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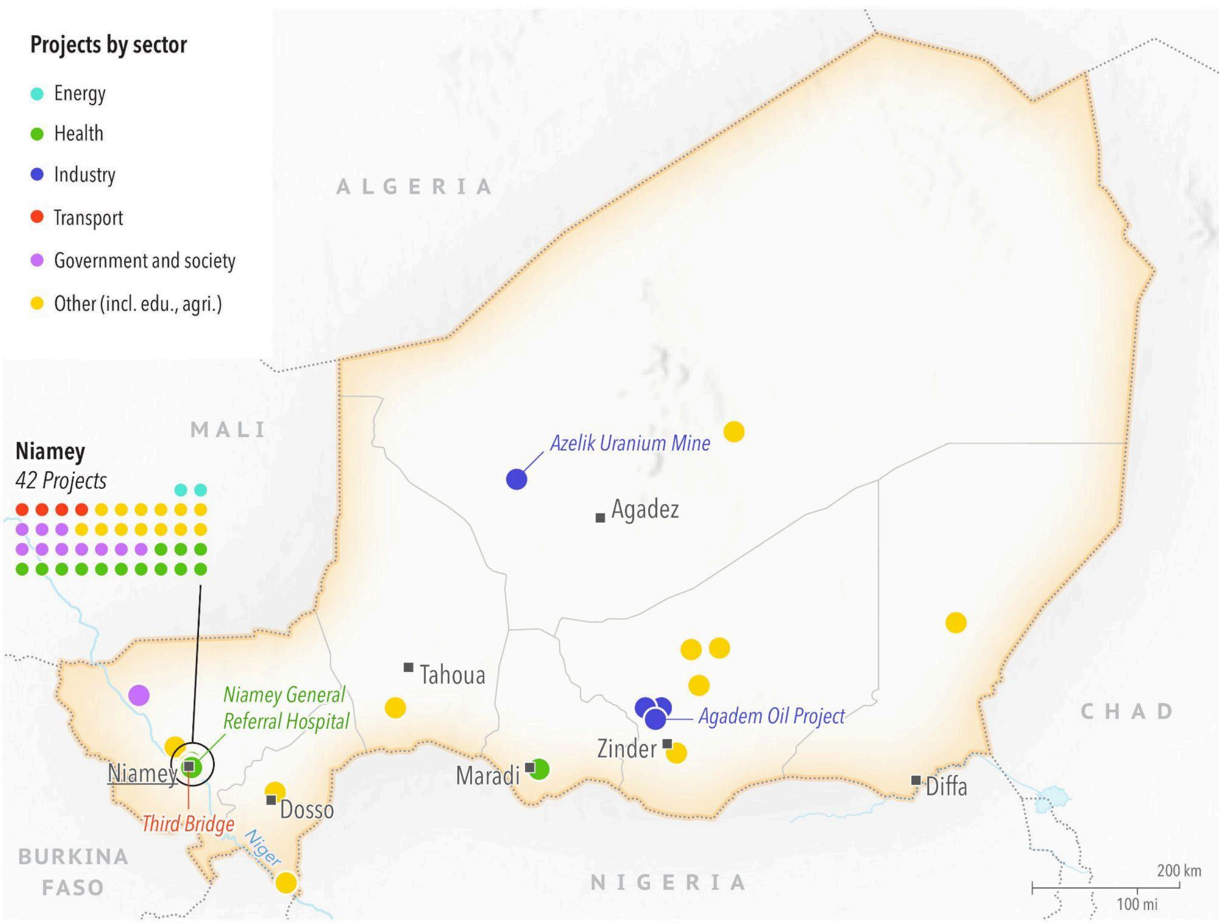
Niger

The Scale, Scope, and Composition of Chinese Development Finance

October 2025



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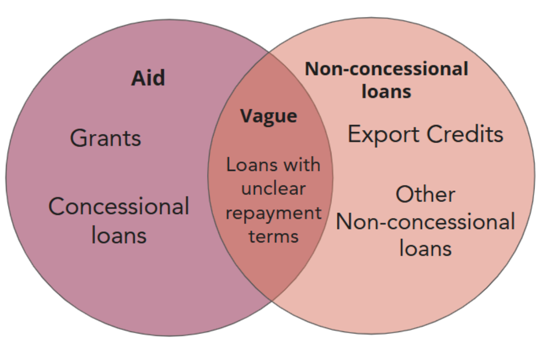
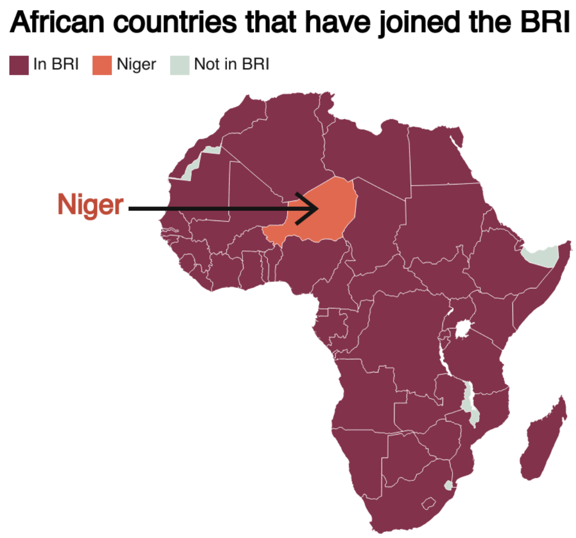
Key concepts: aid, non-concessional loans, and vague flows

In this profile, China's official development finance portfolio is represented across three main categories: aid, non-concessional loans, and vague. Loans from Chinese state-owned entities can either qualify as aid or non-concessional loans, based on how their borrowing terms compare to regular market terms (i.e., the level of financial concessionality) and whether or not they have development intent (i.e., if the primary purpose of the financed project/activity is to improve economic development and welfare in the recipient country). Aid from Chinese state-owned entities includes grants, in-kind donations, and concessional loans with development intent. The "non-concessional loans" category captures loans from Chinese state-owned entities that are provided at or near market rates and those that primarily seek to promote the commercial interests of the country from which the financial transfer originated. An export credit is a specific type of loan issued by a Chinese state-owned bank or company that requires an overseas borrower to use the proceeds of a loan to acquire goods or services from a Chinese supplier. Export credits are not considered aid since they have a commercial rather than a development purpose. See Appendix B for more details.



Key concept: What is concessionality?

Concessionality is a measure of the generosity of a loan or the extent to which it is priced below-market rates. It varies from 0% to 100%, with higher values representing more concessional loans. Non-concessional loans are those provided at or near market rates. The Organisation for Economic Co-operation and Development (OECD) determines which official sector financial flows constitute "aid" based on a grant element threshold for concessionality. Given that China does not report its loans or lending terms to the OECD, some of its official sector financial flows cannot be classified as "aid" or "non-concessional." In this report, such loans are assigned to the "vague" category.



Niger and China's Belt and Road

Landlocked and resource-rich, Niger sits at a strategic crossroads in West Africa. As China expands its Belt and Road Initiative (BRI) across the continent, Niger has become a country of interest—though its participation remains somewhat ambiguous. Niger has not confirmed it has signed the standard BRI MOU with China, which formally signifies a country has joined BRI. Yet Chinese state media reports and references on government websites suggest Niger joined BRI sometime in 2019 or 2020.

Historic relationship

The Republic of Niger and the People's Republic of China (PRC) maintained a diplomatic bilateral relationship between 1974 and 1992. From 1992 to 1996, the Nigerien government recognized the Republic of China (ROC), before switching back its recognition to the PRC.

Present-day relationship

China and Niger have enjoyed a consistent relationship since 1996, marked by cooperation on large-scale infrastructure projects such as the Azelik Uranium mine, the SORAZ oil refinery, the Agadem oilfield and pipeline, and the Niger-Benin pipeline. However, tensions have recently rattled Niger's relationship with its neighbours and other countries, including China.

