues with loan repayments. For example, the Allama Iqbal Industrial City SEZ in Faisalabad reportedly faced challenges due to delays in land acquisition and companies struggling to meet financial commitments. **Source: Dawn, 2020**

2. **Chinese Dominance:** Concerns have been raised regarding the employment of Chinese workers in SEZ projects, limiting job opportunities for local Pakistani workers. Critics argue that this undermines local employment and deprives Pakistanis of job opportunities. **Source: The Diplomat, 2019**

3. **Slow Progress:** Some SEZ projects have faced delays in their development and progress. For instance, the Rashakai SEZ in Khyber Pakhtunkhwa faced delays in the issuance of land allotment letters, which impacted the pace of construction and industrial development in the zone. **Source: Business Recorder, 2020**

Industrial Park on Pakistan Steel Mill Land

Environment Damage **Cost Overrun** **Delayed** **Corruption** **FundingIssues** **SecurityIssues**

The Industrial Park on Pakistan Steel Mill Land is a project that was announced in **2016**. The project is being developed by the **China Machinery Engineering Corporation (CMEC)** and is expected to **cost $1.5 billion**. The park is being built on the **land of the Pakistan Steel Mills**, which has been in **financial trouble** for many years.

The project has been facing a number of issues. One of the main issues is the **environmental impact of the project**. The park is being built on land that is **polluted with heavy metals**. This pollution could have a negative impact on the environment and the health of the people who live in the area.

Another issue with the project is the lack of transparency. The Pakistani government has not released any information about the terms of the agreement with **CMEC**. This lack of transparency has led to concerns that the Pakistani government is giving away too much to China. **There is no information available on the status of the project in the official website of CPEC. Here is a screenshot of the same.**

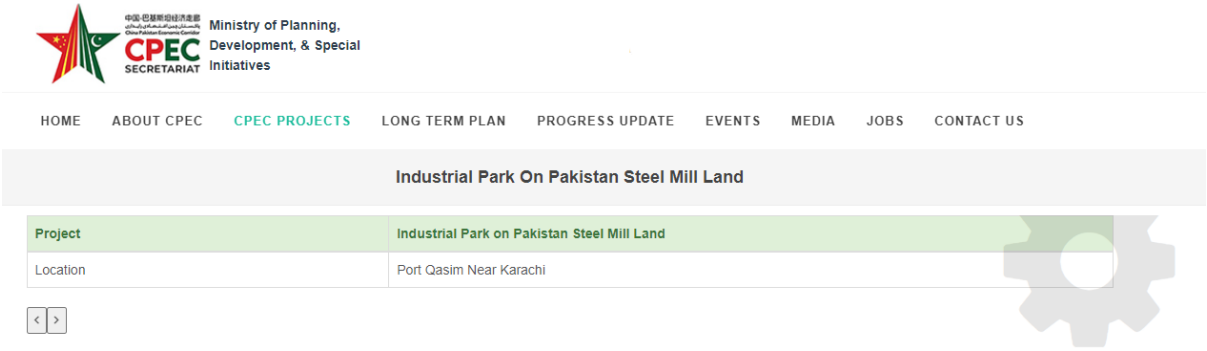


Figure 28CPEC website about Industrial Park on Pakistan Steel Mill Land

Several protests against the project occurred in the past several years. Residents in the region and environmental organisations organised the demonstrations. The project has to cease, according to the demonstrators.

Up until now, the Pakistani government has refused to halt the project. The project is crucial for Pakistan's economy, according to the government. However, the administration has also declared that it will act to allay local residents' worries.

The future of the Industrial Park on Pakistan Steel Mill Land is **uncertain**. The project is facing a number of challenges, but the Pakistani government is committed to completing it. **It remains to be seen whether the project will be able to overcome these challenges and be a success.**

Mirpur Industrial Zone

China's geopolitical interests Environment Damage Delayed Corruption FundingIssues SecurityIssues

The project is expected to cost $2 billion and is being funded by the Chinese government. The park is being built on an area of 9,500 kanals (1,900 acres) in Mirpur, Pakistan in the disputed region of Jammu and Kashmir.
In **2021**, The Pakistan government signed an agreement with the Chinese government to develop the Mirpur Industrial Zone.

In **2022**, The government began the process of acquiring land for the project.
Due to finance concerns, the park is beset by **corruption** and a **lack of commitment from the Chinese corporations**, which may cause a delay until **2025**.

ICT Model Industrial Zone

Delayed Corruption FundingIssues

The ICT Model Industrial Zone (IMIZ) is a project that is being developed by the Government of Pakistan. **The project is expected to cost $1 billion and is being funded by the Chinese government.** The park is being built on an area of 200-500 acres in Islamabad. There are worries that the Pakistani government is paying too much to China as a result of its lack of openness. The project's status is not currently available on the CPEC website. The screenshot of the same is provided below.

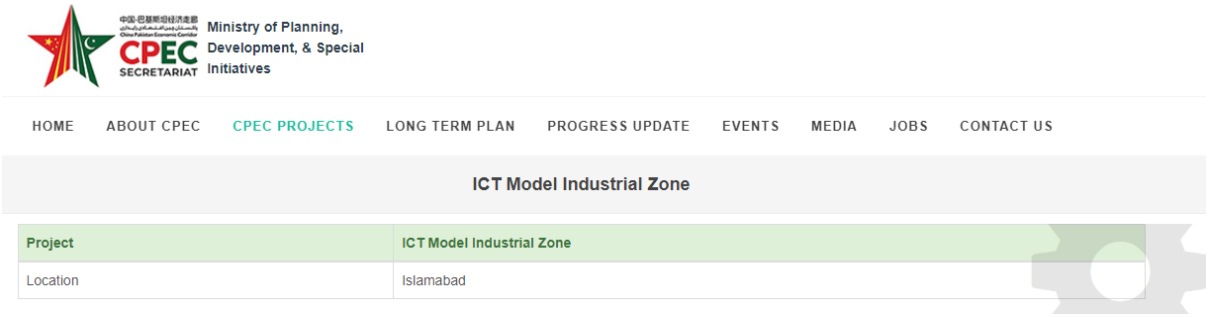


Figure 29 CPEC Website about ICT Model Industrial Zone

Bostan Special Economic Zone

China's geopolitical interests Environment Damage Corruption FundingIssues Cost Overrun Delayed SecurityIssues

The SEZ Approval Committee, in 2020, approved the Bostan SEZ spanning over 1000 acres at **District Pishin, bordered with Quetta.** Considering its strategic location near **national highway N-50**, it will improve regional connectivity and provide feasible environment for business activities. The Bostan SEZ is being developed by a joint venture between the Pakistani government and the Chinese government.

The main contractor for the project is the China Machinery Engineering Corporation (**CMEC**). Other companies involved in the project include the China Railway Construction Corporation (**CRCC**) and the China State Construction Engineering Corporation (**CSCEC**).

The original cost of the project was estimated to be $1 billion, but the actual cost is now estimated to be $2 billion.

