The Belt and Road Initiative in East Africa

Davids Etyang

Mapping Trade Union Context and Possibilities to Organize

BWI
Building and Wood Workers' International
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BWI is the Global Union Federation grouping free and democratic unions with members in the Building, Building Materials, Wood, Forestry and Allied sectors.

BWI brings together around 334 trade unions representing around 12 million members in 130 countries. The Headquarters is in Geneva, Switzerland while the Regional Offices are in Panama, Malaysia, and South Africa.

Our mission is to defend and advance workers' rights, and to improve working and living conditions in our sectors. The BWI, above all, has a rights-based approach. We believe that trade union rights are human rights and are based on equality, solidarity and democracy, and that trade unions are indispensable to good governance.

BWI goals include 1) to promote and defend human and trade union rights; 2) to increase trade union strength; 3) to promote a stable and high level of employment in our sectors; and 4) to influence policy and strengthen the capacity of institutions and tripartite structures in our sectors.

All photos used herein are from BWI photo collection.

About the author

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Foreword

The Building and Wood Workers' International (BWI) is pleased to present its multi-region study on one of the most ambitious and economically and geopolitically significant infrastructure projects in the next 5 years – the Belt and Road Initiative (BRI) of the People's Republic of China.

BRI, inspired by the ancient Silk Road, is a multi-country and multi-region cooperation project aimed at facilitating sustainable development within the frame of economic cooperation based on market rules and international norms, geared for mutual benefits and inclusivity and tolerance.

BWI, as the global union for building-construction workers, sees its massive implications to its sectors, its affiliated unions, and to millions of workers in the covered regions and countries.

As it spawns major infrastructure projects and create employment for our represented sectors in the supply chain of building industry, it is imperative that decent work governs this global undertaking. Trade unions have to be present in the work sites to represent workers as they exercise their freedom of association, negotiate fair wages, institutionally ensure safe working conditions, and influence policy regimes that will affect their societies.

To perform the representation role of BWI as a global union and of its affiliates as national and work place representatives, we need the knowledge base that can help us locate the precisely related projects, assess the labour relations context and possibilities in the country, map the employment of workers and possible unions that can organise them, and to identify the current or future financial institutions and construction companies.

With this backdrop, BWI has undertaken a research project to make a preliminary map of the whole chain of the BRI. While the elements mentioned above shall be covered in the study, the central aim of the undertaking is having an "internal organising map" to ensure decent work through trade unions are achieved within the big chain. Future case studies on how the projects are being implemented based on the criteria of ILO core labour standards are also foreseen in next phases of this long-term initiative.

While decent work is the heart of the agenda of BWI, BRI has multi-dimensional impact as debates about developmental policies, trade relations, debt traps, geopolitical positioning, community displacements, labour laws reforms, guidelines of development funding by IFIs, and even cultural threats simmer around this mega-construction project. Trade unions as social actors will have to deal with the related issues eventually.

The research project is part and parcel of BWI Solidarity Projects' developmental objective which is to actively contribute to creating strong and autonomous, gender-fair and democratic trade unions that fight for both trade union and human rights as well as for decent employment and living conditions for all building, wood and forestry workers [BWI Strategic Goal].

This project aimed for the following:

- To map the Belt and Road Initiative in relation to the location of its affiliates and analyse the potentials and limitations of union organising and representation.
- To assist BWI in developing a comprehensive strategy document for BRI organising and engagement for decent work by mid-2020.

The descriptive and analytical parts (the Regional Reports) of this project are publicly available while the organising map and projects database is for internal BWI use. We are cognizant that some needed information about the BRI projects may not be immediately available thus we view the database as a work in progress that will be updated as new data becomes available.

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Ambet Yuson
General Secretary
Building and Wood Workers' International (BWI)
30 November 2019

Introduction

The "Belt and Road Initiative" (BRI)[1] has launched global debates with enthusiasm on one side and serious doubts on the other from academics, policymakers and entrepreneurs. The BRI is a multi-country and multi-region cooperation project and is considered the most important feature of China's foreign policy. The initiative aims to interconnect countries in Asia, Europe and Africa through an ambitious vision for infrastructure and economic and political cooperation. Since China's President Xi Jinping first proposed the Initiative in 2013, it has mainly focused on Asia and Europe where it has unfolded rapidly through bilateral agreements and the implementation of the first large-scale infrastructure projects are underway. In May 2017, Beijing hosted the first Belt and Road Forum attended by 29 heads of state and delegates from 130 countries, to consolidate what China has achieved so far and to further promote the initiative (Xinhua, 2017). Five years since the launch of the project, China has invested more than 25 billion USD into BRI-related infrastructure projects.[2] Not included are projects still under construction or in the planning phase, which involve much larger investment sums.

The Building and Wood Workers' International (BWI), as the global union for building and construction and wood and forestry workers, foresees the massive implication of the BRI for its sectors, affiliated unions and potentially millions of workers. As major infrastructure projects unfold under the BRI, creating employment in the construction sector as well as in the supply chain of building industry, BWI has stated that it is imperative for decent work to govern this global undertaking. Trade unions have to be present in the worksites to represent workers as they exercise their freedom of association, negotiate fair wages, institutionally ensure safe working conditions, and influence policy regimes that will affect their societies.

The Building and Wood Workers' International (BWI) has undertaken a global research project with FNV Mondiaal to preliminarily map the Belt and Road Initiative (BRI). This is intended to contribute to organising by its affiliates along the value chain of the BRI to demand decent work through the development of the initiative. This study mainly employed in-depth desk review with focus on five African countries: Kenya, Uganda, Tanzania, Rwanda and Ethiopia. It contributes to the knowledge base needed to locate BRI related projects, assess the labour relations context and possibilities in the country, map the employment of workers and possible unions that can organise them, and to identify the current or future contractors and financial institutions.

Political Economy Overview of the Region

In Africa, there are many challenges across the region affecting people's lives; the vast majority of the population are poor with no opportunities for social mobility and are dependent on the land. However rural livelihoods are increasingly difficult with food insecurity, environmental degradation, population growth, climate change and human security issues. Urbanisation is rapidly expanding as people, especially youth, seek out better livelihoods but with developmental deficits that have persisted despite economic growth across the continent and with inadequate and unreliable infrastructure and services. Despite its coveted primary resources which make up most foreign investment and exports, Africa has failed to build value chains, industrialise and create jobs. Thus, unemployment and underemployment are entrenched and the vast majority of workers are dependent on the informal sector for employment.

There is wide recognition that political cooperation and economic integration at a regional level are vital to tackle development challenges that cannot be solved at a national level alone and this has long been on the agenda of African countries. Over the years there has been a broadening of ambitions and mandates of most regional organisations, with a multiplication of stated commitments, strategy and policy documents. This has often been accompanied by an expansion in the budgets, staff and programmes as well as an increase in donor support. Yet policymakers, member state representatives and non-state actors frequently express frustration with the gap between what has been agreed by regional organisations and what actually takes place on the ground (ECDPM, 2016).

Regional integration dynamics have assumed an important place in Africa's political, economic and institutional landscape with regional organisations in Africa taking on central roles, in particular the African Union (AU). However, the shortfall in yearly member state contributions to the AU budget and inadequate

1 China Foresight, LSE IDEAS–the London School of Economics' Foreign Policy Think-Tank, London, UK
2 According to the MERICS BRI database.

institutional budgetary forms hamper functions such as proper planning, resource mobilisation or fair degree of spending. In the absence of transparency and accountability, political leaders can easily approve budgets that lack sufficient prioritisation as called for by the AU Commission. The gap between form and function is especially visible in regional trade policies and market integration despite broad and ambitious integration agendas. Implementation of these agendas has often been slow and hampered by many obstacles, leading to "implementation gaps" (ECDPM, 2016).

Donor support for this implementation gap has been challenging to fulfil, creating an opportunity to broaden China's growing relationship on the continent beyond bilateral lines under the BRI. China operates primarily through bilateral channels and invests in those regional infrastructure projects that are strategic for Chinese interests. There has been substantially increased inflow of Chinese direct investment to East Africa primarily in infrastructure, energy and mining. This allowed the sub regional body, the East African Community (EAC) and its member states to pursue ambitious and high-cost infrastructure projects.