In July 2023, a military coup d'etat overthrew Niger's government and replaced Niger's detained President Mohamed Bazoum with the Commander of the Presidential Guard Abdourahamane Tchiani. The Economic Community of West African States (ECOWAS) placed sanctions on Niger and the African Union suspended Niger over the coup. In February 2024, ECOWAS lifted its sanctions on Niger.[1] Tensions between Niger and Benin still continue, however, threatening Chinese investments in both countries.[2] Separately, in May 2025 Niger's junta escalated its dispute with China by expelling three Chinese oil and gas executives, straining a sector central to both countries' interests. The following month, Chinese Foreign Minister Wang Yi urged Niger to safeguard the rights and security of Chinese enterprises and citizens, and to create conditions for the safe and sustainable development of cooperation projects.[3]

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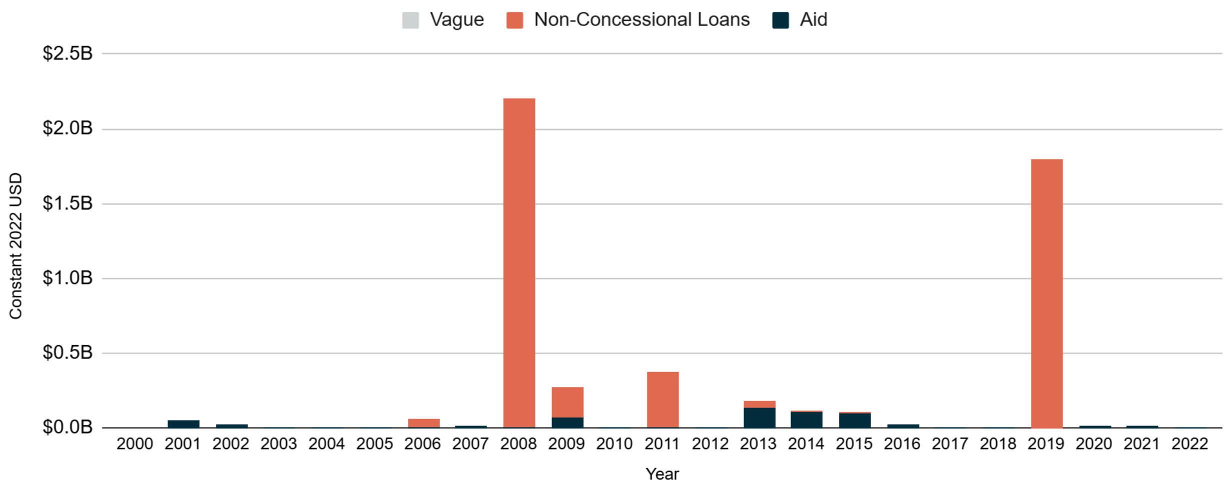
[1]For more information on Niger's coup, see AP News (2024): https://www.reuters.com/world/africa/west-african-ecowas-bloc-mulls-new-strategy-towards-junta-states-2024-02-24/
[2]Bhattacharya, Samir (2024, May 26). Deconstructing China's Interest in the Niger-Benin Rapprochement *The Diplomat*. https://thediplomat.com/2024/05/deconstructing-chinas-interest-in-the-niger-benin-rapprochement/
[3]For more information on FM Wang Yi's meeting with Nigerien counterparts, see China's MFA (2025): https://www.fmprc.gov.cn/mfa_eng/gjhdq_665435/2913_665441/3054_664134/3056_664138/202506/t20250612_11647013.html.

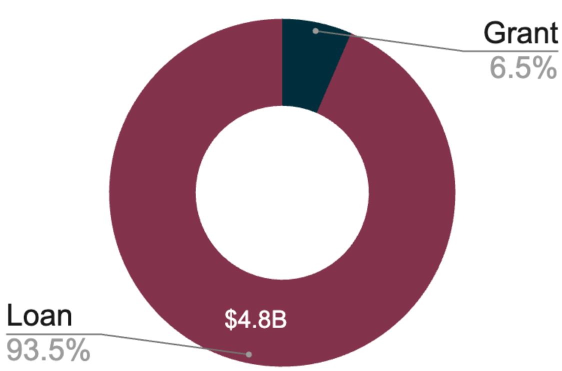
Overview: Chinese development finance in Niger from 2000-2022

$5.3 billion in loans and grants provided by official sector donors from China.	93.5% of Chinese development finance is provided via loans.	123 grants, technical assistance, and training activities offered.	20th largest recipient of Chinese aid and credit in Africa.	69% of China's infrastructure portfolio has significant ESG risk exposure.

Official sector financial commitments from China to Niger, 2000-2022[4]

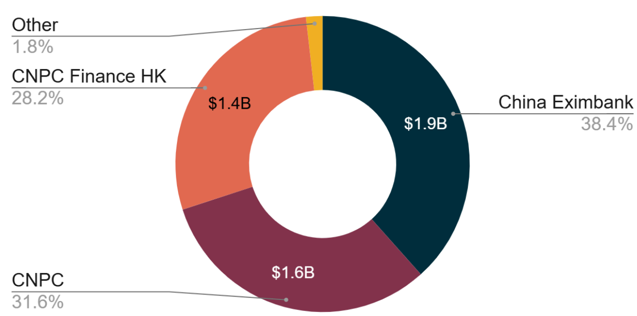


Portfolio by type of finance



Loans include concessional and non-concessional loans.

Portfolio by funder



China Eximbank: Export-Import Bank of China; CNPC: China National Petroleum Corporation; CNPC Finance HK Limited: subsidiary of CNPC Ltd in Hong Kong (HK).

[4] For definitions of the categories of *aid*, *non-concessional loans*, and *vague*, please see Key Concepts on page 2 or Appendix B.

Section 1: China's development finance portfolio

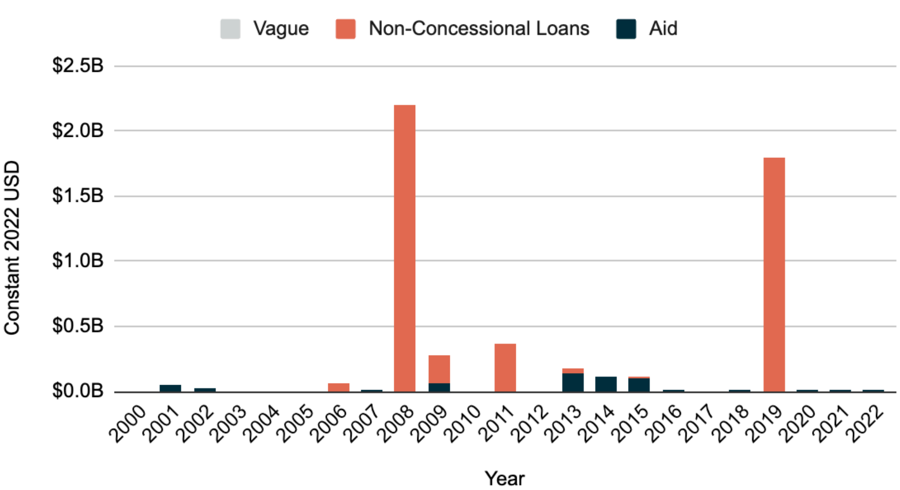
Niger is estimated to have joined China's BRI in 2019 or 2020. However, even before an agreement may have been signed, China had established itself as a significant lender to Niger (see Figure 1.1). Almost 24% of Niger's exports are directed towards China. As part of China's development finance portfolio in Niger, Chinese lenders have especially invested in the industry, mining, and construction sector. For a list of bilateral diplomatic visits between China and Niger in the BRI era, see Appendix A.

Niger's 2023 military coup d'état has significantly disrupted the delivery of development finance to the country. While China has continued its financial engagement, several bilateral and multilateral donors—including the European Union and the United States—have suspended aid.[5] China's portfolio in Niger has been shaped by its efforts to safeguard existing investments, even as Niger works to recover from the coup and position itself to benefit from ongoing Chinese-funded projects.

How much development finance has China provided Niger since 2000?

Between 2000 and 2022, official sector lenders and donors from China provided grant and loan commitments worth almost $5.3 billion for 143 projects and activities in Niger. That makes Niger—a country with a small economy (GDP: $15.4 billion) and population (25.3 million residents)—the 20th largest recipient of Chinese aid and credit in Africa and the 54th largest recipient in the developing world. As Figure 1.1 shows, China's portfolio in Niger is dominated by non-concessional loans for multiple oil megaprojects, including over $2 billion committed in 2008 and $1.8 billion in 2019. These loans supported the SORAZ oil refinery, the Agadem oilfield and pipeline, and the Niger-Benin pipeline.

Figure 1.1: Official sector financial commitments from China to Niger



Types of funding:[6]

Aid: any grants, concessional loans, or in-kind donations.

Non-concessional loans: commercial lending, export credits, and non-concessional loans.

Vague: funding that cannot be easily classified—usually loans with unknown borrowing terms.

[5]For more information on Niger's oil exports to China, see Reuters (2024) at https://www.reuters.com/business/energy/niger-halts-oil-pipeline-exports-china-over-benin-spat-2024-06-14/.
[6]For more information on these categories, please see Appendix B.

How does China compare to other development partners?

China is Niger's largest bilateral development partner, while the World Bank Group leads overall with $5.7 billion in support from 2000–2022, mainly in energy, governance, and water. The United States is the second-largest bilateral partner, with MCC launching a $442 million agriculture compact in 2018 and preparing a $300 million transport compact before suspending funding after the 2023 coup. The U.S. has also provided significant humanitarian aid.

Multiple bilateral and multilateral donors have suspended aid to Niger in response to Niger's coup d'etat in 2023.