The Pakistani government is quite concerned about the expense blowout. The cost overrun would simply increase the government's debt load, which is already quite high due to the financing of CPEC. The administration is also worried about how the project's timeframe would be impacted by the cost overrun**. The project was supposed to be finished in 2020, but it's now more likely to take until 2025.**

Dhabeji SEZ

China's geopolitical interests Corruption FundingIssues Cost Overrun Delayed

The Dhabeji Special Economic Zone (DSEZ) is a planned industrial zone in Pakistan. It is located in **Thatta District, Sindh, near the city of Karachi**. The DSEZ is a part of the China-Pakistan Economic Corridor (CPEC). **The DSEZ was first proposed in 2013. The government of Pakistan allocated 1,530 acres of land for the project. The DSEZ is expected to cost $1 billion to develop.**

The DSEZ has also faced cost overruns. The original cost of the project was estimated to be **$1 billion**, but the actual cost is now estimated to be **$2 billion.**

The DSEZ is still under development. It is expected to be completed in 2025.

Rashakai SEZ

Environment Damage Cost Overrun Completed

The Rashakai Special Economic Zone (SEZ) is a planned industrial zone in Pakistan. It is located in Nowshera District, Khyber Pakhtunkhwa, near the city of Peshawar. The Rashakai SEZ is a part of the China-Pakistan Economic Corridor (CPEC).

The first phase of the project is completed in **2023** and the entire project is expected to be completed in **2025**. The Rashakai SEZ is being developed by a joint venture between the Pakistani government and the **China Communications Construction Company (CCCC).**

Other companies that are involved in the project include:

- The Habib Bank Limited (HBL)
- The National Bank of Pakistan (NBP)
- The United Bank Limited (UBL)
- The Bank Alfalah Limited (BAFL)
- The Standard Chartered Bank (SCB)
- The Industrial and Commercial Bank of China (ICBC)
- The China Development Bank (CDB)

Moqpondass Special Economic Zone

China's geopolitical interests Corruption FundingIssues Environment Damage Cost Overrun SecurityIssues Delayed

The Moqpondass Special Economic Zone (SEZ) is a planned industrial zone in Pakistan. It is located in Gilgit-Baltistan, near the city of **Gilgit**. The Moqpondass SEZ was first proposed in 2016. The government of Pakistan allocated 1,000 acres of land for the project. The **Moqpondass SEZ** is expected to cost $1 billion to develop. In Gilgit-Baltistan in 2017, there were demonstrations against the Moqpondass SEZ. The **environmental effects of the project** and the eviction of locals were issues that the demonstrators were worried about.

For **failing to complete adequate environmental impact analyses (EIA)** for the Moqpondass Special Economic Zone, the Pakistani government came under fire in **2018**.

There were **security issues** at the **Moqpondass Special Economic Zone in 2019.** Concerns regarding the project's effect on the **region's security situation** were aired by locals.

The project was originally expected to **cost $1 billion**, but current estimates place the **final cost at $2 billion.**

The Chinese government has expressed a strong interest in advancing the project because of its strategic location. The project is, however, running behind schedule due to additional obstacles including **challenging terrain**, **finance problems**, and **corruption that plagues the endeavour**.

Hydropower/power plants

The common problems faced by the hydropower/power plants under CPEC in Pakistan

1. **Financial Challenges**: Some power projects under CPEC have faced financial difficulties, including issues related to debt servicing and revenue generation. For example, the Port Qasim Coal Power Project faced financial constraints due to a lack of funds, leading to delays and challenges in its completion. **Source: Dawn, 2018**

2. **Chinese Workforce**: Concerns have been raised about the employment of Chinese workers in CPEC power projects, which has limited job opportunities for local Pakistani workers. Critics argue that this practice undermines local employment and deprives Pakistanis of job opportunities. **Source: The Diplomat, 2019**

3. **Technical and Quality Issues**: Some power projects have faced technical challenges and concerns regarding the quality of construction and equipment. For instance, there have been reports of equipment failure in the Sahiwal Coal Power Plant, raising questions about the quality and reliability of the project. **Source: The News, 2019**

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Project Name	Companies	Cost	Overrun	Status	Issues Plaguing Them
330MW HUBCO Thar Coal Power Project (Thar Energy)	Hub Power Company Limited (HUBCO)	$330 million	$165 million	Completed	Land acquisition, security concerns, cost overruns, Funding Issues
1320MW SSRL Thar Coal Block-I 7.8 mtpa & Power Plant (2×660MW) (Shanghai Electric)	Sindh Engro Coal Mining Company Limited (SECMC) and Shanghai Electric	$1.32 billion	$660 million	Completed	Land acquisition, security concerns, cost overruns
330MW HUBCO ThalNova Thar Coal Power Project	HUBCO	$330 million	$165 million	Completed	Land acquisition, security concerns, cost overruns
884MW Suki Kinari Hydropower Project, KP	Frontier Works Organization (FWO)	$884 million	$442 million	2025	Land acquisition, security concerns, cost overruns, Funding Issues
300MW Coal-Fired Power Project at Gwadar	China Three Gorges Corporation (CTG)	$300 million	$150 million	2026	Land acquisition, security concerns, cost overruns, Funding Issues

Table 8 Issues faced by Hydropower Plants/ Power projects in Pakistan

Matiari to Lahore ±660 KV HVDC Transmission Line Project

Environment Damage **Cost Overrun** **Completed** **FundingIssues** **SecurityIssues**

Project	Matiari to Lahore ±660 KV HVDC Transmission Line Project
Technology	±660 KW Bipole HCDC with Converter/ Grounding Electrode Stations
Installed Capacity (MW)	4,000 MW Evacuation Capacity
Length (KM)	Length (KM): Approx. 900
Project Description	**Scope:** • 4000 MW ±660 kV HVDC Line Matiari-Lahore, 878km • Two (2) 40 km Electrode Lines and associated stations. • Associated 500kV HVAC T/Lines at both Converter Stations.
Location	Matiari to Lahore
Province	Sindh and Punjab
Estimated Cost (US $ Million)	1658.34
Executing Company / Sponsors	China Electric Power Equipment and Technology Co.Ltd.(CET) / State Grid Corporation of China (SGCC)

Figure 30 CPEC Website about Matiari to Lahore Transmission Line Project

The Economic Coordination Committee (ECC) on July 25, 2017 approved transmission line project Implementation Agreement (IA) and Transmission Services Agreement which were subsequently executed on May 14, 2018.

The construction work started in 2018. With an estimated cost of $ 1658.3 million, project completed on September 1, 2021.

The **Matiari to Lahore ±660 KV HVDC Transmission Line Project is being developed by a joint venture between the Pakistani government and the China State Grid Corporation.**

There have been concerns about **security in the area around the Matiari** to Lahore ±660 KV HVDC Transmission Line Project. Some local residents have expressed fears about the impact of the project on the security situation in the region.