There has been widespread speculation about the unequal relationship between China and Africa with concerns about China's monopolisation of policy space and the potential for Africa to prioritise and advance its development agenda in the face of China's interests. A broader pool of traditional and emerging development partners could strengthen the negotiation leverage of African countries and their regional organisations on donor preferences and conditionalities. However, some argue that even if this was applied, the power relations are unlikely to fundamentally alter between African countries and their development partners (Kragelund 2014) and the potential for creating more policy space may lie in the convergence and cooperation between an emerging donor like China and traditional donors. Others argue that the imagery of a skewed relationship between China and Africa ignores the agency of the post-colonial African continent in shaping its own political and economic destiny. Africa's contemporary international relations build a narrative of Chinese infrastructure projects that have begun to reshape Africa's economic trajectory (Kunaka, 2018).

China's growing presence in Africa has had some benefits for Africa's economies, governments and workers with positive impacts for job creation and transfers of skills. Widespread narratives that China is responsible for causing, or at best ignoring, many of the problems in African countries are often put forward to protect former colonialist and paternalistic development aid perspectives. These narratives have to be carefully reconciled with what are in fact Chinese-financed African investment projects, for better or worse. As the Kenyan SGR example shows, Chinese investors in Africa can help transform African visions into concrete reality, but African agency is still critical to make infrastructure projects work for inclusive development and positive economic growth. There are areas that need significant improvement; for example, by value, only 47 percent of sourcing by Chinese firms was from local African firms, representing a lost opportunity for local firms to benefit from Chinese investment.

However, there have been many instances of major human, labour and environmental violations by Chinese-owned businesses across Africa. These range from inhumane working conditions to illegal extraction of natural resources, including timber. Organised labour has a key role in holding these Chinese businesses accountable for their corporate behaviour and governance and demanding that the Chinese and African governments ensure that MNCs respect human and labour rights and that the environment and vulnerable constituencies are protected.

Belt and Road Initiative in Africa

China's developmental relationship with Africa centres on trade, investment and technical development assistance, and China has been Africa's largest trading partner since 2009. China has set a target for bilateral trade of US$ 400 billion by 2020. China's total trade with Africa rose from US$ 10 billion in 2010 to US$ 170 billion in 2017.[3] China's enterprises have been encouraged and supported by the Chinese government and Chinese financial agencies to internationalise and "go out to Africa" (Bräutigam, 2011; Gu & McCluskey, 2015), with Africa being regarded as "the last golden land" (J. Gu, 2009, 2011).

In addition to Sino-African bilateral relationships, China's engagement with Africa works multilaterally, principally through the structures, processes and agencies of the Forum on China Africa Cooperation (FOCAC). From the first ministerial conference held in Beijing in 2000, the FOCAC process frames the

3 http://www.chinadaily.com.cn/a/201808/29/WS5b86536ea310add14f388762.html

overall relationship between China and Africa by setting priorities, planning, funding and implementing strategies. The 2015 Johannesburg and 2018 Beijing FOCAC Summits have set the current cooperation agenda. At the Johannesburg Declaration and Action Plan (2016-2018) China committed US$ 60 billion in development assistance, comprised of US$ 15 billion of grants, interest-free loans and concessional loans; US$ 20 billion in credit lines; the setting up of a US$ 10 billion special fund for development financing; and a US$ 5 billion special fund for financing African imports. In April 2016, China singled out a number of countries that will be the focus of its industrial cooperation with Africa under FOCAC over the next three years. These countries are also among those that are likely to become the gateways for the Belt and Road Initiative on the African continent. While most African countries are FOCAC members[4] only a few African countries may initially become part of BRI.

The Beijing Declaration and FOCAC Beijing Action Plan (2019-2021) was adopted at the 2018 Beijing Summit Xinhua, 2018b). Further engagement comes through the BRICS (Brazil, Russia, India, China and South Africa) group (J. Gu, Shankland, & Chenoy, 2016) and through trilateral cooperation (J. Gu, 2017).

The BRI's focus on infrastructure is interwoven into the FOCAC process and strategic action plans. At the Johannesburg FOCAC Summit, China announced it would launch an infrastructure connectivity initiative centred on a Chinese-African infrastructure cooperation plan developed with the African Union. The Chinese government indicated that it would support Chinese companies to participate in Africa's infrastructure development through investment-construction-operation, intended to strengthen cooperation on energy, transport, information technology, telecommunications and cross-border water resources, and focus on key connectivity projects.

In January 2015, China and the African Union signed a Memorandum of Understanding on China-Africa cooperation in infrastructure construction. Under the MOU, China will be in the "Africa Vision 2063" strategic framework, strengthen cooperation with African countries in railway, highway, aviation and industrial areas of the region, and to promote the integration of African countries. Chinese companies have started construction of railways, airports, industrial parks and ports in countries such as Ethiopia, Djibouti, Kenya and Nigeria. Further commitment came in September 2018 at the Forum on China Africa Cooperation (FOCAC) held in Beijing. This event saw China sign MOUs with 37 African countries and the African Union (AU) on jointly developing the Belt and Road Initiative. Addressing the relevance of the BRI to the African Union's Agenda 2063, James Wakiaga, Economic Advisor at the UN Development Programme (UNDP), noted:

> The Belt and Road Initiative is very important particularly in terms of closing the infrastructure gap. Africa's infrastructure gap is quite huge, like 95 billion dollars annually. So, we need to look for the different sources of financing to Africa's infrastructure to be able to accelerate structural transformation and diversification. (AllAfrica, 2018, para. 13)

Given that the Belt and Road Initiative has its own vision and action plan, dedicated political fora, financial institutions and resources it will not simply account for FOCAC achievements, but will reinforce and expand the scope and depth of cooperation. For African Belt and Road Initiative countries this means that resources in addition to those under FOCAC become available under the initiative. In 2014, China's MOFCOM announced that it would "strengthen aid to recipient countries along the Belt and Road" and that "newly-added aid capital will mainly go to these countries" (MOFCOM 2014). But perhaps more importantly, it also means that cooperation areas that are being promoted under the initiative and FOCAC, such as industrialization and infrastructure will receive even stronger political support from China, which may help fast-track the implementation of projects in those areas. Furthermore, in contrast to FOCAC, the BRI is not limited to bilateral relations between China and African countries, but aims to connect Asia, Europe and Africa. African Belt and Road Initiative countries can benefit from new connections to and among these regions by, for example, expanding cooperation with countries along the Maritime Silk Road in South Asia and Southeast Asia. Some analysts predict that if implemented successfully, the initiative may lead to the creation of single Asian-European or perhaps even a single Asian-European-African trading block, which would challenge the current US-centred trans-Atlantic and trans-Pacific trading blocs system (The Economist 2016). Being part of these potentially emerging new structures may benefit economic development of all Belt and Road Initiative countries, including those in Africa but carries risk, including high levels of debt.

4 Burkina Faso, Sao Tomé and Principe and Swaziland are the only African Union member states that are not part of FOCAC given their diplomatic recognition of Taiwan. See also: http://en.people.cn/features/taiwanpaper/taiwan.html

Since 2013 Chinese state media has published several different Belt and Road maps with varying indications of Africa's participation in the Maritime Silk Road. Most of the maps include a route through the Indian Ocean towards Kenya, passing Somalia, Djibouti, Eritrea, Sudan and Egypt before continuing to the Mediterranean Sea. The latest version published by the Chinese news agency Xinhua (see map below) shows Nairobi as part of the Maritime Silk Road[5] which is almost 500 km away from the closest port located in Mombasa. This incorporates the new railway and economic corridor that China is currently building in partnership with Kenya from Mombasa to Nairobi as a part of the Maritime Silk Road.

Figure 1. Map of the Silk Road Economic Belt (Silk Road) and 21st Century Maritime Silk Road (Maritime Silk Road)[6]

Source: China Xinhua News (https://twitter.com/XHNews/status/709752281692921856)

Furthermore, during a State visit of Djibouti's President, H.E. Ismail Omar Guelleh, President Xi said that China welcomes Djibouti's participation in developing the Maritime Silk Road (China Daily 2016a).

China's commitment towards Arab States on the Belt and Road Initiative is significant for Africa's role in the Initiative as ten of the Forum's Member States are African, namely Algeria, Comoros, Djibouti, Egypt, Libya, Mauritania, Morocco, Somalia, Sudan and Tunisia. Algeria, Djibouti, Egypt, Libya, Morocco, Somalia, Sudan and Tunisia are along or close to the Maritime Silk Road envisaged on Xinhua's maps. In June 2014, President Xi called for "joint Chinese Arab efforts to build the Belt and Road Initiative" with energy cooperation, infrastructure development and trade and investment facilitation as priority areas. Cooperation projects worth USD 28 billion were signed at the 2nd China-Arab States Expo (China Daily 2015c) in September 2015 as part of efforts to build the Belt and Road Initiative.