- ➔ France, Germany, the European Union, and the United States have halted some or all of their aid disbursal to the Western African nation.
- ➔ China, as a bilateral donor, has continued to disburse finance to Niger, but Niger's political instability decreases the likelihood of new major commitments.

Additionally, the recent drastic downsize of USAID in February 2025 will likely hit Niger particularly hard given the U.S.'s outsized funding to the country historically.

Figure 1.2: Top bilateral and multilateral development partners, 2000-2022

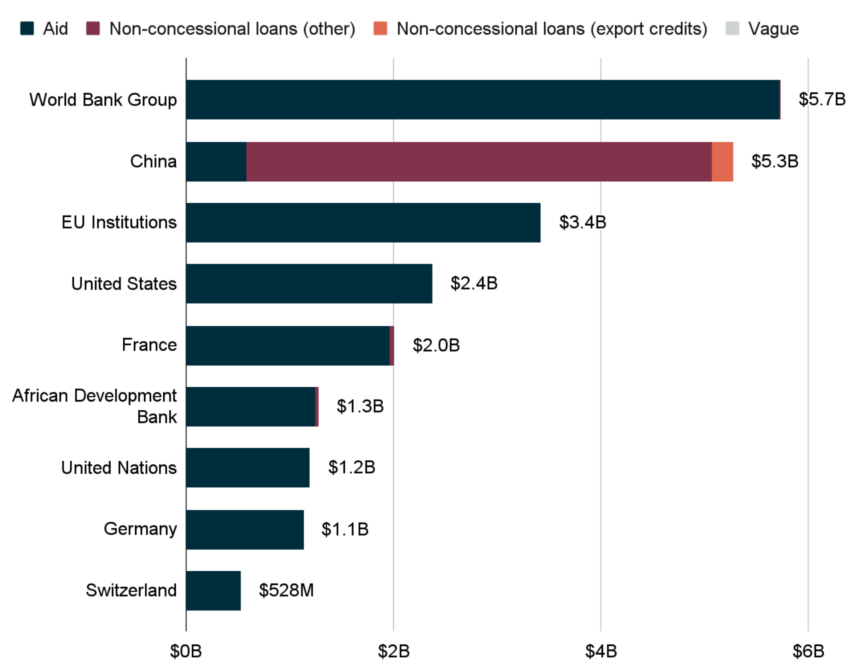


Figure 1.2 contains the top nine development partners providing aid and other financing to Niger. However, only China has detailed bilateral export credit flows to Niger. This level of granularity is not available for other development partners as the OECD does not provide export credit data for bilateral relationships; it only provides data on total export credit flows by two aggregate donor groupings, G7 and DAC member countries.

Total export credits from G7 Countries: $4.6 million.

Total export credits from DAC member countries (including G7): $120 million.

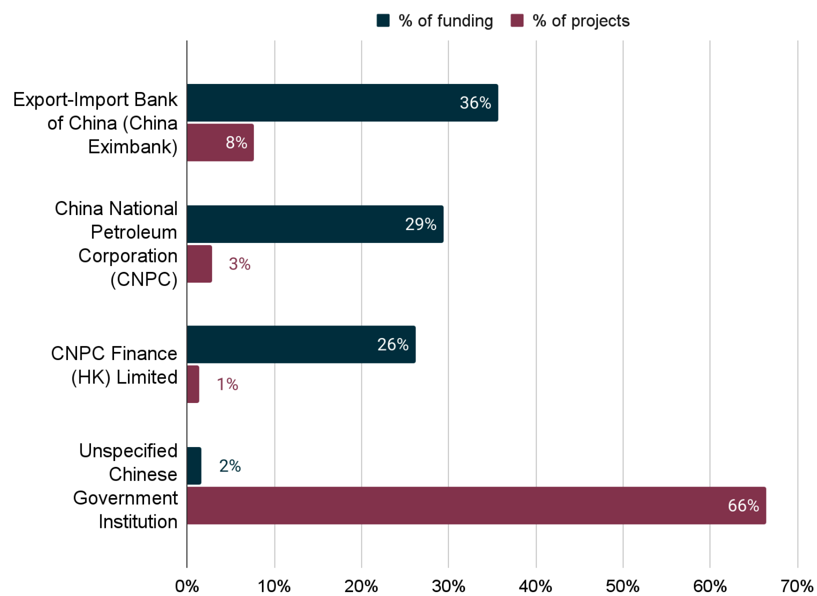
How does China use export credits?

The central role that export credits play in China's overseas lending portfolio sets it apart from other official sector creditors: Under a so-called "Gentlemen's Agreement" on Officially Supported Export Credits, OECD member countries agreed in 1978 to "tie their own hands" and voluntarily abide by a set of international rules that limit the provision of *subsidized* export credits to domestic companies with overseas operations. However, China never agreed to participate in the "Gentlemen's Agreement" and it has consistently used concessional export credit to help its firms gain a competitive edge in overseas markets.

Which donors and lenders from China are active in Niger?

Between 2000 and 2022, 15 official sector donors and lenders from China provided aid and non-concessional loans to Niger, but a mere four donors and lenders are responsible for 93% of China's development finance portfolio (see Figure 1.3). The other 7% is provided by a diverse array of government agencies (including central, regional, or municipal government agencies), state-owned commercial banks, and state-owned companies.

Figure 1.3: Top Chinese donors and lenders



China Eximbank: state-owned policy bank that primarily provides concessional loans and export credits.

CNPC: a state-owned company issuing both loans and grants.

CNPC Finance (HK) Limited: a wholly-owned subsidiary of state-owned China National Petroleum Corporation (CNPC).

Unspecified Chinese Government Institution: a blanket category for when the specific funder is unknown, but it is clear the funder is part of the Chinese government or an official sector institution.

The top funding agency to Niger is the Export-Import Bank of China (China Eximbank), a state-owned policy bank. China Eximbank issued 11 loans worth $1.9 billion for projects and activities, accounting for 51% of total official sector financial flows from China to Niger between 2000 and 2021. China Eximbank was most active in Niger before 2013, providing loans for projects such as the Agadem oil refinery and the Azelik Uranium mine.

Chinese state-owned enterprise China National Petroleum Corporation was the second-largest funding agency. It issued 2 loans and 2 grants worth $1.5 billion. One loan was dedicated toward the development and construction of the Agadem oilfield and oil pipeline, while the other loan represented follow-up funding for the second phase of the project. The grants were focused on aid in response to a Malaria outbreak in Niger in 2012.

Chinese state-owned enterprise China National Petroleum Company Finance (HK) Limited was the third-largest funding agency. It issued 2 loans worth $1.4 billion. One was for the Niger Section of the Niger-Benin Oil Pipeline and the second was for the 200 km Petroleum Road Construction, together representing 26% of total official sector financial flows from China to Niger between 2000 and 2022.

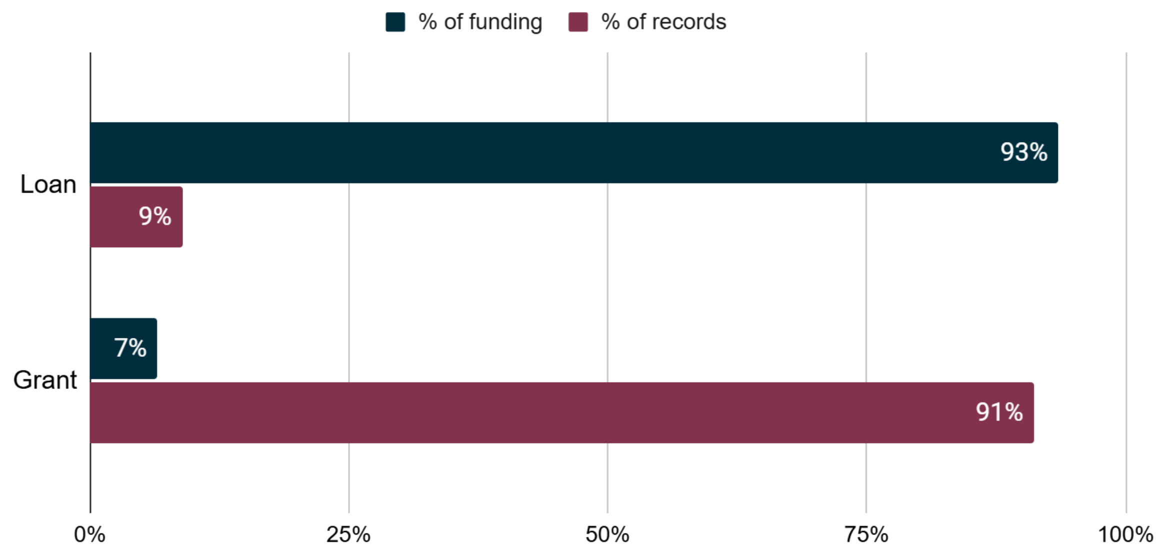
66% of all activities in Niger come from unspecified Chinese government agencies. Unspecified Chinese Government Institutions is a blanket category for when the specific funder is unknown, but the funder is clearly part of the Chinese government or an official sector institution. Most of the activities funded by these institutions include dispatching medical teams, food assistance, and the construction of schools.