The project has also faced cost overruns. **The original cost of the project was estimated to be $1 billion, but the actual cost is now estimated to be $2 billion.**

Read how Power Projects under CPEC faced the risk of defaults in Pakistan in our comprehensive report **Threat to China's investment in Pakistan**

100MW Three Gorges Second and Third Wind Power Project

Environment Damage Cost Overrun Completed FundingIssues Poor Quality

The 100MW Three Gorges Second and Third Wind Power Project was first proposed in 2016. The ground-breaking ceremony for the project was held in 2017**. The 100MW Three Gorges Second and Third Wind Power Project is being developed by a joint venture between the Pakistani government and the China Three Gorges Corporation.**

The project has also faced cost overruns. The original cost of the project was estimated to be **$100 million, but the actual cost is now estimated to be $200 million.**

50MW Sachal Wind Farm ,Jhimpir, Thatta

Environment Damage Completed FundingIssues SecurityIssues Poor Quality

Sachal Energy Development (Pvt) Limited has signed a financing agreement with Industrial and Commercial Bank of China (ICBC) for 50MW **Sachal Wind Power Plant in 2015**. The financial close of project achieved on December 18, 2015 and it was completed on April 11, **2017**, at an estimated cost of **$134 million**. The wind farm is currently operational. It has provided employment to 19 locals.

Sector: Education

Project	Companies	Cost	Overrun	Status	Issues
Pakistan-China Friendship University	China State Construction Engineering Corporation	$1 billion	$0.5 billion	Delayed	Corruption, Environment Damage , security concerns, cost overruns
Pakistan-China Friendship High School	China State Construction Engineering Corporation	$500 million	$250 million	Delayed	Corruption, Land acquisition, security concerns, cost overruns
Pakistan Vocational and Technical Education Capacity build-up project	China State Construction Engineering Corporation	$1 billion	$0.5 billion	Completed	Funding Issues, security concerns, cost overruns
Pakistan Vocational Schools equipment Upgrading and Renovation Project	China State Construction Engineering Corporation	$500 million	$250 million	Completed	Corruption, security concerns, cost overruns, Poor Quality
China-Pakistan Joint Agricultural Technology Laboratory	China State Construction Engineering Corporation	$100 million	$50 million	Delayed	Land acquisition, security concerns, cost overruns
Smart Classroom for Higher education	China State Construction Engineering Corporation	$1 billion	$0.5 billion	Delayed	Land acquisition, security concerns, cost overruns
Maintenance and renovation for 50 schools in newly merged districts	China State Construction Engineering Corporation	$500 million	$250 million	Delayed	Corruption, Land acquisition, security concerns, cost overruns
Overseas student scholarship	China State Construction Engineering Corporation	$500 million	$250 million	Delayed	Land acquisition, security concerns, cost overruns

Table 9 Issues faced by Education Projects in Pakistan

Sector: Health

Project	Companies	Cost	Overrun	Status	Issues
Pakistan-China Friendship Hospital	China State Construction Engineering Corporation	$500 million	$50 million	Delayed	Corruption, Land acquisition, security concerns, cost overruns
Vaccine storage and transportation equipment	China State Construction Engineering Corporation	$1 billion	$0.5 billion	Completed	Corruption, security concerns, cost overruns, Corruption, Poor Quality

Table 10 Issues faced by Health Projects in Pakistan

Sector: Transportation

Project	Companies	Cost	Overrun	Status	Issues
New Gwadar International Airport	China State Construction Engineering Corporation (CSCEC)	$2.5 billion	$1 billion	Delayed	Corruption, Land acquisition, security concerns, cost overruns
Fish Landing Jetty and Fishermen Boat Making Industry on West bay	Frontier Works Organization (FWO)	$100 million	$50 million	Delayed	Land acquisition, security concerns, cost overruns, Poor Quality
Karachi-Peshawar Motorway (M-2)	China State Construction Engineering Corporation (CSCEC) and Frontier Works Organization (FWO)	$4.6 billion	$2.3 billion	Delayed	Corruption, Land acquisition, security concerns, cost overruns
ML-1 Railway Line	China Railway Group Limited (CREC) and Pakistan Railways	$6.8 billion	$3.4 billion	Delayed	Corruption, Land acquisition, security concerns, cost overruns, Poor Quality
Gwadar Port	China Overseas Port Holding Company (COPHC) and Pakistan Ports and Shipping Authority (PPSA)	$2.5 billion	$1 billion	Delayed	Corruption, Security concerns, cost overruns, Rocked by protests from locals, Poor Quality

Table 11 Issues faced by Transportation Projects in Pakistan

Other Projects

Project	Companies	Cost	Overrun	Status	Issues
Poverty Alleviation Training	China State Construction Engineering Corporation	$500 million	$250 million	Completed	security concerns, cost overruns, Poor Quality
Emergency relief supplies for enhancing NDMA, disaster preparedness capacity	China State Construction Engineering Corporation	$1 billion	$0.5 billion	Completed	Corruption, security concerns, cost overruns, Poor Quality
Bacterial grass (JunCao) Technology Training and promotion project	China State Construction Engineering Corporation	$500 million	$250 million	Delayed	Land acquisition, security concerns, cost overruns
1.2 MGD Desalination Plant	Frontier Works Organization (FWO)	$100 million	$50 million	Delayed	Corruption, Land acquisition, security concerns, cost overruns, Poor Quality
5 MGD Water Desalination Plant Gwadar	China Three Gorges Corporation (CTG)	$500 million	$250 million	Delayed	Corruption, Land acquisition, security concerns, cost overruns, Poor Quality
Gwadar Smart Environment Sanitation System and Landfill Project	China State Construction Engineering Corporation (CSCEC)	$500 million	$250 million	Delayed	Corruption, Land acquisition, security concerns, cost overruns

Table 12 Issues faced by Major BRI Projects in Pakistan

Srilanka

Year	Import from China	Export to China	Balance of Payment
2017	$3.29 billion	$137.39 million	-$3.15 billion
2018	$3.52 billion	$152.3 million	-$3.37 billion
2019	$3.65 billion	$169.8 million	-$3.48 billion
2020	$4.75 billion	$186.2 million	-$4.56 billion
2021	$5.17 billion	$200 million	-$4.97 billion
2022	$5.75 billion	$215.6 million	-$5.53 billion

Table 13 Trade statistics of Sri Lanka with China from 2017 to 2022

As you can see, Sri Lanka has a trade **deficit with China**. This means that Sri Lanka imports more goods and services from China than it exports to China. **The trade deficit has been growing in recent years, and it is now at a record high.**

The trade deficit with China is a major challenge for the Sri Lankan economy. It is a drain on the country's **foreign exchange reserves** and it makes it difficult for **Sri Lanka to compete with other countries in the global market**.

Figure 31 Sri Lanka's Forex vs External Debt from 2017 to 2022

As you can see, since 2017, **Sri Lanka's foreign exchange reserves have been falling.** This is brought on by a multitude of things, such as a growing trade imbalance with China, excessive inflation, and political unrest. Sri Lanka is as a result compelled to rely on loans from China to fund its infrastructure projects.

Since 2017, Sri Lanka's overall debt to China has risen. **Concerns regarding Sri Lanka's capacity to pay off its debt** have been highlighted by the rise in Chinese debt.

China's Belt and Road Initiative (BRI) has had a devastating impact on Sri Lanka. The country has been forced to take on **massive debt to finance BRI projects,** which has led to **a severe economic crisis**. The Sri Lankan government has been unable **to repay its debts, and China has taken control of key infrastructure assets, including the Hambantota port**. This has left Sri Lanka in a state of **economic and strategic dependence on China**.