It is apparent that the Maritime Silk Road would need to deviate from its historic route to create a connection far down to the southern point of Africa to incorporate the MOU signed by South Africa and China on the Belt and Road Initiative in December 2015 (People's Daily Online 2016a). China has also promised that Mozambique will be part of the Belt and Road Initiative. During his visit to Mozambique in 2016, China's Foreign Minister Wang Yi said that "China will view Mozambique as a natural extension of the 21st Century Maritime Silk Road and boost cooperation with Mozambique in marine economy

5 Kenya is also the only African country included in a recent Xinhua News promotional video explaining the Belt and Road Initiative (see: https://twitter.com/XHNews/status/709752281692921856).

6 Numerous different maps have been published on the Belt and Road Initiative by Chinese state media over the last two years. The latest map available from Xinhua in June 2016 shows the Belt leading from China through Kyrgyzstan, Uzbekistan, Turkmenistan, Iran, Turkey and Russia to Germany, the Netherlands and Italy, where it connects with the Road in Venice. The Road leads from China through Vietnam, Malaysia, Indonesia, Sri Lanka and India to Kenya from where it continues to Greece and Italy.

and port-neighbouring industrial parks and transfer its advantageous production capacity and mature technologies to Mozambique" (MOFA 2016c).

Promises to Comoros perhaps can be fulfilled if there is an extension south as it is somewhat en route from Kenya to South Africa. But Mauritania's location on Africa's West Coast would require a new geographic region for the Maritime Silk Road to be opened by either continuing from the Mediterranean Sea through the Strait of Gibraltar down south along Africa's West Coast or by circling the whole continent from eastern to southern to western Africa. An increasing number of African countries are trying to position themselves to become part of BRI with some countries already having publicly expressed their interest. For example, during the FOCAC Summit in December 2015, the King of Morocco said that "Given its geographical location, the Kingdom of Morocco could play a constructive role in extending the Maritime Silk Road, not only to 'Atlantic Europe' but also and especially to West African nations with whom my country has multi-dimensional ties" (Mail & Guardian Africa 2016). In May 2016, during his State visit to China, Togo's President Faure Gnassingbe said that "Togo intends to be the anchor point in West Africa for the New Silk Road initiative" (Xinhuanet 2016e). There has been a plethora of other developments in other African countries that are reported to be part of the initiative despite impractical or unlikely connection to the route and increasingly these promised connections may be simply exercises in diplomacy, to gain allegiance amidst tensions between China and Africa's other major trading partners.

Key African actors and institutional arrangements for the Belt and Road Initiative in Africa

In 2013, the African Union's member states crafted "Agenda 2063: The Africa We Want - A Strategic Framework for Inclusive Growth and Sustainable Development" as an African "endogenous plan for transformation" and a "collective vision and roadmap for the next fifty years" (AUC 2015a). The African Union has called on the international community to respect Africa's vision and aspirations and to align their partnerships appropriately (AUC 2015a). Agenda 2063 and its First Ten-Year Implementation Plan 2014-2023 (AUC 2015b) together with the African Union's Programme for Infrastructure Development in Africa (AU 2012a) and Africa's Integrated Maritime Strategy 2050 (AU 2012b) constitute the basis for the African Union's engagement in the Belt and Road Initiative and the AU advocates that this should guide China's Belt and Road activities on the continent.

The African Union cooperates closely with China, in particular on infrastructure development and industrialization since the signing of the MoU on "The Promotion of Cooperation in Railway, Road, Regional Aviation Networks and Industrialization fields between China and Africa" between the African Union Commission and China's NDRC in January 2015. The focus for implementation of the MoU lies on the construction of a high-speed railway network for which the African Union Commission established a task force comprised of leading African railway experts. Linkages of the planned network to the Maritime Silk Road have so far not been discussed (Interview AUC). While formal engagement between the African Union and China on the Belt and Road Initiative is relatively recent, the African Union has developed a strategic approach towards the Belt and Road Initiative through its New Partnership for Africa's Development (NEPAD).[7]

The South African government and academic institutions in partnership with the China Institute of International Studies and NEPAD organized a conference in November 2015 titled "One Belt, One Road and a Prosperous Africa". Following the conference, the NEPAD Think Tank Committee on the Belt and Road Initiative and Africa (NEPAD TTC) was established to develop a continent-wide approach to the Belt and Road Initiative with a focus on transportation connectivity between China, Africa and Europe. The NEPAD TTC position is that the Belt and Road Initiative is generally a positive development for Africa but that more research and better information is urgently needed to ensure that Africa benefits from the Initiative. (Interview with NEPAD TTC member).

There is a lack of academic research and analysis of the Belt and Road Initiative from an African perspective but this is changing with the South Africa-based Centre for Chinese Studies[8] and the South African Institute of International Affairs[9], which have published a few articles on, or related to, the topic, but are not (yet?) focusing their research programmes directly on this area.

7 http://www.nepad.org/content/about-nepad#aboutourwork
8 http://www.ccs.org.za
9 http://www.saiia.org.za

Country Level Situation and Plans of BRI

The WWF (2016) in assessing the impact of BRI on Africa aimed to identify potential African Belt and Road Initiative countries based on a set of criteria, which are in line with China's five objectives for the initiative:

- **Policy coordination:** Is there: an MoU with China on the Belt and Road Initiative; has a state visit by China's President or Prime Minister taken place since 2013; are Diplomatic relations at a "strategic partnership" level; and/or is there Industrial cooperation demonstration and pioneering in a priority country;
- **Facilities connectivity:** Is there: a planned or existing deep-water port with Chinese investment[10]; a planned or existing China-financed railway leading to the deep water port; a Chinese SEZ; a China-financed major power project;
- **Unimpeded trade:** Is the country a Top 10 African trading partner with China by total volume of trade in 2014;
- **Financial integration:** Is the RMB part of foreign exchange reserves; is there a Bank of China RMB clearing house;
- **People-to-people bonds:** Is there a Confucius Institute[11].

Based on these criteria the study ranked African countries on their potential to be included by China in the Road and Belt Initiative. The top ranking five countries are described as African countries that are likely to become Belt and Road countries immediately or to a certain extent can already be regarded as such. Countries ranking from six to ten are identified as future African Belt and Road countries. A summary of the main findings is provided below.

Immediate Belt and Road Initiative countries in Africa

Based on the review of the criteria described above, Kenya and Tanzania can be considered as immediate Belt and Road countries in Africa. Other countries that are not target countries for this study but fall under this category are Egypt, South Africa and Angola.

Kenya can be seen as the third African Belt and Road country after South Africa and Egypt. Kenya is of historic importance as the destination of Admiral Zheng He's fleets along the ancient Maritime Silk Road in the 15th century and also, perhaps, therefore the only African country consistently highlighted on Belt and Road Initiative maps published by Chinese state media. Through large-scale infrastructure projects of the Mombasa and Lamu deepwater ports and the construction of the standard gauge railway from Mombasa port to Nairobi and a new economic corridor along the railway line, Kenya is in a very good position to take the role of an international trading hub along the Maritime Silk Road. This is in line with China's selection of Kenya as a China-Africa industrial cooperation demonstration and pioneering country. Kenya also enjoys strong diplomatic ties with China and has recently established a Bilateral Steering Committee to further advance cooperation (MOFA Kenya 2016). Kenyan officials are convinced that the new Maritime Silk Road will be a game changer for Kenya as it allows linking the country with economic giants in the Asia-Pacific region (Xinhua 2016). Kenya is further playing an important role for the Belt and Road Initiative's objective of reaching "financial integration" through hosting one of the first RMB clearing houses on the continent.

Based on its ranking Tanzania is another country that is likely to be among the first African Belt and Road Initiative countries. Similar to Kenya, it is cooperating with China on creating a strong industrial base as a China-Africa industrial cooperation demonstration and pioneering country as well as an international maritime hub through the construction of the massive Bagamoyo port. Furthermore, the Tanzania-Zambia railway built by China in the 1970s is of great historical importance for China-Africa relations and could provide an opportunity for linking landlocked countries such as Zambia to the Maritime Silk Road.

10 Given that Africa sees itself as part of the Maritime Silk Road, the starting point for the analysis is African countries with a deep water port, which China has financed or is managing.

11 Other potential indicators for this category could include the existence of a Chinese state media office, a Chinese overseas university and the number and type of Chinese scholarships offered to the respective country.