What kinds of financial and in-kind support does China offer Niger?

93% of China's official sector financing to Niger takes the form of loans (totaling $4.8 billion), while 7% ($337 million) comes in the form of grants and in-kind donations. In-kind donations are difficult to monetize, so the monetary values of these activities are likely underrepresented.

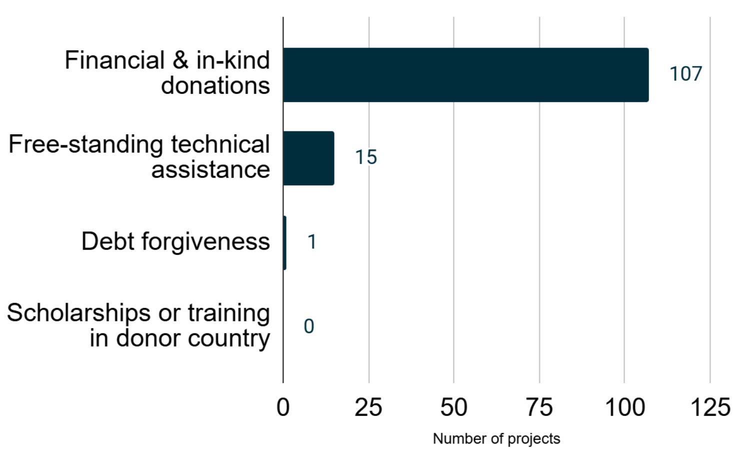
In GCDF 3.0, AidData captures each instance of a grant or in-kind donation as one record, so analyzing the record counts can help provide a better picture of China's activities in Niger. When looking at record counts, grants account for 91% of all activity records in Niger (representing 123 records capturing activities taking place between 2000 and 2022).

Figure 1.4: Top financial instruments used by China in Niger



Note: Debt rescheduling and Vague records are excluded from this visual since they are neither loans or grants.

Figure 1.5: Breakdown of grants by project count

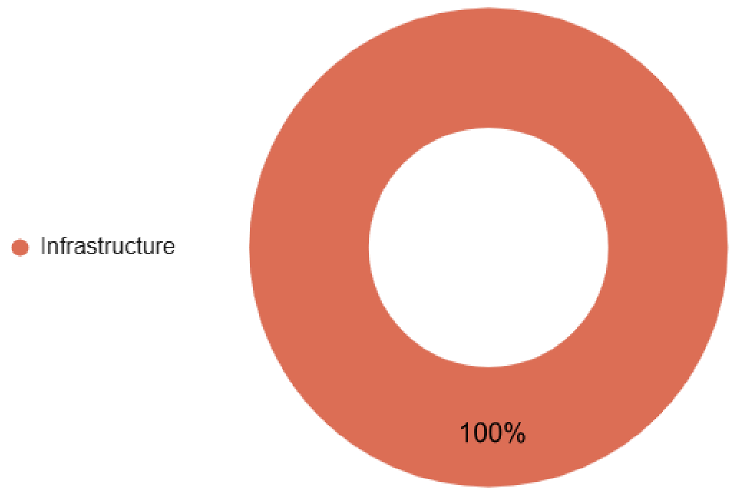


The most common types of in-kind donations from China to Niger are for COVID-19 vaccines (1.2 million vaccines donated), food assistance, construction of schools, and school and medical supplies.

Free-standing technical assistance consists mostly of medical teams. China has dispatched 12 medical teams to Niger since 2000.

Niger also received $53 million in debt forgiveness from China in 2007.

Figure 1.6: Breakdown of lending by purpose



Infrastructure: loans to support the construction, rehabilitation, or maintenance of a physical structure.

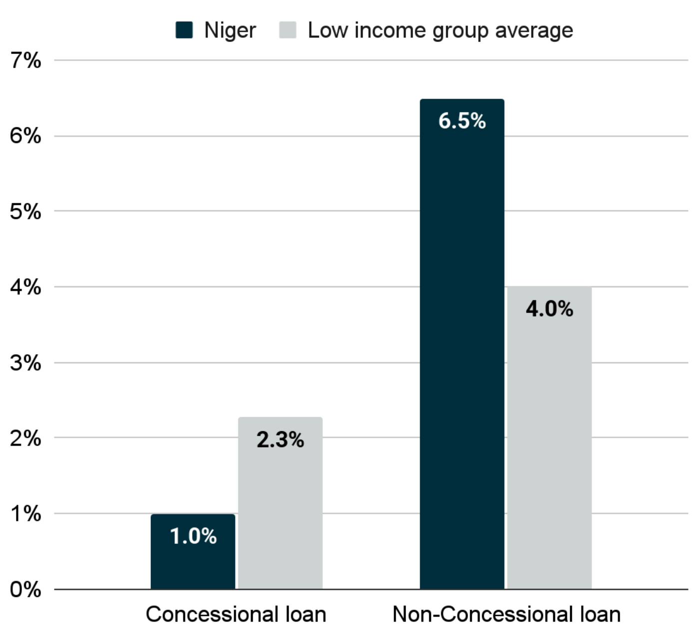
Corporate: loans for mergers and acquisitions, working capital loans.

Inter-Bank Loans: loans from a Chinese bank to a recipient country bank that can support on-lending or other bank needs.

Emergency Lending: emergency rescue loans and rollovers meant to support a country's liquidity.

100% of China's $4.8 billion in official sector lending to Niger supports infrastructure projects. Nearly 99% of all infrastructure projects in Niger are implemented by at least one Chinese entity, such as a Chinese state-owned company or a Chinese private sector company. China made no financial commitments to support corporate and inter-bank loan activities, such as refinancing old debt, loans for mergers and acquisitions, or working capital loans. Niger also received no emergency rescue loans from China between 2000 and 2022.

Figure 1.7: Borrowing terms



Between 2000 and 2022, China's concessional lending (which is considered to be aid) to Niger carried a weighted average interest rate of 1% and a weighted average maturity of 20 years. These borrowing terms are more generous than those found in China's broader concessional lending portfolio in low-income countries.

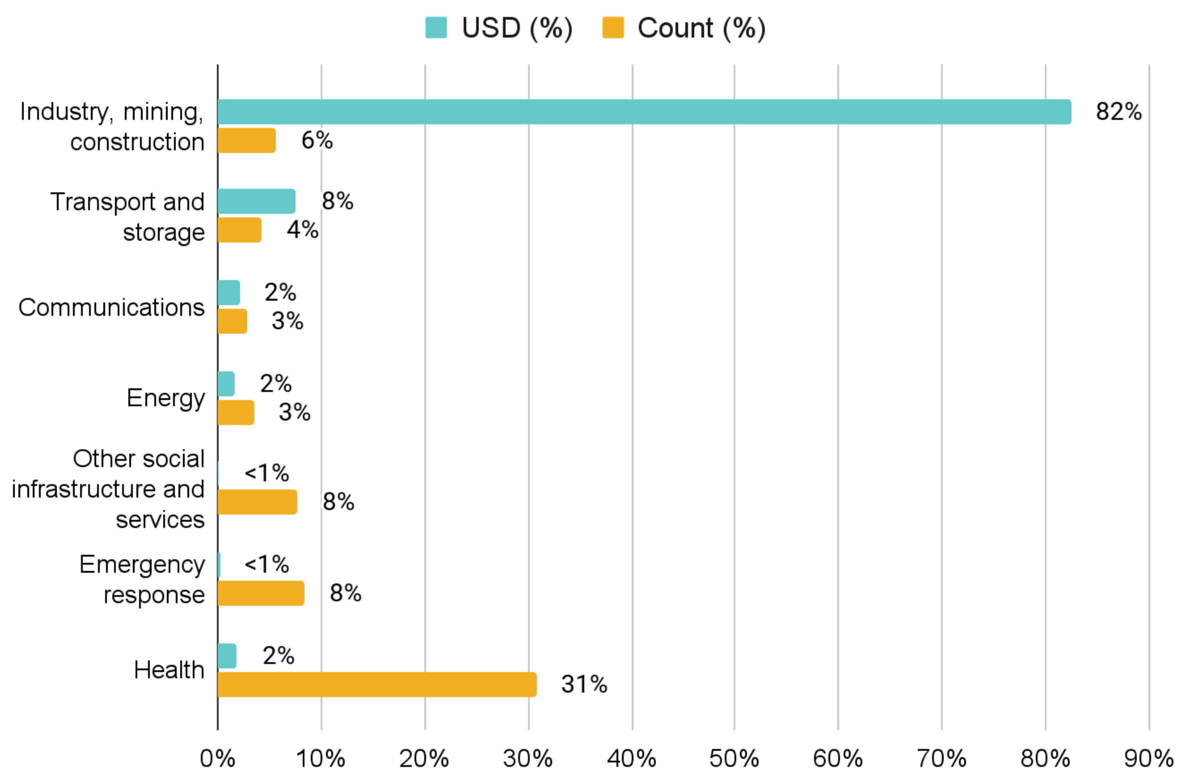
By contrast, China's non-concessional lending to Niger carried a weighted average interest rate of 6.5% and a weighted average maturity of 11 years (due to several large loans in the oil and mining sectors). These borrowing terms were significantly less favorable than those found in China's broader non-concessional lending portfolio in low-income countries.

