

Professor KITANO Naohiro of Waseda University hosts webinar on China's foreign aid



On November 20, 2020, the Japan International Cooperation Agency (JICA) U.S.A. Office hosted Professor KITANO Naohiro, professor at Waseda University and visiting fellow at the JICA Ogata Research Institute, to conduct a webinar directed at government officials and Japanese private companies regarding China's foreign aid with focus on their COVID-19 response.

Professor Kitano began his presentation by providing a rundown of the organizational structures of entities operating within China's international development apparatus, including an overview of the roles played by the China International Development Cooperation Agency (CIDCA), China EXIM Bank, and the China Development Bank.

Following the overview, Kitano explained that China has provided assistance to 150 countries and seven international organizations in response to COVID-19, including to the African Union, European Union, ASEAN, and the United Nations COVID-19 Global Humanitarian Response Plan. He also shared information about China's commitments at the WHO Annual Meeting and the United Nations General Assembly, including their pledge to provide \$2 billion over the next two years to support developing countries that have been affected by the global pandemic. Additionally, Kitano added that China announced during the Forum on China-Africa Cooperation (FOCAC) in June that they would begin the construction of the Africa CDC headquarters this year.



Professor Kitano sharing his analysis on China's foreign aid trends

In addition to this information, Kitano provided an overview of recent changes to China's bilateral foreign aid grants, interest-free loans, and concessional loans, as well as the use of China's multilateral foreign aid as a proxy of ODA on a grant equivalent basis. Furthermore, Kitano analyzed the annual commitments of China EXIM Bank's concessional loans and preferential buyer's credits to Asian countries and highlighted that they had reached their peak in 2017 by primarily targeting large infrastructure projects in Asian countries including Pakistan, Malaysia, Bangladesh, Sri Lanka and Cambodia. However, he reported that the volume of such commitments have since declined.

To conclude his remarks, Kitano discussed China's commitments and challenges in participating in the "Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative (DSSI)," which was adopted by the G20 during on November 23.