Future Belt and Road Initiative countries in Africa

Among the study target countries, Ethiopia[12] is likely to become Belt and Road Initiative country in the near future. Other potential African countries include: the Republic of Congo, Nigeria, Morocco and Mozambique. Ethiopia is also a China-Africa industrial cooperation demonstration and pioneering country, in which China is investing heavily in industrialization through the construction of SEZs and major infrastructure projects such as the Djibouti Port - Addis Ababa railway. Ethiopia is the second most populous country on the continent and its economy has grown on average more than 10% per year over the last decade. Ethiopia is a leading example for the successful relocation of production processes from China to Africa in light industry and Chinese companies are already delivering their Ethiopian products to European and US markets. Addis Ababa, with the African Union's headquarters, is the political capital of Africa, which is of strategic importance to China. Many bilateral agreements are being channelled through China's Permanent Representative to the African Union in cooperation with African embassies based in Addis Ababa.

In addition to the above ten countries (including three study target countries whose details have been highlighted above) in the country ranking, Djibouti is likely to be a Belt and Road Initiative country as it is inextricably linked to Ethiopia and given China's interests there of large-scale infrastructure projects financed and implemented by Chinese banks and companies and the permanent Chinese military base recently opened in Djibouti, the only one that exists outside of China. The establishment of China's military base here also aims to secure trading routes to Africa and Europe and as such the Maritime Silk Road (Winsor 2016). Chinese shipping enterprises are already considering the Port of Djibouti as the "first Silk Road hub" in Africa (China Daily 2016).

Establishment of China's Military Base in Djibouti

The geo-strategic and geo-economic interests behind China's move to establish a permanent naval presence in Djibouti supports theories that this is the lynchpin of the BRI, thus making East Africa critical to overall success of the initiative. Beijing's decision to establish a military base in Djibouti should be seen in the wider context of Chinese economic interests and military activities that appear to be dual use in nature, serving mainly economic but also strategic military purposes. The naval base in Djibouti will be mainly for commercial purposes but it will also provide a military base that will boost the ability of the Chinese navy to project its power, and that will be upgradeable in the future (Chaziza, 2018).

Generally, since the end of the Cold War, Chinese foreign policy has been slowly shifting away from a strict interpretation of its non-interference principle and towards a pragmatic and incremental adaptation to new challenges to China's vital globalizing commercial and strategic interests. Although there has always been a degree of flexibility in China's non-interference stance, even during the Maoist period, the principle has by and large remained a key guideline for foreign policy practices and a major rhetorical instrument. Moreover, the expansion of economic and energy interests overseas, as well as the need to protect Chinese nationals abroad, have repeatedly underlined the limits of Beijing's traditional non-interference approach.[13]

Since Beijing is seeking to expand its economic engagement and diplomatic leverage in the MENA region, China feels the pressure to acknowledge that it can no longer remain aloof to the multiple conflicts in the area and thus requires a military presence in Djibouti, one of the region's most important access points for trade and overseas military bases. There are already preliminary signs of a change in China's non-interference policy in the MENA due to shifts in the country's growing dependency on Middle Eastern oil and the Xi administration's proactive approach to the core issues of the region.[14] This has resulted in deepening commercial relations, strengthening diplomatic ties, and offering mediation efforts as well as attempts to promote the ambitious BRI.

Still, it is hard to envision a unilateral deployment of the Chinese army in the hostile MENA environment. A permanent military presence in the MENA region remains low on the list of China's strategic priorities.

12 For Ethiopia, we considered Port Djibouti as the deep-sea port. Although the port is not Ethiopian, we consider the close economic and infrastructural connection between Djibouti and Ethiopia and the fact that a majority of Ethiopia's trade goes through Djibouti port as an important indicator to assign the port to Ethiopia.

13 Mathieu Duchâtel, Oliver Bräuner and Zhou Hang, "Protecting China's Overseas Interests: The Slow Shift Away from Non-interference," SIPRI Policy Paper No. 41, June 2014, http://books.sipri.org/files/PP/SIPRIPP41.pdf.

14 Jian Zhang, "China's new foreign policy under Xi Jinping: Towards 'Peaceful Rise 2.0'?," Global Change, Peace & Security, Vol. 27, No. 1, (2015), pp. 5-19.

The top diplomatic concerns will continue to be disputes in regions that are geographically closer to home (e.g., eastern and southern China or Afghanistan).[15] Thus, a dramatic change towards an interventionist policy in the MENA region is highly unlikely, at least in the short-to-medium term, though unexpected events might generate revisions as required. For the time being, a shift towards an interventionist policy that includes broad, constant, or unilateral deployment of the Chinese army remains highly unlikely. The difficult test for Chinese foreign policy is the need to strike the right balance between protecting its vital commercial and strategic interests in the MENA region without being sucked into the region's multiple conflicts.

Regional trends of the Belt and Road Initiative in Africa

There is a regional trend towards eastern and southern Africa, with four of the five immediate Belt and Road Initiative countries located in these regions. Given the Belt and Road Initiative's focus on infrastructure connectivity and industrialization, transportation and economic cross-border corridors within these regions are likely to receive additional support from China under the Initiative. Within the five immediate Belt and Road countries identified, the LAPSSET corridor project[16] seems likely to benefit and a Tanzania-Zambia-Democratic Republic of Congo-Angola corridor could emerge. Kenya initiated LAPSSET in 2012 to foster connectivity and socio-economic development along the transport corridor linking Kenya, South Sudan and Ethiopia. The project comprises the development of railways, highways, airports and SEZs, including the Lamu SEZ and Free Trade Zone (FTZ), the Garissa Export Processing Zone (EPZ) and the Isiolo EPZ in Kenya, the Lokichogio FTZ at the border to South Sudan and the Moyale FTZ at the border to Ethiopia.[17]

Furthermore, connectivity and industrialization efforts under the Belt and Road Initiative could support the creation of the first railway connection between the Indian Ocean and Atlantic Oceans. The China Railway Construction Corporation has recently completed the restoration of the 1,344 km Benguela railway connecting Angola's Lobito Port to its eastern border town of Luau, where it connects to the Katanga Railways leading through the copper belt of the Democratic Republic of Congo and Zambia. From Zambia's copper belt a single track narrow gauge railway connects to Kapiri Mposhi, where the Tanzania-Zambia Railway ends. An upgrade of these existing tracks as well as support for railway operations across these countries would fit well under the Belt and Road Initiative as it would also connect existing and planned Chinese SEZs in Tanzania, Zambia and Angola.

Trade Union and Workers' Rights Context

Situation of trade unions in East Africa

East African countries have a significant body of laws relevant to worker rights and have ratified many of the relevant international conventions.[18] However, trade unionists are of the opinion that while official government policies and laws may be praiseworthy, implementation often lags far behind. The laws are implemented only when there is significant trade union pressure to do so, but unions in general lack the financial resources, technical expertise and political influence necessary to bring such pressure in more than a few isolated cases. Other respondents, particularly in Kenya commented on the differences among government officials in their attitudes toward workers. The relationship of unions to governments and the government support provided to unions varies widely from one country to another.

All the five study countries in East Africa have official ILO Decent Work programs[19] to promote work that is productive and delivers a fair income, security in the workplace and social protection for families. Yet about three quarters of economic activities take place within the informal labour market. The rate of casual and sub-contract employment is growing rapidly in the formal sector. At least 60% of the workforce in the formal sector is in casual employment. The impact of this on the labour movement has been very dire in that decent work is limited to the "core" staff of a few multinational corporations. Precarious jobs

15 Zha Daojiong and Michal Meidan, "China and the Middle East in a New Energy Landscape," The Royal Institute of International Affairs, Chatham House, October 2015, https://www.chathamhouse.org/sites/files/chathamhouse/publications/research/20151021ChinaMiddleEastEnergyDaojiongMeidan.pdf.

16 http://www.lapsset.go.ke/home

17 http://kenyagreece.com/sites/default/files/lapsset-project-presentation.pdf

18 The International Labor Organization maintains databases on national labor legislation and the ratification of international standards. See, for example, the NORMLEX database at http://www.ilo.org/dyn/normlex/en/f?p= 000:10015:2934338369757410::::P10015_DISPLAY_BY:3.

19 See the ILO website at http://www.ilo.org/global/about-the-ilo/decent-work-agenda/lang--en/index.htm for a summary of the Decent Work Agenda and http://www.ilo.org/public/english/bureau/program/dwcp/index.htm for descriptions of country programs.

are the order of the day, with an absence of social security. Women are mostly among the first victims of the economic malaise largely due to gender imbalances but more so because of their lower skills in comparison to their male counterparts.