In which sectors is China most active?

Top sectors for China's aid and credit in Niger differ greatly when comparing monetary value and record count. Certain sectors, such as health and education, often represent a large percentage of records but offer small or no transaction amounts. In Figure 1.8, AidData has provided the top sectors by both monetary value and record count to demonstrate this dichotomy.

Figure 1.8: Selected top sectors

Sectors by monetary value and record count



In terms of monetary value, 94% of China's grant and loan commitments to Niger supported four core infrastructure sectors: Industry, mining, construction, transport and storage, energy, and communications between 2000 and 2022.

- Industry, mining, construction: This sector includes manufacturing fossil fuels, mining for coal, gas, metals, minerals, and construction. This sector is the largest by financial commitments, with 82% of China's development finance portfolio in Niger specifically dedicated to this hardware sector, representing $4.3 billion in non-concessional loans. The single largest financial commitment in the industry, mining, and construction sector is a $1.3 billion loan from China Eximbank for Phase 1 of the Agadem Oil Project to build the SORAZ oil refinery.

- Transport and storage: This sector refers to the construction and maintenance of road, rail, air, and water transit infrastructure and is characterized by high-value infrastructure projects. 8% of China's development finance portfolio in Niger is specifically dedicated to this hardware sector, representing $400 million in aid and non-concessional loans.

The largest financial commitment from a single source was a $250 million oil prepayment facility from China National Petroleum Corporation (CNPC) Finance (HK) Ltd. for the construction of the 200 kilometers Petroleum Road project.[7] The most recent financial commitment in 2022 represented a RMB 122 million grant from the Chinese government to support the road construction of the Niamey General Reference Hospital.[8]

- Communications: This sector encompasses the provision and access of telecommunications and information services, such as telephone, radio, and TV networks. Projects in the communications sector account for at least $109 million in funding (or 2% of China's development finance portfolio). Activities in the communications sector are almost entirely dedicated toward a $109 million concessional loan by China Eximbank for Niger's national backbone fiber optic cable network and communication service project.

- Energy: This sector encompasses the generation and distribution of renewable and non-renewable sources, as well as hybrid and nuclear power plants. Projects in this sector amount to a total of $84 million in funding (or 2% of China's entire portfolio). Most of this funding went towards a $83 million concessional loan from China Eximbank for the 132kV SORAZ-Zinder and Maradi-Malbazi transmission line project.

China is also heavily engaged in the "software" sectors, such as health, education, and governance.[9] China's footprint in these sectors is difficult to represent, however, because the activities in these sectors usually attract smaller grant and loan commitments, or represent some form of in-kind donation, technical assistance, etc.

- Health: This sector includes medical care and equipment, construction of medical buildings, and COVID-19 control activities. In total, activities in the health sector represent 44 records in China's portfolio in Niger (or 31% of records). Notable activities include a MOFCOM grant worth nearly $68 million for the construction of Niamey General Referral Hospital. All activities in the health sector in 2022 were dedicated to the COVID-19 pandemic and the dispatch of medical teams. Here, China provided nearly $23 million worth of COVID-19 aid over the duration and in the follow-up of the global outbreak. In total, China donated over 1.2 million doses of Sinovac and Sinopharm to Niger.

- Emergency response: This sector represents a total of 12 records (or 8% of the total record count). China's activities in this sector with low or no transaction values include donations such as those by China National Petroleum Corporation for medicine and food to fight the malaria crisis. In 2022, the Chinese Embassy provided funds to women refugees who were recovering from flooding disasters in Niger.

- Other social infrastructure and services: This sector consists of social protection services such as aid for education, health, drinking water, social mitigation of HIV/AIDS, and activities related to sports and recreation. There are 11 records in this sector worth $8.9 million. A majority of these funds, $8.8 million (7 records), are for the rehabilitation of the Général Seyni Kountché Stadium.

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[7]See Appendix B for the definition of prepayment facility.
[8]The monetary value of the 2022 grant to the Niamey General Reference Hospital only recently became available. While the loan is included in qualitative analysis, it is excluded from overall totals throughout the profile.
[9]AidData defines "software" sectors based on the following 3-digit OECD sector codes: 110 ,120, 150, 160, 240, 310, 330, 600.

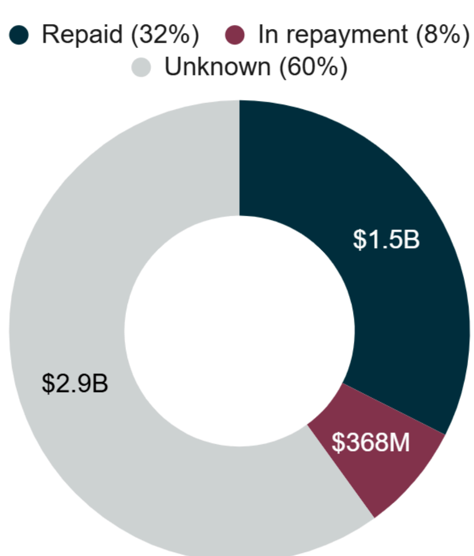
Section 2: Niger's debts to China

12	$4.8 billion	31.3%	67%
loans issued	cumulative value of loan commitments (31% of GDP)	of total debt shows signs of financial distress	public debt

What is "public debt"?		
Public debt Loans issued directly to public institutions, loans that have sovereign repayment guarantees, or loans extended to special purpose vehicles or joint ventures that are majority-owned by one or more public sector institutions.[10]	Potential public debt Loans to special purpose vehicles or joint ventures in which the recipient government has a minority equity stake.	Private or opaque debt Loans to private sector borrowers and entities with opaque ownership structures.

In this section, AidData examines Niger's debts to China based upon their repayment profiles and levels of public liability. A loan's repayment period begins when the grace period—the time after the issuance of a loan when a borrower is not expected to make repayments—has ended. This information, in conjunction with information about the extent to which the recipient government may eventually be liable for the repayment of a given loan, makes it easier to understand the nature of Niger's debt exposure to China.

Figure 2.1: Repayment status for all loans from China



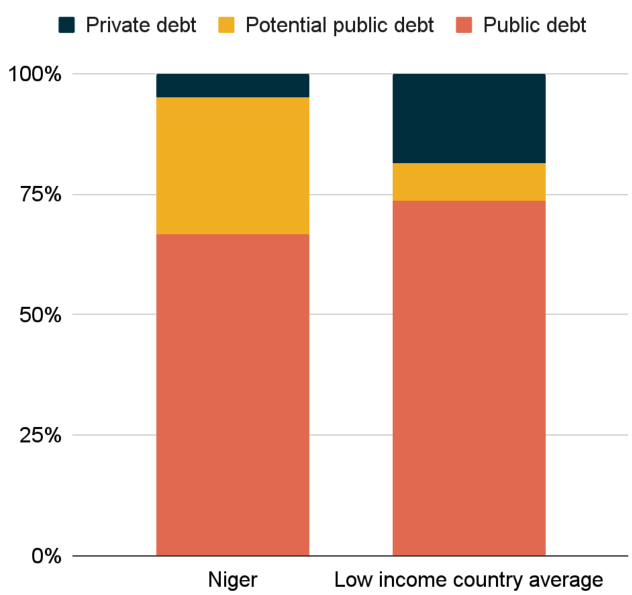
There are currently 8 loans for which AidData has access to repayment details. Four of those loans (worth $368 million) are currently in their repayment periods. Four loans (worth ($1.5 billion) have exited their repayment periods—meaning they should have been fully repaid based on their original maturity dates outlined at the time of their signing.

There are an additional four loans (worth $2.9 billion) with unknown details available to determine repayment information, making the loans in repayment potentially significantly higher.

[10]Special purpose vehicles/joint ventures (SPV/JV) are project companies (independent legal entities) that are established to manage the financing and implementation of a particular project.

Figure 2.2: Composition of debt from China by public liability

Total debt, 2000-2022—Niger: $4.8 billion. Low income country average: $6 billion.



$1.3 billion (28%) of China's official sector lending to Niger qualifies as "potential public sector debt," which far outstrips the average of 5% among low-income countries. Lending in this category represents loans that Chinese state-owned creditors have extended to SPVs and JVs in which the Niger government has minority ownership stakes. "Potential public sector debt" is not a formal liability of the host government, but it may benefit from an implicit public sector repayment guarantee and could become a host government liability in the event of default by the original borrowing SPV or JV entity.

