

China's Engagement in West Africa: The Cases of Ghana and Senegal

This brief addresses China's growing presence in West Africa by looking at its investments in infrastructure and technology, as well as security and military cooperation. China has shown interest in expanding its activities in West Africa, an area that has previously seen lower levels of Chinese presence than southern or eastern Africa. The brief explores China's engagement in the region by comparing its presence in Ghana and Senegal. We find that China seems to be engaged more deeply and across a wider range of sectors in Ghana than in Senegal. We link this to the fact that France traditionally maintains closer ties with its ex-colonies than Britain and that China has entertained diplomatic relations with Ghana for much longer than with Senegal.

Brief Points

- China's presence in West Africa has been modest in the past, but in recent years the People's Republic of China (PRC) has increasingly attempted to extend its influence there.
- This is due to an interest in deepening its relations beyond economic exchanges and it fits within Beijing's broader strategy in Africa.
- Ghana and China have entertained diplomatic relations since the 1960s and Beijing has invested in a wide range of sectors.
- Senegal and China resumed diplomatic relations only in 2005, and while Senegal has seen comparatively less engagement from China, technology is emerging as a sector attracting considerable Chinese investments.

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Making Inroads into Western Africa

Historically, China's engagement with African countries has mostly been concentrated in southern and eastern Africa, with countries such as Sudan and Angola receiving significant Chinese investments and loans. On the one hand, the annual flow of Chinese foreign direct investment to Africa has risen from USD 74.8 million in 2003 to USD 5.4 billion in 2018 – especially in construction and mining, but increasingly also in manufacturing, financial services and business services.¹ In the period 2000–2020, the number of official Chinese loans to Africa increased from 15 to 1,188.² On the other hand, over the last two years the COVID-19 pandemic as well as a range of domestic factors have slowed down Chinese investments abroad, a development that also matches a general decline in Chinese lending globally. This trend, however, does not seem to have impacted China's engagement in West Africa, a region that has attracted more attention from Beijing already since the mid-2000s and now often features in its foreign policy agenda.

Most of West Africa's trade has traditionally been with Western partners, particularly with the former colonial powers: France has been the prioritized partner in francophone areas such as in Mali, Niger and Senegal, while the UK has entertained strong relations with countries like Nigeria and Ghana, where the US has also been an important partner. Similar to the rest of the continent, West Africa imports more from China than it exports – USD 37 billion versus USD 9.63 billion in 2019 – and there is also a considerable asymmetry between francophone and anglophone countries, with the latter exporting more to China than the former.³

The two countries we explore in this brief provide a good example of these differences. In 2020, Ghana exported goods for USD 1.7 billion to China, while Senegal exported goods for USD 315 million.⁴ Although such differences can be explained by factors that are not specific to China–Africa relations (such as relations with other external partners, domestic politics, market opportunities, national economies and fluctuating prices of raw materials, among others), in this brief we consider two elements in particular: first, the breadth of Chinese engagement and, second, the extent to which relations with the previous colonial powers affect China's presence in both countries.

In general, there is a trend among African states to turn towards China for investments. Chinese cooperation is sometimes preferred by African states as it is seen as less conditional than Western assistance. For instance, China's aid packages are typically not tied to political reforms or financial restructuring (though they do come with different kinds of conditionality, including diplomatic support for Chinese positions in international organizations). This has been the case also in West Africa, where Chinese companies have been planning several major infrastructure projects such as the Dakar–Bamako railway, the Benin–Niger railway and ports along the coast.⁵

In addition to infrastructure, China's involvement in West Africa includes military assistance and donations, technological cooperation, energy production, education, and contributions to the health sector, such as COVID-19 support.⁶

In the remainder of this policy brief, we explore China's engagement in Ghana and Senegal, respectively, and we then provide a comparison between the two and some reflections on how they fit within China's broader strategy in Africa.⁷

China's Presence in Ghana

Ghana is a previous British colony and since its independence in 1960 has developed into one of the wealthiest states in Africa. Over the past three decades it has held competitive multiparty elections with peaceful transitions of power.