Union membership has declined as labour struggles to recruit and represent non-permanent workers and those in the informal economy. Employers, including the Chinese, take advantage of flexible labour markets and undermine collective bargaining. Trade unions expect government support for the enforcement of local labour laws and international labour standards but in many countries host governments are reluctant to intervene for fear of losing foreign investments.

Many of the national unions in the study countries are weak or nascent, with some exceptions in Kenya and Tanzania. In all the countries, the manufacturing sector is much less prominent than in Kenya and new foreign investment is concentrated in the capital-intensive extractive sector. East African oil and gas are rapidly becoming new major growth areas on the continent, but are yet to bring good jobs to the region. Given the track record for the industry this is unlikely. A background paper prepared for the *World Bank's World Development Report 2013* compares the record of Ethiopia, Ghana, Mozambique and Tanzania on growth and employment. It provides strong support for the thesis that capital-intensive investment, as in Mozambique and Tanzania, produces less employment and benefit for the poor than does employment-intensive investment, which is predominant in Ghana and Ethiopia. It is imperative, then, to expand the discussion on how to use East Africa's newly-developing infrastructure resources.

In Ethiopia, the Confederation of Ethiopian Trade Unions (CETU), the sole national centre for more than 370,000 workers is a free Confederation of nine independent industrial Federations that are the umbrellas for 702 basic trade unions. It is also one of the largest civic societies in Ethiopia that came into existence in April 1963. Despite challenges, just as with other trade unions in the region, the Confederation of Ethiopian Trade Unions is working to address precarious employment and the plight of workers in the informal economy by using social dialogue at a tripartite forum. One of the primary issues that is consistently raised in the tripartite forum and CETU is also working with social partners for the unequivocal recognition of the right of informal economy workers to organize. The country's rapid economic growth, the new promising growth and transformational plan and the government's committed support for micro and small scale industries in aggregate creates a conducive environment to implement the Global Job Pact and Decent Work Country Program. Regionally and based on the information available, the East African unions would do well to study the experience of and seek advice from West African unions, particularly in Nigeria and Ghana, which have had to confront these issues.

The East African Trade Union Confederation (EATUC) is active at the regional level in policy advocacy and has affiliates from the Central Organization of Trade Unions (Kenya) (COTU (K)), the Trade Union Confederation of Burundi (COSYBU), the National Organization of Trade Unions (NOTU) of Uganda, the Trade Union Center of Workers of Rwanda (CESTRAR), the Trade Union Congress of Tanzania (TUCTA) and the Zanzibar Trade Union Congress (ZATUC). COTU (K) is the strongest affiliate. NOTU and TUCTA also have long institutional histories, with TUCTA in particular being active in public advocacy. Unions in both Burundi and Rwanda are weak, while those in South Sudan and Somalia are in their infancy.

Workers' rights at Chinese companies in Africa

Although working conditions at Chinese companies in Africa differ across countries and sectors, there are some common trends such as tense labour relations, hostile attitudes by Chinese employers towards trade unions, violations of workers' rights, poor working conditions and unfair labour practices. There is a virtual absence of employment contracts and the Chinese employers unilaterally determine wages and benefits. African workers are often employed as "casual workers", depriving them of benefits that they are legally entitled to (ALRN, 2009). This is partly due to the fact that while many of the African countries ratified the international core conventions, China itself has not ratified four of the ILO's core conventions. The implication is that violations of workers' rights by Chinese companies can easily occur.

Chinese employers tend to be amongst the lowest paying in Africa when compared with other companies in the same sector. In Zambia, for example, the Chinese copper mine paid its workers 30% less than other copper mines in the country. In general, Chinese companies do not grant African workers any meaningful benefits and in some instances ignore even those that are prescribed by law. Wages above the national average were only found at those Chinese companies with a strong trade union presence. Chinese staff members enjoy significantly higher wages and more benefits than their African counterparts.

Collective bargaining hardly takes place with the Chinese companies. They resort to union bashing strategies to discourage their workers from joining a trade union. In many instances, Chinese businesses were supported by host governments who defended Chinese investments against the demands of labour. Trade unions see the practices of Chinese companies as a threat to the limited social protection that unions have achieved over the years through collective bargaining.

Chinese employers violate several of the core ILO conventions, mainly because China itself has not ratified all the core conventions. These include the rights to join trade unions, to bargain collectively, to receive equal remuneration and to be protected against discrimination. Basic rights such as paid leave are often ignored and workers are forced to work overtime – at times without any additional remuneration. They feared that refusal to do so would result in dismissal. A particularly grave case of workers' rights violations is the "locking" of workers during working hours, which led to deaths during fires in Nigeria and Kenya.

Health and safety issues receive very little attention at Chinese companies as precautionary measures are ignored and no training on health and safety issues is provided. In some countries, Chinese employers have terminated the employment of female workers once they become pregnant. Chinese companies tend to employ African workers for basic tasks at very low pay while importing Chinese managers and supervisors for higher paid positions.

Organising workers and improving their working conditions through direct action and collective bargaining is undoubtedly the most effective way to redress the current problems at Chinese companies. In many cases, however, this proves to be very difficult and thus supplementary strategies could be used. These include national minimum wages and basic conditions of employment that are enforced by trade unions and labour inspectors alike. Building alliances aimed at promoting Africa-wide and sub-regional framework agreements may also help to improve working conditions. Furthermore, African trade union bodies as well as the global union federations can take up the labour rights violations at a continental level and also bring it to the attention of the All-China Federation of Trade Union (ACFTU) in an effort to exert pressure on Chinese companies in Africa. Likewise, unions could use political linkages to call on the Chinese government to pressure companies through the Chinese embassies in Africa.

BWI Presence in the Region

BWI has a number of affiliates in East Africa and has realized some major milestones under the BWI banner through key events, forums and projects. In the East Africa sub region, BWI affiliates are: TAMICO and TUICO from Tanzania, UBCCECAWU from Uganda, EIFTMWCOTU from Ethiopia, STECOMA from Rwanda and KQMWU and KBCTFIEAU from Kenya.

These unions are committed to tackling the emerging challenges emanating from multinational companies, including Chinese multinationals who enter the region as investors and win most of the government infrastructure development tenders while often failing to uphold national labour laws and sometimes violating international labour standards. Joint initiatives have been organized aimed at strengthening regional networks. One of the key events is the FES-supported BWI Africa Network on Chinese MNCs last hosted in Nairobi in July 2018.

BWI and its affiliates in the sub region have taken a multilevel approach by engaging stakeholders, including the ILO, the East African Community and the East African Trade Union Confederation in improving working conditions and promoting decent work. Occupational health and safety is a particularly good area for cooperation and relationship building. While all the countries in this study have good occupational health and safety laws in place, there are issues with compliance and enforcement. A strategic area of engagement that affiliates can secure on projects is labour inspection, where they play a pivotal role in ensuring the health and safety of workers and at the same time are able to access workers on these worksites for recruitment and organizing.

To take forward the BWI Global Strategic Plan 2018-2021, BWI East Africa affiliates from Kenya, Rwanda, Uganda, Tanzania and Ethiopia planned new strategies in February 2018 at a meeting in Nairobi, Kenya attended by key BWI and FNV staff. The workshop helped to develop a theory of change and new strategies that will be implemented under the FNV supported programme "Organizing Workers at International Financial Institutions (IFIs) and MNCs Infrastructure Projects in East Africa (2017-2020)". The programme strategies aim to strengthen the nature and character of the East African sub region through more multilateralism in its approach on issues like IFIs, MNCs, campaigns for national governments to effectively enforce Core Labour Standards (CLS), and to act on decent work issues in the construction and building sectors. The programme provides an opportunity to engage with the BRI in the region. Another programme also supported by FNV is research to support strategic organising in infrastructure projects in the region. Also, affiliates are forming the East Africa Federation of Building, Construction and Wood Workers, primarily to combine the power of Ethiopian, Ugandan, Rwandan, Tanzanian, and Kenyan affiliates and provide them with representation in policy engagement at the sub regional level.