In Niger's case, potential public sector debt is dominated by the $1.2 billion dollar loan for the Nigerien portion of the Niger-Benin Oil Pipeline. The pipeline became operational in 2023, though Nigerien authorities shut off the pipeline due to a dispute with Benin in 2024. Shutting down the pipeline limits its revenue, potentially putting the loan at repayment risk, as the revenue is used to repay the loan.

31.3% of China's cumulative loan commitments to Niger exhibits evidence of financial distress, including borrowers defaulting on their repayment obligations or requesting debt rescheduling to ease cash-flow issues. This is well above the 22% average across China's portfolio in developing countries. In response, China Eximbank has also rescheduled loans on a case-by-case basis: it rescheduled one loan for the SORAZ oil refinery construction project via an interest rate reduction and one loan for the Agadem oil project via a 2-year maturity extension.

In response to the pandemic, China Eximbank joined the first phase of the G-20's Debt Service Suspension Initiative (DSSI) in 2020, pausing over $5 million in principal and interest payments from Niger between May and December. In the following two phases, it suspended nearly $11 million in 2021 debt obligations. These suspensions were not debt cancellations and must be repaid on a net present value-neutral basis[11]

Since the coup d'etat in July 2023, Niger's ability to repay its debts has worsened as the country fell into default after severe sanctions from the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union. In February 2024, ECOWAS lifted its sanctions on Niger, though it is unclear if Niger has been able to resume its debt payments fully since then.

[11]Net present value (NPV)-neutral basis means that the Chinese lenders would still receive full repayment and interest payments after the suspension period is over. For more information, please see https://doi.org/10.5089/9798400248504.001

Section 3: ESG risk profile of China’s grant- and loan-financed infrastructure portfolio

Chinese infrastructure in Niger with ESG risk exposure:

22 infrastructure projects supported by grants and loans from China	$3.5 billion in loan commitments supporting infrastructure projects	69% of infrastructure lending with ESG risk exposure

Examples of global ESG risks

Environmental: increase in air or water pollution, biodiversity loss, deforestation, increased carbon footprint, or natural resource depletion.

Social: poor labor law compliance, human rights abuses, displacement of local residents, or archaeological or cultural heritage site degradation.

Governance: corruption, money laundering, lack of transparency, and non-competitive bidding processes.

In the *Belt and Road Reboot* report, AidData developed a set of metrics that identify the environmental, social, and governance (ESG) risk exposure of Chinese-financed infrastructure projects overseas, as well as the steps it has taken to build safeguards into its programs to combat these risks.[12] (See Appendix B for details on the ESG risk exposure methodology.)

Figure 3.1: Distribution of China’s infrastructure projects with significant ESG risk exposure

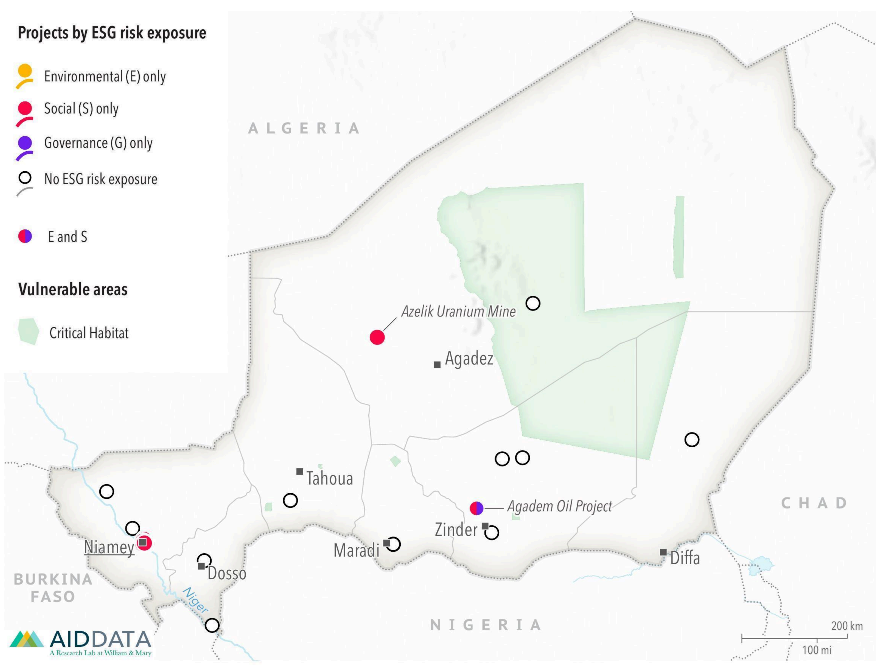


Figure 3.1 presents the geographic locations of all Chinese-financed infrastructure projects in Niger according to their environmental, social, or governance risk exposure. Some infrastructure projects—with and with no ESG risk—are located in Niger’s capital in Niamey.

Most projects facing ESG risk exposure are removed in distance from urban centers, due to China’s commitments in oil and mining-related projects in Niger.

[12]For more information, see AidData’s 2023 “Belt and Road Reboot: Beijing’s Bid to De-Risk Its Global Infrastructure Initiative” report. https://www.aiddata.org/publications/belt-and-road-reboot.

In China's broader grant- and loan-financed infrastructure project portfolio in the developing world, the cumulative percentage of financing with significant ESG risk exposure increased from 12% to 54% over the same 22-year period, showing China's signature infrastructure initiative is facing major implementation challenges. With additional data available for 2022, Niger's ESG risk exposure is higher than this global trend.

What is the level of ESG risk exposure in China's grant- and loan-financed infrastructure portfolio?

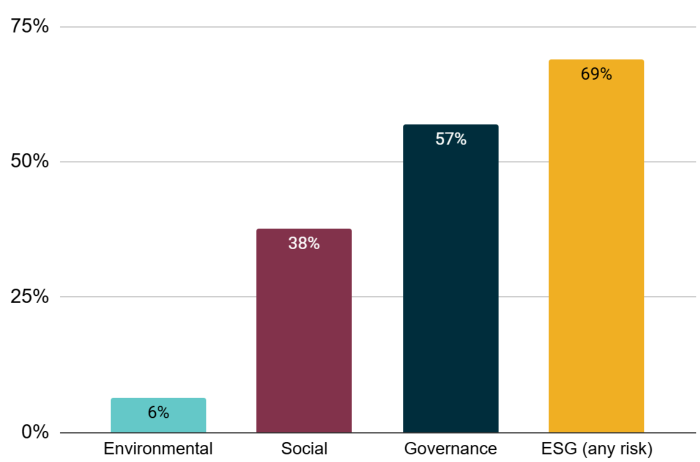
China's grant- and loan-financed infrastructure project portfolio with ESG risk exposure in Niger is higher than the global average, with 69% of the portfolio associated with significant ESG risk exposure, compared to 54% in the developing world as of 2021. The projects facing ESG risk exposure consist of 22 infrastructure projects supported by Chinese grant and loan commitments worth $3.5 billion, many of which are exposed to more than one type of ESG risk (see Figure 3.2).

Among projects with significant ESG risks, governance and social risks are the most common, especially in the oil and mining sectors. Of the 69% of infrastructure projects exposed to any ESG risk, 57% face governance-related issues. A key example is the Agadem oil project, where a government audit uncovered inflated and undocumented costs.

Social risks affect 38% of the portfolio, often linked to community grievances. For instance, at the Azelik Uranium Mine, local protests erupted over low wages and the exclusion of ethnic groups from employment opportunities.

Environmental risks are less widespread, affecting just 6% of the portfolio. However, concerns remain, such as protests and petitions triggered by the Azelik Uranium Mine's encroachment on protected reservoirs.[13]

Figure 3.2: Percentage of infrastructure project portfolio with ESG risk exposure



ESG issues observed in Niger

Environmental: environmental degradation at Azelik Uranium Mine.

Social: local protests over the lack of employment of local ethnic groups and low wages at Azelik Uranium mine.

Governance: intransparency and over-pricing at the Agadem oil project. The Nigerien government commissioned an audit of the project that found 'inflated and undocumented costs.'

Since 2021, one new infrastructure project with social risk exposure has been committed for the Niamey General Reference Hospital road construction. This project has not significantly impacted the total ESG risk exposure in the portfolio due to its relatively small monetary value (RMB 122 million).

[13]For more information, see Radio France Internationale (2021) at https://www.rfi.fr/en/africa/20190809-Niger-shrinks-major-reserve-allow-Chinese-oil-angers-activists.

Figure 3.3: Cumulative proportion of Chinese infrastructure financing with ESG risk exposure
Niger (2022): 69%. Low income country average (2022): 55%.