The BRI has also led to **environmental damage in Sri Lanka**. Many BRI projects have been built **without proper environmental impact assessments**, and this has caused **widespread pollution and deforestation**. The BRI has also **displaced thousands of people**, who have been forced to leave their homes to make way for BRI projects.

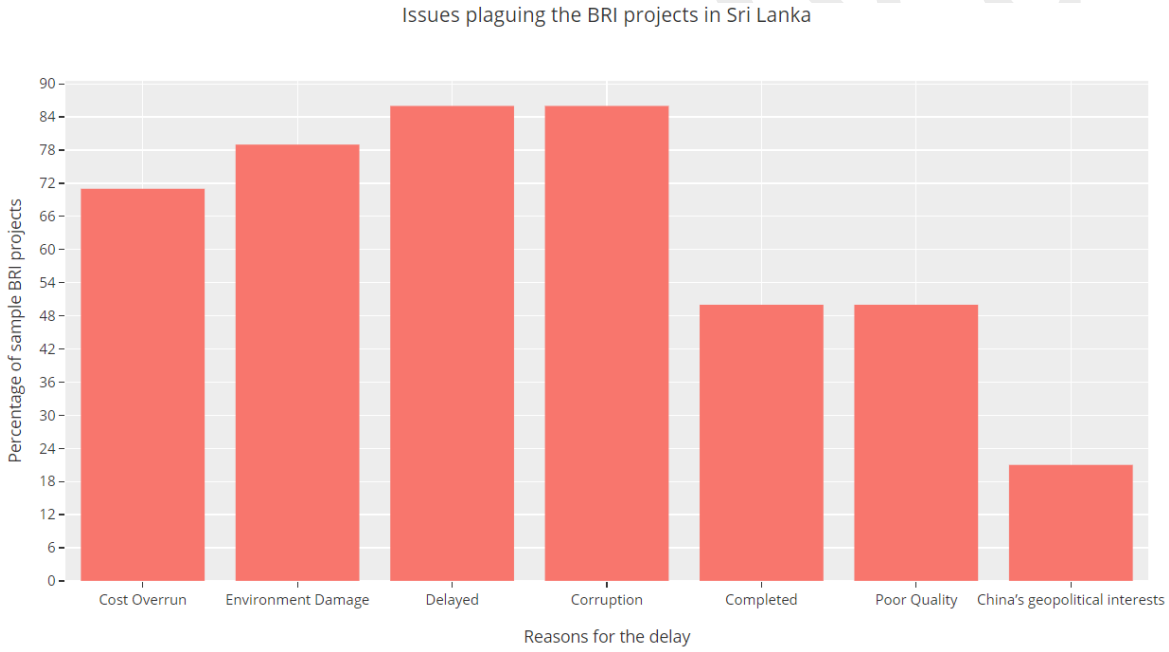

Figure 32 Issues faced by the BRI projects in Sri Lanka

Our investigation revealed that a majority of Belt and Road Initiative (BRI) projects in Sri Lanka had major problems. **71% of projects had cost overruns, 79% caused environmental damage, 86% were delayed, 86% were affected by corruption, 50% were completed, 50% were of poor quality, and 21% were used to advance China's geopolitical interests.**

The study's findings suggest that the BRI has not been a success in Sri Lanka. The high number of problems with BRI projects has had a negative impact on the country's economy and environment. **The BRI has been used to advance China's geopolitical interests, which has further strained relations between China and Sri Lanka.**

List of the projects that have suffered cost overruns:

- Colombo Port City Project (Transport)
- Hambantota Port Project (Transport)
- Mattala Rajapaksa International Airport Project (Transport)
- Southern Expressway Project (Transport)
- Northern Expressway Project (Transport)
- East Coast Development Project (Transport)
- Mannar Port Project (Transport)
- Trincomalee Port Project (Transport)
- Palaly Airport Project (Transport)
- Vavuniya Airport Project (Transport)

Here are some of the Chinese companies that have been charged with corruption allegations in Sri Lanka:

- **China Harbor Engineering Company (CHEC):** This company was accused of overcharging the Sri Lankan government for the Hambantota Port project. The total cost of the project was estimated to be **$1.5 billion, but it ended up costing $3.8 billion**.
- **Sinohydro Corporation:** This company was accused of overcharging the Sri Lankan government for the Colombo Port City project. The project has already **overrun its budget by a whopping $1.5 billion**
- **China Machinery Engineering Corporation (CMEC**): This company was accused of overcharging the Sri Lankan government for the Mattala Rajapaksa International Airport project. The total cost of the project was $200 million, and it is alleged that CMEC overcharged by $100 million.

Hambantota Port Project

Completed China's geopolitical interests Environment Damage Corruption FundingIssues Cost Overrun Delayed

The Hambantota Port Project is **a deep-water port located in Hambantota**, Sri Lanka. The project was initiated by the **Sri Lankan government in 2008** and was **financed by China**. The total cost of the project was estimated to be **$1.5 billion, but it ended up costing $3.8 billion**. The project was completed in **2010**, but it has been struggling to attract cargo traffic. **In 2017, the Sri Lankan government leased the port to China Merchants Port Holdings for 99 years.**

Figure 33 Hambantota Port, Sri Lanka

The Hambantota Port Project has been plagued by several issues. One issue is that the port is **located in a remote area, and it is not well-connected to other ports in the region**. Another issue is that the port is **not deep enough to handle large ships**. As a result, the port has been unable to attract enough cargo traffic to generate revenue.

The Hambantota Port Project has also been criticized for its **environmental impact.** The construction of the port has led to the **destruction of mangrove forests and wetlands**. The port has also been accused of polluting the water and air in the area.

Figure 34 Protests against Hambantota Port Project

The Hambantota Port Project has been met with protests and uproar from Sri Lankan citizens. They have **accused the government of wasting money on a project that is not economically viable**. They have also expressed concerns about the environmental impact of the port.

The **Hambantota Port Project has also been criticized by world leaders**. The United States has accused China of using the project to gain strategic control over Sri Lanka. **The United States has also warned other countries about the risks of getting involved in China's Belt and Road Initiative.**

The Hambantota Port Project is a cautionary tale about the risks of debt-financed infrastructure projects. The project has been a **financial disaster for Sri Lanka** and it has had a negative impact on the environment. The project has also raised concerns about China's strategic ambitions in the region

Colombo Port City Project

China's geopolitical interests Environment Damage Corruption FundingIssues Cost Overrun Delayed

The Colombo Port City initiative is a **$15 billion initiative in Colombo, Sri Lanka,** to build a new financial and commercial centre. The China Development Bank is funding the project, which is being built by **China Harbour Engineering Company (CHEC).**

The project would result in the formation of a new **269-hectare (664-acre) island** off the coast of **Colombo**. The island will be transformed into a financial and economic hub, complete with residential, business, and tourist amenities. **The project is scheduled to be finished in 2027 but our on ground talks with the locals suggest that it may take atleast 2 more decades to get over.**

The project has already **overrun its budget by a whopping $1.5 billion**. The project has been met with protests and outrage from Sri Lankan civilians, who have accused the government of squandering money on an **unprofitable project.** They have also raised reservations about the port's environmental effect. World leaders have also criticised the project, **notably the United States and India** have accused China of exploiting it to acquire strategic influence over Sri Lanka.