Country	Name of Union	Number of Chinese Companies Organised	Total Number of Members	Number of CBAs or any Agreements Signed (National/Sectoral/Company/PLA)	Number of Strikes Held
Ethiopia	Ethiopia Federation	10	1 441	6 Company CBAs	1
Kenya	Kenya Building	23	28 000	9 Company CBAs	33
Kenya	KQMWU	3	300	N/A	Nil
Tanzania	TAMICO	6	700	2 CBAs	2
Tanzania	TUICO	43	3 256	6 CBAs 2 Recognition Agreements	3
Rwanda	STECOMA	5	160	N/A	Nil
Uganda	UBCCECAWU	11	8 364	6 CBAs	1
TOTAL	7	101	42 221	31	40

In East Africa, seven affiliates in the five study countries reported in October 2018 that they had organised more than 42,000 workers in over 100 Chinese companies, where they had 29 CBAs and 2 recognition agreements and 40 strikes had been held. The BWI affiliate in Kenya, KBCTFIEU, organised a strike of over 1,000 workers in April 2018 for four days taking on a Chinese MNC, China Wu Yi, demanding better working conditions and pay and respect for the labour laws. Workers has reported working long hours with no overtime while earning 40 Kenyan Shillings per hour or USD 3.00 for an eight-hour day before health insurance, social security and tax deductions. A day into the strike, police tear gassed strikers but the workers remained resolute and demanded to speak with World Bank officials who were visiting the site. The company is in charge of a Euro 143 million road infrastructure project along the Nairobi-Nakuru highway.

Baseline information developed by BWI with construction and building sector affiliates in East Africa in 2018 is as follows in the table below.

Country	Name of Union	Targeted Chinese Companies	Main Issues at Workplace	Needs or Gaps	Recommendations for 2018-2020
Ethiopia	Ethiopia Federation	CGC, CCCC, CRBC	• Awareness creation • Prepare draft CBA with members • Lack of PPEs	• Data collection • Language barrier • Lack of social security • Lack of financial and human resources in the union	• Mapping • Research and study • Campaign against violation of workers' rights • Organise more Chinese MNCs
Kenya	Kenya Building	China Civil Eng, China Jiansu, Shcol Corporation	• Sub contracting and outsourcing • Non-implementation of CBAs • Non-remittance of union dues	• Training shop stewards • Workplace campaigns • Advocacy on implementation of CBAs and labour laws	• Training shop stewards • Training union officials • Training field organisers • Advocacy
	KQMWU	China Wuyi, Shengli Construction, Sino Hydro	• Casualisation • Language Barrier • Familiarise with labour laws • Poor working conditions • Culture of Locals	• Trained shop stewards and organisers • Campaign material in local languages • Improved CBAs	• OHS trainings • Campaign against outsourcing and subcontracting • Advocacy on ILO CLS • Research on Chinese MNCs • Training organisers on new ways of organising.
Tanzania	TAMICO	• CCECC, CHICO, Sino Hydro, CRJE, CGCOC	• Employers are anti-union • Lack of trade unionism among employees • Non-remittance of union dues • Victimisation of employees joining the union • Lack of support by government	• Need funds to reach distant projects • Educating workers on their rights • Improved communication within the union • Employ more staff	• Create awareness among workers • Training trade union leaders • Pressurise government on workers' welfare
	TUICO	• Group Six Company • Hongwei Int Company • Longlan Wood Company • Cheon Kwang Industrial	• Recognition of TU • Violation of workers' rights • Lack of employment contracts • Language barrier	• Learn Chinese language • Training on organising in Chinese companies • Mapping and Research on Chinese MNCs • Transport • Workshops on Chinese companies	• BWI to conduct more network meetings • Engage government in ensuring Chinese management understand labour laws • Establish policies of recruitment of more women under equality
Rwanda	STECOMA	• CHICO, CRBC, CCCC	• Language barrier • Sub contracting • Little knowledge on negotiation on the side of Chinese • Lack of security	• Negotiation training • Lobbying governments on including labour issues in the contracts they sign with China • Negotiate with Rwanda Public Procurement Authority about C094	• Campaign against subcontracting • Sharing experience with other unions about CBAs • Lobby governments on workers' welfare
Uganda	UBCCECAWU	• CCCC, CHICO, CRBC, China Railway	• Lower wages/salaries • Lack of implementation on CBAs • Non-compliance with labour law • Inadequate supply of PPEs • Inadequate treatment/compensation of injured workers at workplace	• Inadequate funds for organising • Inadequate literature on Chinese MNCs • Inadequate organisers • Failure by government to handle labour issues appropriately	• Education and training of workers • Training trade union leaders on negotiation skills • Study visits by BWI to different countries • Publication of Chinese MNCs development.

In 2018, 11,000 new members were recruited: KBCTFIEU and KQMWU recruited 7,080 in both the construction, wood and cement sectors. UBCCECAWU had 110 new members, TAMICO 1,998, TUICO 859, EIFCMWCOTU 749 and lastly STECOMA with 120 new members. In addition 87 migrant workers working on the standard gauge railway from Rwanda were recruited by TAMICO in Tanzania. The employer was underpaying them but the union bargained for them after they joined the union. However, affiliates also lost members, the Kenya Building union lost 2,000 members when the Ngong tunnel of the Nairobi-Naivasha standard gauge railway was completed. TAMICO lost membership on completion of the Julius Nyerere Terminal Three project by Bam International.

Prospects of Unionisation in BRI

Historically, collective bargaining has been the most effective tool for trade union intervention. Unions have relied on collective bargaining, backed by strikes when negotiation fails, in their struggle for improved pay and working conditions. But this tool can only be employed when workers are unionised and the union is recognised to be the legitimate representative of workers. Employers who want to avoid collective bargaining usually do so by blocking the unionisation of their employees.

Despite challenges, trade unions in Africa have managed to unionise workers in a growing number of Chinese firms; this is relevant because it is most likely that Chinese MNCs will be contracted on BRI builds in the region, as has been the practice in other Chinese-funded projects. As described in the previous section, BWI affiliates in East Africa are capable of organising workers in Chinese MNCs and are further building capacity in research to strengthen this. Already they represent over 42,000 workers in more than 100 Chinese companies where they have negotiated CBAs in almost a third of these companies. However, this has not been an easy undertaking and continues to be challenging today.

Across Africa, initially, the unions were able to organise workers fairly easily. But the Chinese companies started adopting a wide-range of strategies to frustrate unions. For example, they started employing workers on short-term contracts. Workers who join trade unions risk not having their contracts renewed. Workers are, therefore, reluctant to join unions because they have been made to believe that unions are ineffective in protecting their rights and interests. Workers interviewed in Uganda as part of this study, put the blame at the doorstep of the Ugandan government for the labour rights violations by Chinese companies. They argued that the government has the power to protect Ugandan workers but it refuses to do so because of fear that Uganda may lose foreign investors if labour laws are strictly enforced.

To get the Chinese companies to conform to the local labour practices, unions can use the ILO core standards and the national labour laws as basis for mobilisation of communities and workers against Chinese companies that do not adhere to national labour laws, norms and practices. Unions must also seek to deal with Chinese companies at the regional level through the BWI. Cooperation between the continental trade union organisations (i.e., BWI) and the Chinese trade union centre, All-China Federation of Trade Unions (ACTFU), is recommended as a means of bringing the poor practices of Chinese companies operating in Africa to the notice of the Chinese authorities.

The experience in most African countries affirms the need for a more aggressive organising strategy within BRI. In addition, it is important that the union decision-making structures in the enterprises are made to work to ensure effective representation. The role of the Global Union Federations (GUFs) will be crucial in this regard. The GUFs can support their affiliates across Africa to deal with the Chinese in a more coordinated manner. They can help the unions to build the capacity of their affiliates to develop collective responses to foreign investors. Building alliances aimed at promoting Africa-wide or sub-regional framework agreements may also help to improve working conditions and to restore confidence in unions. African unions generally agree on measures that need to be taken to ensure social and legal protection for workers in BRI. These include:

Union Organisers should learn the Chinese Language (Mandarin). Unions identified a language barrier as one of the factors hampering smooth labour relations in Chinese companies. Chinese managers find it difficult to communicate in English, which is the official language in all the countries where the study was conducted (except Angola where the official language is Portuguese). It was suggested that union organisers dealing with Chinese employers must learn the Chinese language. In order to reduce the cost of learning the language, it was further suggested that ITUC-Africa and OATUU should liaise with the All-

China Federation of Unions (ACFTU) to facilitate this process. The Tom Mboya College in Kisumu in Kenya can serve as a venue for organising such a language skills programme for trade union organisers. The capacity building in language skills should not be limited to trade union organisers. Trade union centres must work with their governments, employers' organisations and Chinese Embassies to translate all the relevant legal documents into the Chinese language to make it easier for Chinese managers to familiarize themselves with the laws.