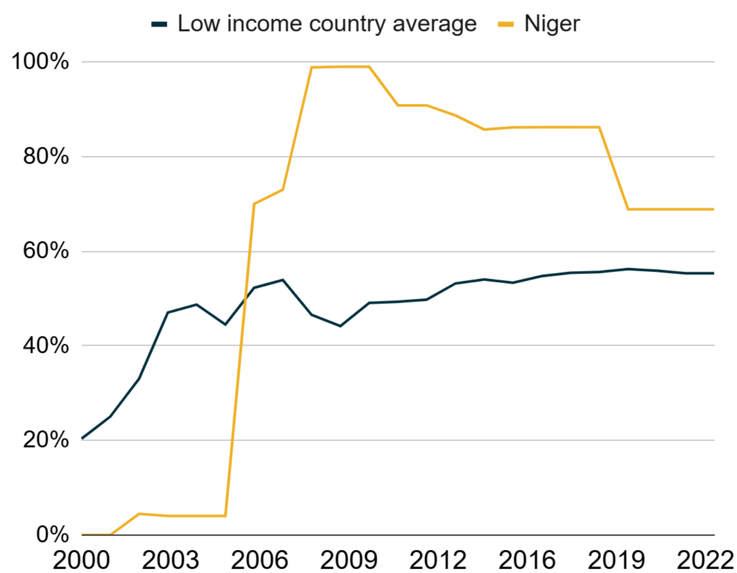


Figure 3.3 shows the increase in the cumulative ESG risk exposure over time compared to all low-income group countries. Niger's ESG risk exposure for its Chinese grant- and loan-financed infrastructure portfolio differs from the trend of other countries in the same income group, with a steep increase in ESG risk exposure post-2005. Between 2008 and 2010, infrastructure projects with ESG risks were at 99%, due to the emergence of projects such as the Agadem oil project and Azelik uranium mine. Since 2010, ESG risk exposure has decreased with new infrastructure commitments with less risk exposure, remaining stable at 69% since 2019.

Since 2015, most new infrastructure financing has limited ESG risk exposure, leading the cumulative proportion of projects with risk exposure to decrease over time and fall into line with the trend in its income group. The only exception is one small project in 2022 for road construction at the Niamey hospital.

Section 4: New ESG safeguards in China's infrastructure project portfolio

Percent of infrastructure portfolio with strong ESG safeguards	What are ESG safeguards?
0% 2000-2022	ESG safeguards are formal provisions written into financing contracts (grant or loan) to mitigate environmental, social, and governance risks during an infrastructure project's implementation and operation.

Chinese lenders and donors have responded to rising levels of ESG risk in their portfolio across the developing world by putting in place increasingly stringent safeguards via changes to their contractual provisions on infrastructure funding. These safeguards can include, among others, contractual provisions that mandate Environmental and Social Impact Assessments (ESIA), Environmental Management Plans (EMP), Resettlement Action Plans (RAPs), Open Competitive Bidding (OCB) processes, and the preparation and submission of financial statements that meet International Financial Reporting Standards (IFRS).

To implement these safeguards, Beijing is increasingly outsourcing risk management to other lending institutions with stronger due diligence standards and safeguard policies. It is dialing down its use of bilateral lending instruments and dialing up the provision of credit through collaborative lending arrangements with Western commercial banks and multilateral institutions (called syndicated lending).

Through this pivot in financing strategy, China's overseas infrastructure portfolio has gone from having no ESG safeguards in place in 2000 to 57% of its infrastructure project portfolio having strong ESG safeguards in place by 2021. Chinese grant- and loan-financed infrastructure projects that are subjected to strong ESG safeguards present fewer ESG risks during implementation. They are also less likely to be suspended or canceled. Perhaps most importantly, Chinese grant- and loan-financed infrastructure projects with strong ESG safeguards do not face substantially longer delays than those with weak ESG safeguards, showing that China has succeeded in pairing speed and safety when it has implemented ESG safeguards in its infrastructure portfolio.

Key aspects of infrastructure projects with strong ESG safeguards
Present fewer ESG risks during implementation
Less likely to be suspended or canceled
Speed of implementation is not delayed compared to projects with weak ESG safeguards

Has China increased ESG safeguard stringency in its infrastructure portfolio in Niger over time?

Between 2000 and 2022, 0% of China's grant- and loan-financed infrastructure project portfolio in Niger had strong contractual ESG safeguards in place.[14] This runs contrary to trends across China's global infrastructure portfolio, which show strong ESG safeguards tend to increase over time. Between 2000 and 2022, 23% of China's grant and loan-financed infrastructure project portfolio had strong contractual ESG safeguards in place across all developing countries. New data in 2022 shows that Niger has kept this trend with 0% of its infrastructure project portfolio commitments that year featuring strong ESG safeguards.

Niger has not benefited from infrastructure lending with strong ESG safeguards because its financing portfolio lacks two features that drove higher safeguard adoption elsewhere: bilateral loans from Chinese state-owned commercial banks and syndicated loans that included Chinese state-owned commercial banks or Western institution participants. In the later years of the BRI, Beijing increasingly relied on these channels to outsource stricter due diligence and ESG standards to lenders with stronger risk management practices. In Niger, however, nearly all Chinese financing has come from state-owned policy banks or state-owned companies, which historically lack strong contractual safeguards. The lack of funding from Chinese state-owned commercial banks and syndicated lending may reflect both the relatively high-risk profile of lending in Niger and Beijing's preference to use policy banks for strategically important but commercially challenging projects.

Figure 4.1: Proportion of infrastructure financing with strong contractual ESG safeguards

Proportion of official Chinese infrastructure financing during the late BRI period (2018-2022)

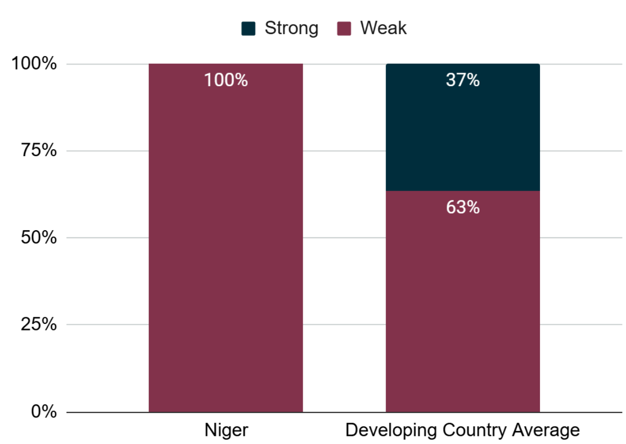


Figure 4.1 highlights the increase in ESG safeguards seen across China's infrastructure portfolio in developing countries by the late BRI period compared to Niger. While the annual average of infrastructure financing with strong ESG safeguards rose to 37% between 2018-2022 across China's whole portfolio, Niger did not see a similar increase. In fact, 0% of its infrastructure portfolio had strong ESG safeguards (before and during the BRI periods), with 0% strong safeguards also in 2022.

[14]During the same 22-year period, 23% of China's grant- and loan-financed infrastructure project portfolio across all low- and middle-income countries had strong *de jure* (contractual) environmental, social, and governance safeguards in place.

Appendix A: Public opinion and bilateral diplomatic visits between China and Niger in the BRI era

Niger has consistently held favorable views towards China. Between 2006 and 2022 data collected by Gallup shows that Nigeriens had an average approval rate of 82.5%, with the lowest approval rate of 71.4% in 2007.[15] As China's financial commitments in Niger have increased over time, so have approval rates gradually grown more favorable. The approval ratings are significantly higher than the global average towards China (60.1%).

Figure A.1: Niger's approval of Chinese leadership, 2006-2022[16]

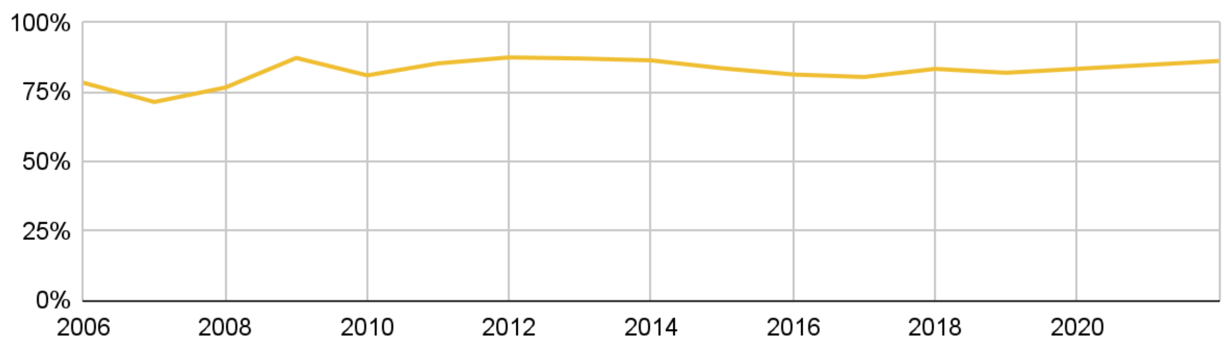


Figure A.2: Bilateral diplomatic visits between China and Niger

2017 JUN	State Councilor Wang Yong visited Niger and held diplomatic talks with Niger President Mahamadou Issoufou.
2018 AUG	Nigerien President Mahamadou Issoufou visited Beijing and met with President Xi Jinping ahead of the Summit of the Forum on China-Africa Cooperation.
2019 MAY	Nigerien President Mahamadou Issoufou visited China and held talks with President Xi Jinping, and signed bilateral cooperation agreements.
2024 JUN	Nigerien Minister of State for National Defense Salifou Mody visited China and met with Vice Foreign Minister Chen Xiaodong and held diplomatic talks.
2024 SEP	Chinese Vice President Han Zheng met with Nigerien Prime Minister Ali Mahaman Lamine Zeine ahead of the Summit of the Forum on China-Africa Cooperation (FOCAC).