China and Ghana have enjoyed diplomatic and trade relations ever since Ghana gained independence, and Chinese investments have been growing steadily over the past two decades. In the early 2000s, these mostly included agriculture, manufacturing and general trade. In 2000, China was still one of the smallest foreign investors in Ghana, accounting for 3.61% of imports to Ghana. Today, China is Ghana's biggest trading partner and foreign investor: in 2020, Ghana imported USD 6.7 billion from the PRC and exported USD 1.7 billion to China (mainly crude petroleum).⁸ In the same year, Ghana was China's seventh largest trading partner in Africa.

China's role in Ghana can especially be seen in manufacturing, infrastructure and energy. The PRC tends to source raw material in Ghana and contribute with industrial supplies.⁹ For instance, in 2009 the China Exim Bank provided

a loan and technical expertise to assist in the construction of the Bui Dam in the north-west of Ghana. The dam was completed in 2013 and has been labelled essential for meeting the Ghanaian energy demand, which has only been increasing.

In 2011, the China Development Bank signed an agreement with the Ghanaian government for a USD 3 billion loan to develop and improve infrastructure such as railways, roads and ports, as well as industrial zones.¹⁰ In 2018, the two countries signed a memorandum of understanding agreeing that China would provide USD 2 billion for infrastructure projects to build roads, rail and bridges in exchange for access to 5% of Ghana's bauxite reserves.¹¹ One such project is the road between Ghana's capital Accra and the largest port city of Tema, which commenced construction in 2020.

In addition to infrastructure, many Chinese companies have also entered the Ghanaian energy market. Examples of this are the Shenzhen Souyin New Energy company, which has manufactured solar panels in Ghana. Furthermore, Chinese involvement in Ghana also covers cultural and development aspects: Chinese funds supported the construction of the National Theatre, the Kumasi Youth Centre, a sports complex in Cape Coast, and several rural schools, and contributed to the University of Health and Allied Science in Ho.¹²

Finally, China is involved in the Ghanaian security landscape. In 2008 it financially aided the construction of offices for the Ghanaian Ministry of Defence, and the Chinese government donated equipment for the National Center of INTERPOL in Accra in 2016. Chinese organizations also made donations to the Ghanaian security sector, such as to the police intelligence headquarters in Nima.¹³ The Chinese government provided peacekeeping training to Ghanaian security forces and donated four patrol boats and 100 military vehicles, and donated USD 7.5 million to the armed forces for a training school and the army headquarters.¹⁴ In a meeting between the Chinese Ambassador to Ghana and the Defence Minister of Ghana in 2019, the two expressed the intention to build a stronger relationship between their security forces. The PRC is also an important arms supplier: in the period 2000–2018, it supplied Ghana with USD 112 million worth of weapons (excluding small arms and light weapons),



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which made it Ghana's first arms provider, accounting for 46% of the total supply.¹⁵

China–Ghana relations thus span across many sectors, including infrastructure, manufacturing, education, culture and security. As the country's biggest trading partner at present, China seems to have established a sound presence in Ghana. This is particularly interesting when compared to the former colonial power Britain, which currently constitutes Ghana's third largest export partner.

China's Engagement in Senegal

Senegal is a former French colony. Like Ghana, it gained its independence in 1960. Since then, the country has developed a stable electoral democracy, undergone peaceful transitions of power between rival parties since 2000, and engaged in strong economic development. Historically, France and other European countries have been the largest sources of foreign investments in Senegal. In 2000, China only accounted for about 3.3% of total import to Senegal.¹⁶ However, investments from Asia, and particularly from China, are increasing. In 2020, China was Senegal's second largest trading partner after France, with a share of 9.2%, compared to France at 15.6%.¹⁷ In the same year, China's exports to Senegal were worth USD 2.5 billion, while its imports from Senegal were worth USD 315 million.¹⁸

Although France thus remains the most important partner to Senegal, relations with China have been growing. A significant move in this sense came in 2021 when Senegal announced that it would move all digital platforms and government data to the Chinese servers of Huawei.

The PRC government also financed the building of a data centre in Diaminadio in cooperation with Huawei, which will serve both public and private sectors, thereby making Senegal's digital infrastructure almost fully dependent on Chinese technology.¹⁹

Furthermore, one of the most significant visible outcomes of Chinese investment in Senegal is the construction of the National Wrestling Arena built in Dakar in 2018. China has also invested in several other cultural areas of Senegal, for instance by funding the Friendship Stadium, the National Theatre and the Black Civilisation Museum.²⁰ Meanwhile, the Senegalese private sector is active in establishing partnerships with Chinese companies, such as in the case of the "Safar" railway extension project in Touba, which is being executed by China Railways Senegal.²¹ The PRC also made important health contributions to Senegal during the COVID-19 pandemic, including the provision of vaccines.