Minimum wage and other labour legislation. Low pay is one of the common features in Chinese companies across the continent. Unions generally agree that one way to deal with this is to enact national legislation on a minimum wage. In countries where there is national minimum wage legislation, some employers still pay their workers below the minimum wage because the relevant institutions are unable to enforce it. Unions must start vigorous campaigns to pressure their governments to resource their labour inspection units to monitor working conditions at the enterprise level, particularly in Chinese companies known to be notorious for labour rights violations. In this regard it may be useful to lobby labour-friendly parliamentarians to raise pertinent labour issues in parliament and to influence labour legislation in favour of workers. Unions will also have to become more forceful in their approach to collective bargaining and bring Chinese firms to the negotiation table.

Need for coordinated approach at the regional and continental level. Governments in Africa are desperate to attract and retain investors in their countries. The quest for increased investments leads to the 'race to the bottom' in the sense that governments relax or ignore labour regulations in order to attract or not to scare off investors. The way to tackle this issue is to adopt common investment policies either at the regional level or at the continental level. Again, BWI can push for such a coordinated approach by first developing a proposal by the African labour movement and then lobbying the African Union and its member governments to adopt a more selective and strategic common foreign investment policy.

Capacity building for union leaders and negotiators in labour laws and industrial relations. Unions admit that, in some cases, their officials are unable to deal with the Chinese managers because of their weak skills in negotiation. This is particularly so at the enterprise level. Unions must therefore intensify education for shop stewards and other enterprise-level union leaders. Unions also need to build their research capacities to monitor working conditions in Chinese enterprises in sectors where they operate.

Social Dialogue. In most African countries there are mechanisms for tripartite or bipartite consultation among workers, employers and government. But such consultations are usually done on an ad hoc basis and the issues discussed at such forums are usually limited in scope. Within the framework of the Decent Work Agenda of the ILO, unions must begin to widen the scope of tripartite consultations to include workplace issues such as hours of work, sick leave with pay, paid annual leave, rest periods, social security, medical care, protection of workers with special needs, maternity leave and rights of pregnant women, migrant workers; home workers, indigenous and tribal populations; occupational safety and health, community protection, settlement of labour disputes, labour brokerage and human resource development. Unions, through their research units, should be able to document the systematic violations by Chinese companies on a regular basis and bring them to the notice of the other social partners (i.e., employers and government). Unions may also consider reporting the most serious violations to the International Labour Organisation for further action at the international level if governments and employers are unwilling or unable to deal with such cases at the national level.

Alliances, Advocacy and Campaigns. Unions seem to agree that they cannot fight alone and that there is a need to form alliances with other civil society organisations to mobilise workers, students and communities around the Decent Work Agenda. Such campaigns and advocacy must be extended to include terms, contents and conditions of investment policies as a means of pressuring governments and to prevent labour issues from being sacrificed for the sake of attracting foreign investment.

Advancing Alternatives to a Neo-Liberal Agenda. Even more crucial will be the building of strategic alliances with progressive organisations in Africa and beyond to deal with the results of rampant global capitalism. The most recent global economic crisis has had devastating effects on working people, including those in industrialised countries. This, no doubt, has been the result of neo-liberal globalisation that placed economic growth above all social considerations. Excessive capitalist tendencies have relegated social welfare to the sidelines of development paradigms. This global crisis provides the opportunity for unions to intensify advocacy and campaigns for alternative policies to the neo-liberal agenda in Africa.

An important example in this regard is the initiative known as “Alternatives to Neo-Liberalism in Southern Africa” (ANSA).

Database

Across the countries targeted by this study, all except Rwanda have concrete BRI projects. A database of the BRI in the targeted countries was produced in addition to this report that is intended to be continuously updated. A summary of findings at the time of writing this study is presented in Section 9.

Findings from the Database

Infrastructure

In January 2015, the African Union and China signed an agreement to help build railways, roads, and airports to link all 54 African countries. There are a number of examples of how this agreement is already being implemented through large-scale infrastructure projects in cooperation with China on the continent.

In Djibouti and Ethiopia, the USD 4 billion Djibouti Port-Addis Ababa railway line, which has been mainly financed and built by Chinese partners, is already 97% completed and began trial operation in December 2015 (Fana Broadcasting Corporate 2016). Furthermore, the Chinese state-owned enterprise China Merchants Group is the second-largest shareholder of the Port of Djibouti and is investing in expanding the port’s infrastructure to make it its “first Silk Road hub” (China Daily Asia 2016). In Djibouti, a free trade zone was announced as part of China’s trade and banking agreements signed in January 2016. The core region of the free trade zone will cover an area of about 48 square kilometers, in which a starting area of 2 square kilometers will be built first, including a park for business and trade along with logistic services and another one for export processing. With USD 7 billion China Merchants Holdings International is the sole investor in the project, which is expected to provide 20,000 local jobs upon completion (Xinhuanet Africa 2016).

In Ethiopia China has also financed and constructed the Addis Ababa-Adama highway, the Addis Ababa ring road, the new international airport as well as SEZs. China’s flag carrier, Air China, launched the “Silk Road in the Air” in 2015, including first direct flights between Beijing and Addis Ababa as well as Beijing and Johannesburg (China Daily 2015b).

One of China’s largest infrastructure investments on the continent is the USD 3.8 billion Mombasa-Nairobi railway line, also known as the Standard Gauge Railway, which is to be 90% financed by China’s EXIM Bank and constructed by China Road and Bridge Corporation with its completion expected in late 2017. There are plans to further extend the railway to Uganda, Rwanda, Burundi and South Sudan, connecting these countries’ capitals and creating a new economic corridor in the region. China is also significantly expanding Kenya’s main ports in Lamu and Mombasa. The China Communications Construction Company and its subsidiary, the China Road and Bridge Corporation, have signed contracts to build a new container port in Mombasa as well as the first phase of the Lamu port mega project, which is estimated to cost USD 5.3 billion and will serve as the maritime entry point to the LAPSSET corridor (Reuters 2013).

In Tanzania, China has a large-scale infrastructure investment in the expansion of the Bagamoyo port. Chinese state-owned companies also hold shares in the ports of Dar Es Salaam and Mtwara. Another key infrastructure project that China is investing in is to revive the Tanzania-Zambia Railway. Built by China between 1970 and 1975, it links the port of Dar Es Salaam in Tanzania with Kapiri Mposhi in Zambia’s copper belt. At the time of its completion, the 1,860 km railway was the single longest railway in Sub-Saharan Africa and with a construction cost of USD 500 million the largest single foreign aid project undertaken by China at the time (Bräutigam 2009). However, over the decades the railway almost became almost completely dysfunctional due to mismanagement and a lack of maintenance. China has proposed to restore the railway and link it with the 1,344 km Benguela railway connecting Angola’s Atlantic port of Lobito to the eastern border town of Luau, which was completed by a Chinese state-owned enterprise in August 2014 at a cost of USD 1.8 billion. This would be the first connection between the Indian and Atlantic Oceans by rail.

Industrialization

Ethiopia, Kenya, Republic of Congo and Tanzania have national development plans that prominently feature industrialization for job creation, economic diversification and economic growth. The focus of China's industrial cooperation with Ethiopia is on the development of an economic corridor, including several industrial parks along the Addis Ababa-Djibouti Port railway line (FOCAC 2016). The first such industrial park, the Chinese-owned Eastern Industrial Zone, was built in Dukem (35 km south east of Addis Ababa) in 2007. Other foreseen industrial parks along the railway line include Dire Dawa Industrial Park, Kilinto Industrial Park and, indirectly, Mekelle Industrial Park. Furthermore, the Ethio-Hunan Industrial Park (Adama Industrial Park) being constructed in Adama will also be part of this economic corridor (Addis Fortune 2016).

China is supporting Kenya to build an economic corridor along the new Mombasa Port-Nairobi railway line. The economic corridor will include SEZs that will be seamlessly integrated with the railway and port infrastructure network (FOCAC 2016). Since 2015 Kenya has been in discussions with China on the development of SEZs. However, to date no specific agreements have been announced regarding any of the first three SEZs that Kenya aims to build in Mombasa, Kisumu and Lamu (Nairobi Business Monthly 2016) under its new Special Economic Zones Act.

Tanzania's largest industrialization project, co-financed by China, is the USD 10 billion construction of the Bagamoyo deep water port and the adjacent export development zone (EDZ), a trade and logistics center, and a residential area. The port is expected to become the biggest on the African continent and function as a regional trading hub for Burundi, Rwanda, Uganda, South Sudan, Democratic Republic of Congo, Malawi, Zambia, Mozambique, Madagascar, Comoros and Seychelles. China is "ready and willing to finance Tanzania's industrialization drive" and is investing in the country's steel and textile industries, setting up plants for iron and steel products (The East African 2016) and SEZs for textiles (Embassy of China in Tanzania 2016, Embassy of China in South Africa 2015).