[15]This data comes from Gallup's World Poll which started in 2005. Gallup conducts the survey in various frequencies on a country-by-country basis; therefore, the years AidData has data varies. For Niger, data is available for 2006-2022. For more information on the Gallup methodology, see https://www.gallup.com/178667/gallup-world-poll-work.aspx
[16]The data for the graph and approval rate is based upon Gallup's Rating World Leaders' report and dataset.

Appendix B: Methodology & definitions

Capturing Chinese development finance methodology:

The insights in this profile are derived from AidData's preliminary 2000-2022 Global Chinese Development Finance (GCDF) dataset, which has not yet been published. By nature of AidData's data collection process, AidData uncovered new sources and information related to projects across all commitment years, and as such there may be movements in the underlying data since the previous version of the profile. For more details regarding the methodology used to assemble the data, please refer to the Tracking Underreported Financial Flows (TUFF) 3.0 Methodology. All financial values reported in this profile represent USD Constant 2022 prices, unless otherwise stated.

Definitions of finance types:

- Aid: Includes any grant, in-kind donation, or concessional loan (i.e., loans provided at below-market rates and categorized as ODA-like in GCDF 3.0).
- Non-concessional loans: Captures export credits and loans that are priced at or near market rates (i.e., non-concessional and semi-concessional debt categorized as OOF-like in GCDF 3.0).
- Vague: Any official financial flows that could not be reliably categorized as “aid” or “non-concessional loans” because of insufficient information in the underlying source material.

Definitions of instrument types:

- Grant: The donation of money or an in-kind donation of goods from an official sector institution in China (e.g. donations of supplies or equipment, humanitarian aid or disaster relief, or financing for the construction of a government building, school, hospital, or sports stadium).
- Free-standing technical assistance: Skills training, instruction, consulting services, and information sharing by official sector entities and experts from China. Training provided by Chinese entities outside of China is classified as technical assistance.
- Scholarships/training in the donor country: Funding from an official sector institution in China that allows a citizen from the host country to study at a Chinese university or other educational institution. This includes training programs and activities that are sponsored by an official sector institution in China and held for host country citizens in China.
- Debt forgiveness: The total or partial cancellation of debt owed by a borrowing institution in the host country to a Chinese government or state-owned entity.

Development finance to Niger from other donors

All data on development finance from other donors came from the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD DAC) Creditor Reporting System (CRS). The CRS is the OECD’s aid activity database, which compiles activity-level statistics from all providers who report to the OECD. For the analysis in Figure 1.2, ‘Aid’ represents Official Development Assistance (ODA) grants and loans. Non-concessional loans represent the Other Official Flows (OOF) measure. However, the flows captured in CRS (which are project-level records) specifically exclude export credit flows (due to their potentially sensitive nature). Data on export credits is available in OECD's DAC2B database in aggregate form. DAC2B provides data on OOF loans and grants and gross export credits. However, consistent and comprehensive data on export credits from one development partner to a specific country are not available. Gross export credits to a specific country are available at an aggregate level, such as G7 or all DAC Members. AidData determined that these additional financial flows would not substantially change Figure 1.2.

Pre-export Finance Facility (PXF)

A pre-export finance (PXF) facility is an arrangement in which a commodity (e.g. oil) producer gets up-front cash from a customer in return for a promise to repay the customer with that commodity (possibly at a discount) in the future. PXF funds may be advanced by a lender or syndicate of lenders to a commodity producer to assist the company in meeting either its working capital needs (for example, to cover the purchase of raw materials and costs associated with processing, storage, and transport) or its capital investment needs (for example, investment in plant and machinery and other elements of infrastructure). PXF facilities are usually secured by (1) an assignment of rights by the producer under an 'offtake contract' (i.e., a sale and purchase contract between the producer and a buyer of that producer of goods or commodities), and (2) a collection account charge over a bank account into which proceeds due to the producer from the buyer of the goods or commodities under the offtake contract are credited.

Calculating loans from China within repayment periods

Figure 2.1 shows the percentage of official sector lending from China to Niger that represents loans within their repayment periods as of 01/01/2025 date. To determine when each loan will enter repayment, each loan's grace period is added to its commitment date. This figure represents when loans will reach their repayment period according to their original borrowing terms, although many loans have been rescheduled (often involving an extension of the loan's grace period and/or maturity). When the grace period is not available, AidData assumes the grace period is 0.

ESG risk exposure methodology:

AidData's ESG risk exposure metric is a composite, project-level score based on five criteria. First, AidData identifies whether a given infrastructure project is located in an environmentally sensitive area. Second, AidData analyzes whether the project is located in a socially sensitive area—specifically, in an area where Indigenous populations are often denied free, prior, and informed consent (FPIC). AidData assesses whether the project is located in a geographical area that is vulnerable to political capture and manipulation by governing elites in host countries. Fourth, AidData evaluates if the Chinese lender/donor relied on a contractor sanctioned for fraudulent and corrupt behavior to implement the project. Fifth, AidData identifies whether a significant environmental, social, or governance challenge arose before, during, or after the implementation of the project. 2022 data on ESG risk exposure at the global level is currently only available through 2021.

Common ESG Risks in Infrastructure Projects:

- ➔ Environmental: Negative effects on the environment due to building, rehabilitating, or maintaining a physical structure. These include an increase in air or water pollution, biodiversity loss, deforestation, increased carbon footprint, or natural resource depletion.
- ➔ Social: Negative effects on different groups of people due to the infrastructure project, such as employees, nearby residents, Indigenous populations, or community members. Such negative effects include poor labor law compliance, human rights abuses, displacement of local residents, or archaeological or cultural heritage site degradation.
- ➔ Governance: Negative effects related to the infrastructure project's financial, legal, and ethical management during the design and implementation of the project. These can include corruption, money laundering, lack of transparency, and non-competitive bidding processes that lead to higher project costs and/or poor project quality.

ESG safeguard methodology:

In addition to metrics of ESG risk exposure, the *Belt and Road Reboot* report introduced a measure of China's responses to ESG risks through its own grant and loan financing agreements. AidData obtained a large cache of unredacted infrastructure financing agreements that provide detailed information about whether financiers, at the time that they signed the agreements with their host country counterparts, identified behavioral expectations related to ESG risk management and mechanisms to monitor and enforce compliance with those expectations. AidData used these agreements to create indicators that measure the formal stringency of China's ESG safeguards built into its infrastructure grant and lending instruments. It then applied these metrics to the full GCDF 3.0 dataset.

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The insights in this profile are primarily derived from AidData's preliminary 2000-2022 Global Chinese Development Finance (GCDF) dataset, although it also draws upon ancillary data from other sources. This preliminary dataset has not yet been published. It builds upon AidData's publicly available GCDF 3.0 dataset, incorporating an additional commitment year of data and new information across all commitment years based on sources uncovered during the data collection process. GCDF 3.0 is a uniquely comprehensive and granular dataset that captures 20,985 projects across 165 low- and middle-income countries supported by loans and grants from official sector institutions in China worth $1.34 trillion. It tracks projects over 22 commitment years (2000-2021) and provides details on the timing of project implementation over a 24-year period (2000-2023). An accompanying report, *Belt and Road Reboot: Beijing's Bid to De-Risk Its Global Infrastructure Initiative*, analyzes the dataset and provides myth-busting evidence about the changing nature, scale, and scope of China's overseas development program.

For the subset of grant- and loan-financed projects and activities in the dataset that have physical footprints or involve specific locations, AidData has extracted point, polygon, and line vector data via OpenStreetMap URLs and produced a corresponding set of GeoJSON files and geographic precision codes. The GCDF 3.0 geospatial data and precision codes are provided in AidData's Geospatial Global Chinese Development Finance Dataset, Version 3.0 (Goodman et al, 2024).

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