Since its start, the Colombo Port City Project has been fraught with controversy. **According to our investigation the project is far too costly and would lead to Sri Lanka being disproportionately dependent on China.**

Norochcholai Power Station Project

Poor Quality Completed Environment Damage Cost Overrun Delayed

Norochcholai Power Station Project is a coal-fired power station in Norochcholai, **Puttalam District, Sri Lanka.** It is the largest power station in Sri Lanka, with a total installed capacity of 900 megawatts (MW). The project was initiated by the **Sri Lankan government in 1995 and was financed by the Export-Import Bank of China (EXIM Bank).** Construction of the project began in **2006** and was **completed in 2014.**

The project is being developed by the **Ceylon Electricity Board (CEB)** of Sri Lanka. The construction of the project is being carried out by the **China Machinery Engineering Corporation (CMEC).**

The Norochcholai Power Station Project has been plagued by a number of issues, including **cost overruns, environmental concerns,** and **public protests**. The total cost of the project has been estimated to be **$2.4 billion**, which is significantly higher than the **original estimate of $1.35 billion**.

The environmental impact of the project has also been a major concern, with critics arguing that the plant will pollute the air and water in the area. The **poisonous chemicals** emitted by the Norochcholai Coal Power Plant endanger the **Sri Maha Bodhi tree**, the world's oldest surviving tree with a recorded history.

The plant has also faced technical issues and shutdowns, leading to power shortages and blackouts in the country. **However despite issues The Norochcholai Power Station Project is now operational and is providing much-needed electricity to Sri Lanka.**

The plant is expected to generate enough electricity to meet the country's needs for the next 20 years.

Matara-Kataragama Railway Project

Poor Quality Environment Damage Cost Overrun Delayed Corruption FundingIssues

The Matara-Kataragama Railway Project is a railway project in Sri Lanka that will **extend the coastal line from Matara to Kataragama**. The project is being implemented in three stages. **The first phase, which is 26.75 km long, was completed in 2019. The second phase, which is 48 km long, is currently underway. The third phase, which is 39.5 km long, is yet to be started.**

The total cost of the project is estimated to be **$600 million**. The project is being financed by the Export-Import Bank of China (**EXIM Bank**). The construction of the project is being carried out by **China National Machinery Import and Export Corporation (CMC).**

The Matara-Kataragama Railway Project is expected to boost the economy of the Southern Province of Sri Lanka. **The project is also expected to improve the connectivity between the coastal and inland areas of the province.**

The Matara-Kataragama Railway Project is a major infrastructure project in Sri Lanka. The project is expected to boost the economy of the Southern Province and improve the connectivity between the coastal and inland areas of the province. **The project is slated to be finished in 2025, however its future is dubious owing to Sri Lanka's debt burden from other BRI projects and the dire state of the economy.**

Central Expressway Project

Poor Quality Environment Damage Delayed Corruption FundingIssues

The Central Expressway Project is **a 65.1 km long**, **6-lane controlled-access expressway** that will connect Colombo, the capital city, and **Kandy**, the **second largest city in Sri Lanka**. The project is being implemented in two phases. The first phase, which is **37.09 km long**, is currently underway. The **second phase, which is 28.01 km long**, is yet to be started.

The project is being developed by the **Road Development Authority of Sri Lanka**. It is being financed by the **Export-Import Bank of China (EXIM Bank).**The construction of the project is being carried out **by China Metallurgical Group Corporation** with the total cost of the project estimated to be a hefty **$1.16 billion.**

Lotus Tower Project

Completed Corruption Cost Overrun Delayed

The Lotus Tower Project is a **350-meter-tall communications tower in Colombo, Sri Lanka**. It is the tallest self-supported structure in South Asia and the 19th tallest tower in the world. **The tower was completed in 2019 and is used for telecommunications, broadcasting, and tourism.**

The Sri Lankan government initiates the **Lotus Tower Project in 2010**. The tower's construction began in **2012** and was finished in **2019**. In 2022, it was opened for public viewing.

The project was being developed by the **Sri Lanka Telecom (SLT) and financed by the Export-Import Bank of China (EXIM Bank).** The construction of the project was being carried out by the **China State Construction Engineering Corporation (CSCEC).**

The project's overall cost was anticipated to be $113 million, but owing to overruns, it increased to $150 million. The project's excessive cost has also been criticised. Some suggest that the funds would be better spent on other projects, such as **education or healthcare.**

Mahinda Rajapaksa International Cricket Stadium in Hambantota

Completed Environment Damage Corruption Cost Overrun Delayed Poor Quality

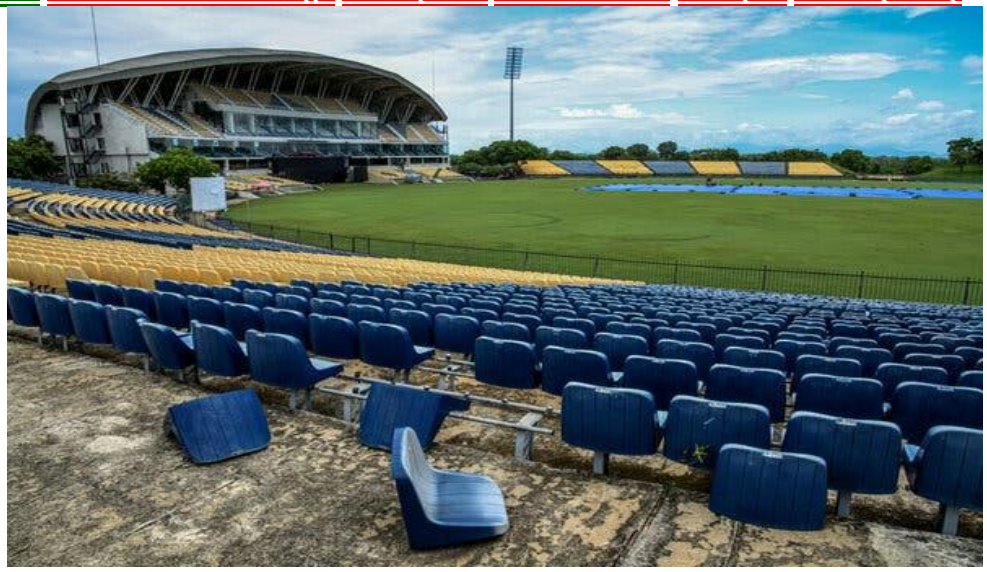

Figure 35 Condition of Mahinda Rajapaksa International Cricket Stadium

The **Mahinda Rajapaksa International Cricket Stadium (MRICS) is an international cricket stadium in Hambantota, Sri Lanka**. It was built for the **2011 Cricket World Cup** and hosted **two matches**, the first being Sri Lanka against Canada, on 20 February 2011. The stadium has a capacity of 35,000 people making It the second largest stadium in Sri Lanka.

