



STATUS OF COOPERATION BETWEEN REPUBLIC OF RWANDA AND THE PEOPLE'S REPUBLIC OF CHINA

This note aims to briefly outline the cooperation between the Government of Rwanda (GoR) and the People's Republic of China. It outlines key issues and possible opportunities for future consideration, with a view of facilitating high-level discussions by representatives of Government of Rwanda (GoR).

KEY ISSUES

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OVERVIEW AND HISTORICAL BACKGROUND

China and Rwanda diplomatic relations date as far back as 1971 and far a number of achievements have been registered. China has been providing assistance to Rwanda in various sectors including: (i) Health; (ii) Education; (iii) Agriculture and; (iv) Infrastructure. Rwanda also benefits from the Chinese initiatives on which China granted Zero-tariff treatment known as "Special Preferential Tariff Treatment/SPT program" for certain products from Africa. Rwanda has been granted the "Approved Destination Status" which gives a green light and an encouragement to Chinese people to visit Rwanda as tourist.

CHINA INTERVENTIONS IN RWANDA

China has funded various important development projects in Rwanda such as Kigali Urban Road Upgrading Project (36km), Kibungo Hospital, Mwityazo - Ruvumu and Ruvumu - Kibuye of Lake Kivu Belt Road Project (Multinational)(67km), the construction and operationalization of the cement factory in Bugarama District (CIMERWA), construction of the rice processing factory in Rwamagana and Nyagatare districts, construction of the Hospital in Ngoma District (former Kibungo), construction of Kinyinya-Nyarutarama road and Kinyinya – UTEXRWA roads, Construction and rehabilitation of Amahoro stadium, Construction of a Conference hall at Kimihurura near Prime Minister's Office etc

During the “7th Joint Committee on Economic, Technical and Trade Cooperation” between two countries that was held in Kigali on 14th May 2013, the Chinese side agreed to provide the following assistance:

1. Construction of Dormitories for Rwandan doctors;
2. Construction of improvement works for Masaka Polyclinic Hospital;
3. Technical Cooperation for Bamboo Cultivation;
4. Processing and Utilization Technology Project(Phase II);
5. Technical Cooperation for the Ministry of Foreign Affairs & Cooperation Building Maintenance;
6. Solar Electrification of Countryside schools;
7. Water Drilling Project

POINTS FOR CONSIDERATION IN THE DEVELOPMENT OF RWANDA – CHINA COOPERATION

1. Overall Aid Portfolio – Volume and Type of Assistance

As a non-DAC donor, leverage over future volumes of aid is limited. Chinese aid to Africa is not covered by specific declarations, and China does not enter into dialogue with more conventional donors around the resource needs of sub-Saharan countries such as Rwanda.

Given this context, a number of options might be pursued:

- ***Rwanda’s development needs should form the basis of any request for additional aid.*** The Government of China accords great importance to the principle of solidarity in its aid relations. Any argument for increased assistance from China should make clear the prevalence of poverty, its impact on the wellbeing of the Rwandese population, and the immediate resource needs arising from the GoR’s ambitious plans to reduce poverty and achieve sustainable economic growth;
- ***The role of Rwanda as a trading partner*** may be important to China, but this should not be translated into automatic acceptance of tied aid;

2. Aid Effectiveness

It is understood that China participated in the High Level Forum on Aid Effectiveness, and is a signatory to the Paris Declaration on Aid Effectiveness. Whilst China stands to

benefit from this through the aid that it receives from other donors, it is not clear that the Paris Declaration will have any effect on the quality of aid given by China to Rwanda.