Over the years, Senegalese officials have participated in annual military education programmes held in China. In 2000–2018, China provided Senegal with USD 36 million worth of arms (excluding small arms and light weapons), making it the country's second largest provider with a 23% share of the total value.²² With these aforementioned exceptions, there does not seem to be significant security cooperation between Senegal and China.

Diplomatically, Senegal hosted the latest Forum on China–Africa Cooperation (FOCAC) meeting in 2021, which was held in West Africa for the first time in two decades. This presented the country with an opportunity to promote its ties with China as well as its relevance as the region's focal point linking Saharan and sub-Saharan Africa. Indeed, in a meeting with the Chinese Ambassador to Senegal ahead of the FOCAC, Senegalese President Macky Sally highlighted how the two countries were significantly expanding their cooperation.²³

China is therefore increasing its role in Senegal, particularly in digital infrastructure, but also in manufacturing, infrastructure, culture and health. As a former French colony, Senegal still maintains strong relations with France and Europe. However, this has not stopped Senegal's increasing bilateral dealings with China, with the digital platform of Huawei signalling the intention to continue growing this relationship.

China's Engagement in West Africa

West Africa represents an interesting test for Beijing's diplomacy, featuring both countries that have traditionally allied with China (e.g. Mali), and countries that have only recently switched their recognition from Taiwan (e.g. Burkina Faso). There is also a mix of states that have seen Chinese economic presence for a long time and others that are emerging as new markets for Chinese companies. From the perspective of its security engagement, West Africa is also quite diverse, with both stable and unstable environments, thus offering China a chance to adjust its involvement through a range of measures including UN peacekeeping missions, contributions to the G5 Sahel Joint Force, and bilateral military agreements. Not least, countries in the region retain strong ties with former colonial powers. A certain discontent regarding relations with such traditional partners on the part of local actors has been met with eagerness in Beijing to foster its influence.

Additionally, China is generally eager to deepen relations with African states and to expand its influence outside of mere economic and trade exchanges. This fits within Beijing's broader strategy for engagement in Africa (as well as with developing countries in other regions), aimed at forging long-lasting ties that can ensure future political and diplomatic support for China's policy preferences. Engaging with a wide range of actors and sectors also responds to China's interest in diversifying its engagement and extend its influence. The initial promises of the Belt and Road Initiative, launched in 2013 and aimed at creating a global network of hard and soft infrastructure connecting China with the world, also led Beijing to look at West Africa as a potentially fertile ground to build infrastructure.

Ghana and Senegal represent good opportunities for China to pursue these objectives. They have both enjoyed relatively stable economies and politics, which makes them reliable and secure places for Chinese investments and diplomatic efforts. An important difference is that China and Ghana have entertained diplomatic relations ever since the country's independence in 1960, whereas Senegal has switched its recognition between Taiwan and China a few times over the years, until relations with the PRC were restored in 2005. It may thus be the case that differences in the extent of China's involvement in the two countries – whereby Ghana seems to

display deeper and more varied Chinese presence – can be explained by the PRC’s longer engagement there.

On the other hand, research on Chinese donations of military equipment and training has also shown that these were provided less to former French colonies than those which were part of other empires, likely due to France’s continued military foothold in its former colonies. Indeed, this seems to have restricted China’s security engagement in certain regions and countries.

Even though there has been a certain power competition between China and former colonial powers in Ghana and in Senegal, there are currently large shifts at play in West Africa. Against the backdrop of France pulling its troops out of Mali, and the Russian private security company Wagner deploying its mercenaries, several West African states are entertaining the idea of turning away from European actors towards others, increasingly opening up the space for powers such as Russia and China to establish their presence. ■

Notes

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THE PROJECT

This policy brief reflects findings from the project ‘China’s Evolving Engagement in the Sahel and West Africa’. In particular, the project examined how the Chinese and African governments in the region pursue their respective interests by cultivating bilateral relations and cooperation.

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