The project is being developed by the Sri Lanka Cricket (**SLC**) and financed by the **Export-Import Bank of China (EXIM Bank).** The construction of the project was being carried out by **the China State Construction Engineering Corporation (CSCEC).**

It has received harsh criticism and the **moniker "white elephant"** due to the **minimal number of international matches** that have been conducted there considering the **stadium's high construction and maintenance expenditures.**

The **ministers of opposition criticize** that former government has hidden the true story of actual cost for its construction. To gain revenue the Stadium is often hired out for **wedding receptions,** however, former Prime Minister **Ranil Wickremesinghe** has proposed that the stadium should be used for **training purposes to gain revenue**.

The total cost of the project is estimated to be **$4.5 billion** but the actual cost is still being hidden by the stakeholders.

Our study and interviews with ground and stadium staff members revealed that there has been no attempt made to repair the stadium's infrastructure, and it is in a critical condition of neglect and degradation.

Other critical projects

Project	Companies	Cost	Overrun	Status	Issues
Bandaranaike International Airport Expansion Project	Airport and Aviation Services (Sri Lanka) Limited (AASL), Export-Import Bank of China (EXIM Bank), China State Construction Engineering Corporation (CSCEC)	$250 million	$10 million	Delayed	Corruption, Land acquisition issues, Funding Issues, Cost Overrun
Moragahakanda Dam and Reservoir Project	Mahaweli Authority of Sri Lanka (MASL), Export-Import Bank of China (EXIM Bank), China Gezhouba Group Corporation (CGGC)	$5.8 billion	$1.5 billion	Completed	Corruption,Poor Quality, Cost Overrun, Land acquisition issues, Funding Issues

Uma Oya Multipurpose Development Project	MASL, EXIM Bank, CGGC	$2.4 billion	$0.6 billion	Delayed	Corruption, Funding Issues, Cost Overrun
Colombo-Kandy Expressway Project	Road Development Authority of Sri Lanka (RDA), EXIM Bank, China Communications Construction Company (CCCC)	$1.5 billion	$0.5 billion	Completed	Poor Quality, Land acquisition issues, environmental concerns
Mahaweli Water Security Investment Program	MASL, EXIM Bank, CGGC	$1.8 billion	$0.5 billion	Delayed	Corruption, Funding Issues
Moragolla Hydropower Project	MASL, EXIM Bank, CGGC	$0.8 billion	$0.2 billion	Delayed	Corruption,environmental concerns, Funding Issues
Mattala Airport Cargo Terminal Project	Airport and Aviation Services (Sri Lanka) Limited (AASL), Export-Import Bank of China (EXIM Bank), China State Construction Engineering Corporation (CSCEC)	$200 million	$100 million	Delayed	Corruption,Cost Overrun, Land acquisition issues, environmental concerns

Table 14 Issues faced by Major BRI Projects in Sri Lanka

ij-repo.lk

Bangladesh

Here is a table of the year-on-year trade statistics of Bangladesh with China from 2017 to 2022:

Year	Bangladesh's Import from China	Bangladesh's Export to China	Balance of Payment
2017	$11.06 billion	$1.01 billion	-$10.05 billion
2018	$12.22 billion	$1.09 billion	-$11.13 billion
2019	$13.22 billion	$1.14 billion	-$12.08 billion
2020	$13.31 billion	$1.17 billion	-$12.14 billion
2021	$15.88 billion	$1.32 billion	-$14.56 billion
2022	$18.5 billion	$1.46 billion	-$17.04 billion

Table 15 Trade statistics of Bangladesh with China from 2017 to 2022

As you can see, Bangladesh has a long history of having a trade imbalance with China. Accordingly, Bangladesh is importing more commodities from China than it is sending back to that country. **As a result of recent growth, the trade imbalance has reached a record high of $17.04 billion in 2022.**

The Bangladeshi economy is suffering as a result of the **trade deficit**. In addition to slowing economic development, it is causing job losses and a drop in investment.

According to a Dhaka-based report **headlined 'Bangladesh Reassesses its BRI Strategy as the US Offers a New Alternative,'** the initial excitement in Bangladesh for BRI projects appears to have faded.
In 2016, China proposed investing over **USD 40 billion in infrastructure assistance and joint sector projects, as well as additional USD 20 billion in development loans.**

However, by 2022, Dhaka was confronting the problem of growing foreign debt, owing over **USD 4 billion to Beijing**. Bangladesh had to request a **USD 4.5 million rescue package from the International Monetary Fund** in July 2022, as diminishing foreign exchange reserves made imports problematic.

To alleviate the problem, Bangladesh has already abandoned or postponed many BRI infrastructure projects, including highway construction.

List of the projects that have suffered cost overruns:

- Padma Bridge Rail Link Project (Transport)
- Payra 1320 MW Coal-fired Thermal Power Plant (Energy)

- Rooppur Nuclear Power Plant (Energy)
- Akhaura-Sylhet Rail Line Expansion Project (Transport)
- Bangabandhu (Karnaphuli) River Tunnel (Transport)
- Dasher Kandi Sewerage Treatment Plant (Water)
- Barisal-Bhola (Tentulia-Kalabadar) Bridge (Transport)
- Barisal-Kuakata Highway Project (Transport)
- Boalkhali 660 MW Coal-fired Thermal Power Plant (Energy)
- China-Bangladesh Friendship (Dhaleswari River) Bridge (Transport)
- China-Bangladesh Friendship (Arial Khan River) Bridge (Transport)

Padma Bridge

Completed Environment Damage Cost Overrun FundingIssues FalseClaim

Figure 36 Commemorative notes of tk100 on the occasion of the inauguration of the Padma Bridge

Figure 37 Location of Padma Bridge

The Padma Bridge is a major infrastructure project in Bangladesh, and while it is **not directly under the Belt and Road Initiative (BRI),** it has received financial and technical assistance from multiple international sources, including the World Bank.

The Padma Bridge is a multipurpose road-rail bridge across the Padma River in Bangladesh. It is the longest bridge in Bangladesh and the sixth-longest in the

world. The bridge is being constructed by the **China Major Bridge Engineering Company (MBEC).**

In 2012, the World Bank withdrew its funding for the bridge after allegations of **corruption**. However, the Bangladesh government decided to self-finance the project and work continued.

The Padma Bridge was embroiled in controversy over **"BRI or not BRI"** as well as delays, funding difficulties, worries about environmental effects, and the relocation of local populations.

China has attempted to include non-BRI projects under BRI over the years in an effort to salvage its reputation due to delays, financial losses, and other issues. Padma Bridge is a glaring example of one such project.

It has faced a number of issues over the years like:
Land acquisition: The Padma Bridge is being built on land that is home to a number of villages. The government has had to acquire land from these villages in order to build the bridge. This has led to protests and demonstrations from the villagers.

Security concerns: The Padma River is a major shipping route and is home to a number of pirates. The government has had to take steps to secure the area around the bridge in order to prevent attacks from pirates.

Cost overruns: The cost of the Padma Bridge has increased significantly since it was first proposed. **Since it was initially suggested, the price of the Padma Bridge has greatly escalated. For a developing nation like Bangladesh, an overrun of $1.3 billion on a $3.3 billion project is a significant burden.**

There have been a number of protests, demonstrations, and uproars against the Padma Bridge. These protests have been organized by a number of different groups, including environmental groups, villagers, and opposition political parties.