Power

The ECPC mainly covers Kenya, Tanzania, Mozambique, South Africa and some landlocked countries such as Ethiopia, Uganda, Zambia and Zimbabwe. In Ethiopia, Sinohydro and Gezhouba Group will work with the Ethiopian SUR Construction on the 385 MW Gibe 1 and 2 hydroelectric complex projects, which are mainly funded by China's EXIM Bank. Another notable project is the 1,260 km GDHA 500 kV Power Transmission and Transformation Project. This project, successfully completed in December 2015, constitutes the core part of the East African power grid.

In June 2015 the Kenyan authorities signed a contract with Power China on the construction of the 1,050 MW Lamu coal-fired power plant. This power plant will supply electricity for the Mombasa-Nairobi railway line. In Uganda, the 600 MW Karuma Hydroelectric Power Station has been constructed by Sinohydro since 2014, with a majority of project funding coming from China EXIM Bank.

Energy projects constructed by Chinese contractors in Tanzania and Zambia include the 300MV KIII gas-fired power plant and the 750 MW Kafue Gorge Lower hydroelectric power plant.

Trade

Through African countries' PTAs with the EU and the US, Chinese goods produced in Africa can enjoy access to European and American markets without tariffs and quota limits. However, under the United States' African Growth and Opportunity Act (AGOA), which applies to over 7,000 tariff lines, products exported to the US need to have sufficient local value-added. Similarly, the EU's PTA with the least-developed countries in Africa, the "Everything but Arms Initiative", requires that products originate from these countries. For instance, one of the China's largest shoe exporters, the Huajian Group, has been profiting from the PTAs after building a shoe factory in Ethiopia. Huajian exports all its women's shoes produced in Ethiopia tariff-free to the US under AGOA while the same shoes would be charged a 37% tariff if exported from China.

Financial Sector

since 2011, in order to hedge exchange rate risk and enhance financial, economic and trade cooperation with China, six countries in Africa, namely Nigeria, South Africa, Kenya, Ghana, Angola and Tanzania, have claimed to be including Renminbi (RMB) assets into their foreign exchange reserves through various ways, such as shifting reserves from other currencies, investing in China's bond markets, and signing swap agreements between central banks. With Chinese-owned banks playing increasingly vital roles in the process, the Belt and Road Initiative is expected to significantly boost the internationalization of the RMB in Africa. As financial integration is an important underpinning for implementing the Belt and Road Initiative, the initiative emphasizes "building a currency stability system, investment and financing system and credit information system in Asia" and to "expand the scope and scale of bilateral currency swaps and settlement with other countries" (NDRC 2015). Given the nature of these principles and measures, they will not be limited to Asia and are already becoming part of the collaboration with African countries.

Conclusions

China's developmental relationship with Africa has grown rapidly in the last two decades and China has been Africa's largest trade partner since 2009. China's expansion into Africa has been orchestrated and supported by the Chinese government, giving China access to Africa's natural resources and markets in "the last golden land".

In the last five years the Belt and Road Initiative has grown to be the most important feature of China's foreign policy connecting countries in Asia, Europe and Africa through an ambitious vision for infrastructure and economic and political cooperation. Since China's President Xi Jinping first proposed the Initiative in 2013, it has mainly focused on Asia and Europe where it has unfolded at a breathtaking speed through the signing of dozens of bilateral agreements and the implementation of the first large-scale infrastructure projects. It is only now that it is becoming clear that Africa will be important in this Initiative, particularly on the East African coast. Given the Belt and Road Initiative's focus on infrastructure connectivity and industrialization, transportation and economic cross-border corridors within these regions are likely to receive additional support from China under the initiative.

The most controversial aspect of Chinese investments in Africa is the working conditions and labour relations at Chinese companies. It has pitted African workers and their trade unions against Chinese business people and government officials as well as local politicians who believe that the Sino-African relations are beneficial for Africa, even if working conditions are poor. In this regard, the study highlights the trade union context with a view of establishing organising possibilities within the BRI. African countries have a significant body of laws relevant to workers' rights and have ratified many of the relevant international conventions. However, trade unionists are of the opinion that while official government policies and laws may be praiseworthy, implementation often lags far behind. The laws are implemented only when there is significant trade union pressure to do so but most unions in general lack the financial resources, technical expertise and political influence necessary to bring such pressure in more than a few isolated cases.

At a regional level, the BWI Africa Regional network on Chinese MNCs in which Ethiopia, Kenya, Tanzania, Uganda participate and share information is a platform through which unions have been able to engage many Chinese MNCs in social dialogue and workers' right to organize. BWI is supporting affiliates in East Africa to research major investment projects in the region and implement organising plans.

At the sub-regional level, trade unions through their national centres have established regional fora and platforms to ensure a stronger voice. For instance, the East African Trade Union Confederation (EATUC) provides representation on policy issues within the sub region.

Organising workers and improving their working conditions through direct action and collective bargaining is undoubtedly the most effective way to redress the current problems existing at Chinese companies. In many cases, however, this proves to be very difficult and thus supplementary strategies could be used. These include national minimum wages and basic conditions of employment that are enforced by trade unions and labour inspectors alike. Building alliances aimed at promoting Africa-wide and sub-regional framework agreements may also help improve working conditions. Furthermore, African trade union bodies as well as the global union federations can take up the violation of labour rights at a continental level and also bring it to the attention of the All-China Federation of Trade Union (ACFTU) in an effort to exert pressure on Chinese companies in Africa. Likewise, unions could use political linkages to call on the Chinese government to pressure companies through the Chinese embassies in Africa.

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List of Acronyms and Abbreviations

ACFTU	All-China Federation of Trade Union
AfDB	Africa Development Bank
AGOA	African Growth and Opportunity Act
AIIB	Asian Infrastructure Investment Bank
ALRN	African Labour Research Network
ANZA	Alternatives to Neo-Liberalism in Southern Africa
AU	African Union
BRI	Belt and Road Initiative
BRICS	Brazil, Russia, India, China and South Africa
BWI	Building and Wood Workers' International
CASCF	China-Arab States Cooperation Forum
CBAs	Collective Bargaining Agreements
CESRAR	Trade Union Centre for Workers of Rwanda (English translation)
CETU	Confederation of Ethiopian Trade Union
CICA	Confederation of International Contractors' Association
CLS	Core Labour Standards
COTU	Central Organization for Trade Union
CRA	Contingency Reserve Agreement
EAC	East African Community
EATUC	East African Trade Union Confederation
ECDPM	The European Centre for Development Policy Management
EFBWW	European Federation of Building and Wood Workers
EPZ	Export Processing Zone
FAO	Food and Agriculture Organization
FOCAC	Forum on China Africa Cooperation
FTZ	Free Trade Zone
GUFs	Global Union Federations
IFIs	International Financial Institutions
ILO	International Labour Organisation
ITTO	International Tropical Timber Organization
ITUC	International Trade Union Confederation
KQMWU	Kenya Quarry and Mine Workers' Union
LAPSSET	Lamu Port – South Sudan – Ethiopia Transport
LSE	London School of Economics
MERICS	Mercator Institute for China Studies
MNCs	Multi National Companies
MOFA	Ministry of Foreign Affairs
MOFCOM	Ministry of Commerce, People's Republic of China
MOU	Memorandum of Understanding
NDRC	National Development and Reform Commission
NFBWW	Nordic Federation of Building Workers
NOTU	National Organisation of Trade Unions (Uganda)
OATUU	Organization of African Trade Union Unity
OECD	Organization of Economic Cooperation and Development
REC	Regional Economic Community
RMB	Renminbi
SAPs	Structural Adjustment Programme
SDGs	Sustainable Development Goals
SEZs	Special Economic Zones
SGR	Standard Gauge Railway
TAMICO	Tanzania Mines, Energy, Construction and Allied Workers' Union
TUCTA	Trade Union Congress of Tanzania
TUICO	Tanzania Union of Industrial and Commercial Workers
UBCCECAWU	Uganda Building, Construction, Civil Engineering, Cement and Allied Workers
WTO	World Trade Organisation
WWF	World Wide Fund for Nature
ZATUC	Zanzibar Trade Union Congress

The Belt and Road Initiative in East Africa

Mapping Trade Union Context and Possibilities to Organize

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