In a sharp rebuttal to Chinese claims of Bangladesh's biggest infrastructure project being part of BRI, Dhaka said that the Padma Bridge, which is scheduled to be launched on June 25, is not a part of China's BRI. It also said that no foreign funds were taken to complete this multipurpose project.

Ministry of Foreign Affairs
Dhaka

Press Release

It has come to the attention of the Ministry of Foreign Affairs that some quarters are trying to portray that the Padma Multipurpose Bridge which is scheduled to be inaugurated on 25 June by the Hon'ble Prime Minister Sheikh Hasina has been constructed with the assistance of foreign funds and is a part of the Belt and Road Initiative.

Ministry of Foreign Affairs categorically asserts that the Padma Multipurpose Bridge has been entirely funded by the Government of Bangladesh and no foreign funds from any other bilateral or multilateral funding agency has financially contributed to its construction. Both Bangladeshi and foreign construction firms were engaged for the implementation of the project.

The completion of this bridge will fulfil the long cherished dream of the nation for connecting the 19 south-western districts with the rest of the country resulting in collective prosperity, socioeconomic development of Bangladesh as well as enhanced regional connectivity.

The Ministry of Foreign Affairs earnestly hopes that all friends of Bangladesh will join hands in celebrating the completion of this landmark project of Bangladesh which is all the more special since it has been done entirely by the contribution of the people and the Government of Bangladesh.

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Figure 38 Press release by the Bangladeshi Government

Report : Padma Bridge is not a part of BRI

Chinese Economic and Industrial Zone (CEIZ)

Completed **Environment Damage** **Cost Overrun** **FundingIssues** **China's geopolitical interests** **SecurityIssues**

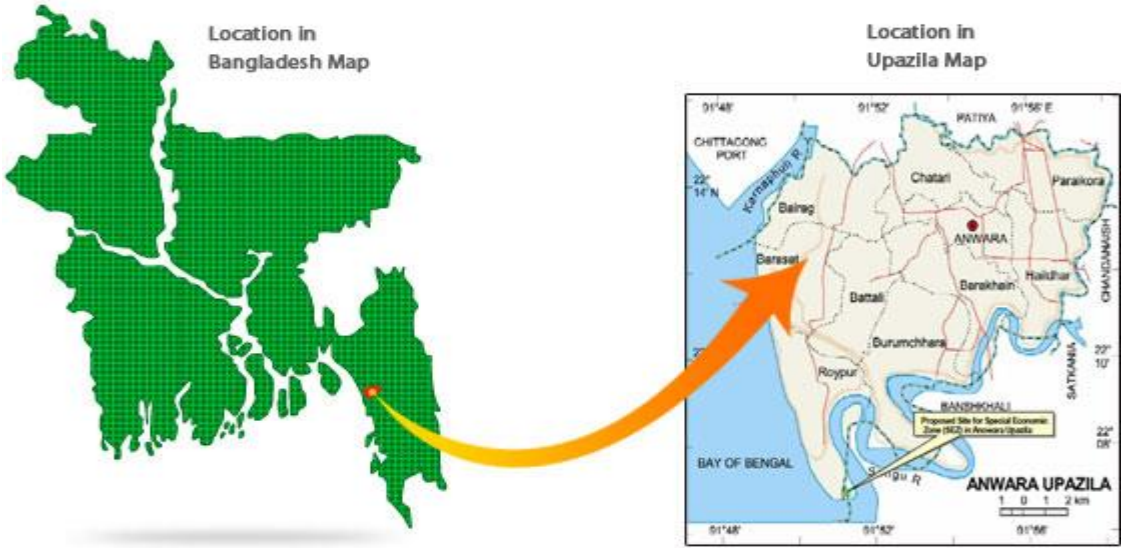

Figure 39 Location of Chinese Economic and Industrial Zone (CEIZ)

The CEIZ is a special economic zone that can be found in Bangladesh's Chattogram District's **Anwara Upazila. The zone is being developed by the Bangladesh Economic Zones Authority (Beza) and the China Harbour Engineering Company (CHEC).**

The CEIZ is anticipated to serve as a significant hub for business and investment between China and Bangladesh. It is anticipated that thousands of employment would be created in the zone, which will be home to several companies and enterprises. Through the promotion of exports and the enticement of foreign investment, the **CEIZ is also anticipated to strengthen Bangladesh's economy**.

A memorandum of understanding (MOU) to build the CEIZ was signed in 2016 between the China Harbour Engineering Company (CHEC) and the Bangladesh Economic Zones Authority (Beza).

In **2017**, locals in **Anwara** demonstrated against the CEIZ's takeover of their land.

The CEIZ's construction started in **2018** and **was finished in 2022**.

However, opposition political groups in Bangladesh only denounced the CEIZ in 2020, **claiming that it was a Chinese land grab and debt trap. Environmentalists only voiced their objection to the CEIZ in 2018, expressing worries about the impact on the mangrove forests and the marine life**.

Dasher Kandi Sewerage Treatment Plant (DSTP)

Corruption Completed Cost Overrun Delayed

The Dasherkandi Sewage Treatment Plant is a **$1.79 billion** project that is being funded by the **Export-Import Bank of China** (**EXIM** Bank). The project is expected to treat sewage for nearly 5 million people in Dhaka, Bangladesh.

Water Supply & Sewerage Authority (**WASA**) and **Hydro China cooperation**, in November 2014, agreed to build Dasherkandi Sewage Treatment Plant in Bangladesh.

The construction of the project, started in **August 2018** and it is completed and is operational now. It includes **sewage treatment plants, pumping stations and a sewage pipe network with a sewage treatment capacity of 500,000 cubic meters of sewage a day.**

The **cost overrun for the Dasherkandi Sewage Treatment Plant was $1.1 billion. The original cost of the project was $690 million**, but the final cost was **$1.8 billion.**

In 2020, the Anti-Corruption Commission (ACC) filed a case against **three** officials of the **Bangladesh Water Supply and Sewerage Authority (WASA) for awarding the contract for the construction of the DSTP to a Chinese company without following due process.**

In 2021, the ACC filed another case against **four officials of WASA and two officials of the Chinese company for misusing public funds in the construction of the DSTP.**

In 2022, the ACC filed a third case against **three officials of WASA and one official of the Chinese company for allegedly embezzling public funds in the construction of the DSTP.**

The ACC is investigating these cases and has not yet made any arrests. However, the cases have raised concerns about the **transparency** and **accountability** of the DSTP project.

In addition to the corruption cases, there have also been allegations that the DSTP project has been plagued by **mismanagement and poor workmanship**. These allegations have led to calls for a review of the project and for the government to take action to address the problems.

Payra Deep Sea Port

Cost Overrun FundingIssues China's geopolitical interests Corruption Delayed

The government of Bangladesh and China signed MoU to develop three components of the Payra Deep Seaport in 2016. This is the third-largest port in the country, strategically located in the **Patuakhali** region on the banks of the Bay of Bengal.

Two Chinese companies China Harbor Engineering Company (CHEC) and China State Engineering and Construction Company (CSCEC) will execute port development.

The **Payra Deep Sea Port** has been plagued by **financial problems** since its inception. The original cost of the project was estimated to be **$1.1 billion**, but the final cost is **expected to be much higher**. The government of Bangladesh has had to **borrow money from China** to finance the construction of the port, and **the debt burden is becoming increasingly unsustainable**.

In addition to the financial problems, the Payra Deep Sea Port has also been plagued by corruption allegations. The **Anti-Corruption Commission (ACC) filed a case against several officials of the Bangladesh government and the China Harbor Engineering Company (CHEC)** for allegedly **misusing public funds in the construction of the port**. The ACC has also filed a case against several officials of the Bangladesh Water Development Board (BWDB) for allegedly awarding the contract for the construction of the port to CHEC without following due process.

The delays in the construction of the Payra Deep Sea Port have been caused by a number of factors, including financial problems, corruption allegations, and environmental concerns. The construction of the port was initially scheduled to be completed in 2016, but the deadline has been pushed back several times. The port is now expected to be completed in 2023, but it is possible that the deadline will be pushed back again.

The Payra Deep Sea Port's future in all certainty is uncertain.

Sonadia Deep-Sea Port

China's geopolitical interests **Cost Overrun** **FundingIssues** **Corruption** **Halted**

The Sonadia Deep-Sea Port Project was a proposed deep-sea port on **Bangladesh's Sonadia Island**. Bangladesh's government originally proposed the project in **2006**. A feasibility study was done in **2007** because the Chinese government was interested in investing in the project. However, India was opposed to the proposal, citing concerns about the geopolitical implications of a Chinese-built port in the Bay of Bengal.

The Bangladesh government signed a memorandum of understanding with China for the port's construction in **2012**. The project was, however, delayed owing to a variety of issues, including environmental concerns and political resistance.

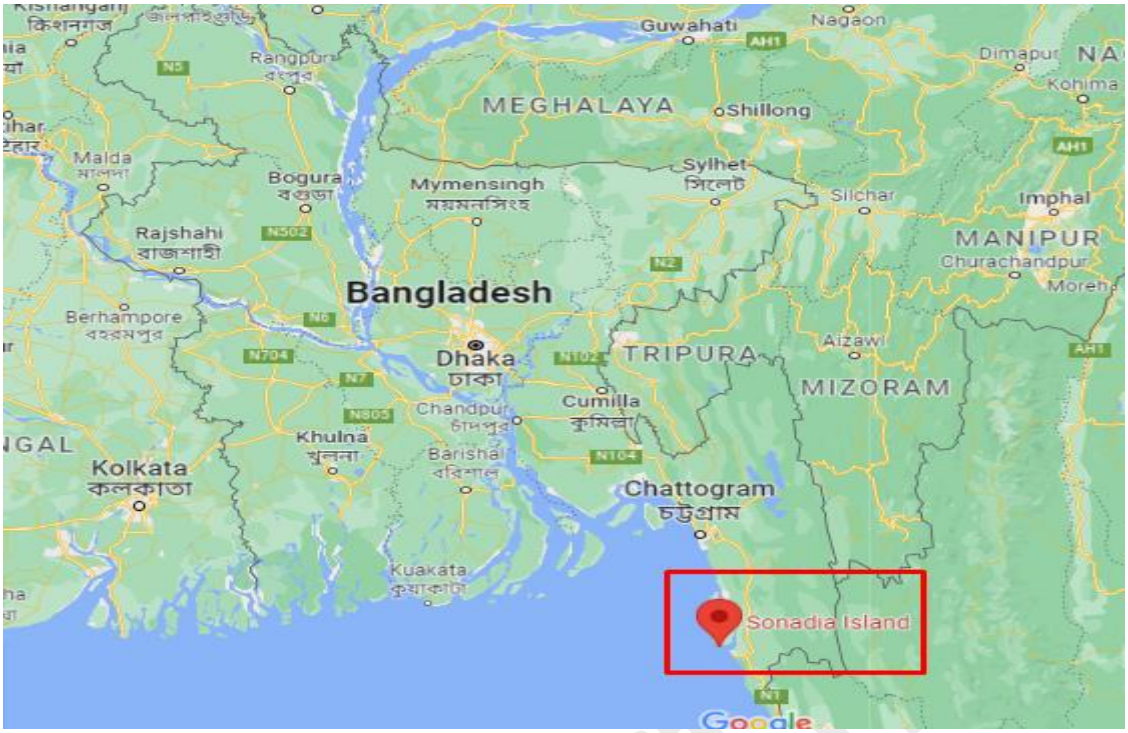

Figure 40 Location of Sonadia Deep Sea Port

The Sonadia Deep-Sea Port Project was a **controversial project from the start**. The Indian government was concerned about the **strategic implications** of a Chinese-built port in the Bay of Bengal. **Environmentalists** were concerned about the impact of the project on the Sonadia Island **ecosystem**. And local residents were concerned about the **displacement** that would be caused by the project.

The project was also plagued by **corruption allegations**. In 2013, a Bangladeshi newspaper reported that a **Chinese company had bribed Bangladeshi officials to secure the contract for the project**. The allegations were never proven, but they further damaged the project's reputation.

The project was finally halted and buried forever by the Bangladesh Government in 2020.

Bangladesh has been a cautious partner in the BRI. The country has signed a number of agreements with China, but it has also been careful to protect its own interests. The cancellation of the Sonadia Deep-Sea Port Project is a sign that Bangladesh is not willing to sacrifice its environmental and economic interests for the sake of the BRI.

Conclusion

In conclusion, the report titled **"The BRI Status: A Grand Report on Its Present and Future"** sheds light on the numerous challenges and issues faced by BRI projects in developing and least developed countries of **Asia and Africa**. The findings indicate that these projects have experienced **cost overruns, corruption, environmental damage, funding issues, repeated delays, lack of progress, and poor quality of development.**

Specific cases highlighted in the report further illustrate the negative consequences of these issues. For instance, the **Bagamoyo Port Project** in **Tanzania** was **halted** due to concerns that the terms of the project compromised the **country's sovereignty.** Similarly, in **Nepal**, all BRI projects experienced **significant delays**, with more than **half suffering from corruption** and **poor quality**.

Furthermore, it is evident that in countries like **Nepal and Sri Lanka**, some BRI projects seem to **serve China's geopolitical interests** rather than contributing to regional development. **This raises questions about the true motivations behind these investments.**

The report also reveals **security concerns** raised by stakeholders involved in BRI projects in **Pakistan**, with a significant number of projects experiencing **cost overruns**.

Examples such as the **Hambantota port lease in Sri Lanka for 99 years** to **China Merchants Port Holdings** further highlight the **long-term implications of such agreements.**

Looking ahead, it is crucial to address these issues and ensure that BRI projects prioritize **sustainable development, transparency, and accountability**. Lessons from the past should guide future decisions, with a focus on **mutually beneficial partnerships that genuinely contribute to the socioeconomic progress of the host countries**.

By recognizing the challenges and learning from the shortcomings, it is possible to shape a more positive and inclusive future for the Belt and Road Initiative, where the interests of all stakeholders are safeguarded and the potential for sustainable development is fully realized.