



How do Chinese Contractors Perform in Africa? Evidence from World Bank Projects



BACKGROUND

Chinese firms won 30% of World Bank infrastructure projects in Africa from 2007-2015



“The Chinese-build road...was quickly swept away by rains.” *Economist*



“China’s African road gangs” *BBC*

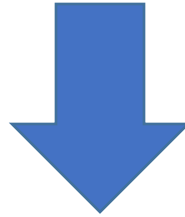
Research Questions:

- How do Chinese firms compare to OECD country firms in quality of infrastructure delivery in Africa?
- What drives the perception that Chinese firms perform poorly?

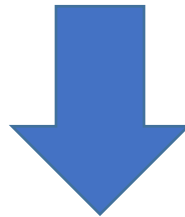


METHODOLOGY

Implementation Completion and
Results Report: Overall Outcome



Component Score and Indicators



Specific Comments

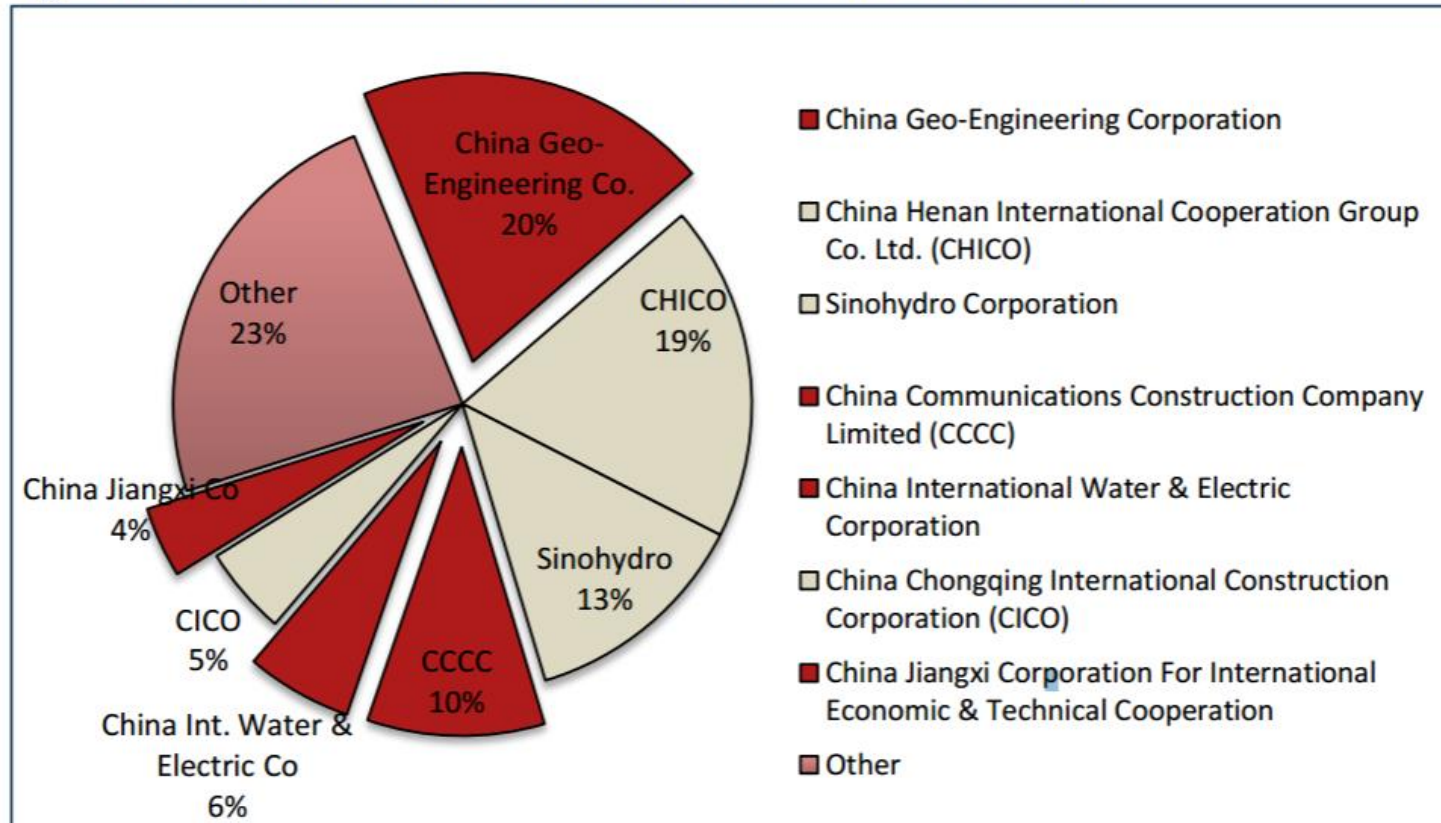
Major Finding:

Based on the data analyzed, there is no statistically significant difference between the quality of work of Chinese firms and OECD country firms on World Bank contracts in the African transportation sector, won from 2000-2007 and completed by 2013



INSIGHTS: DEBARMENTS

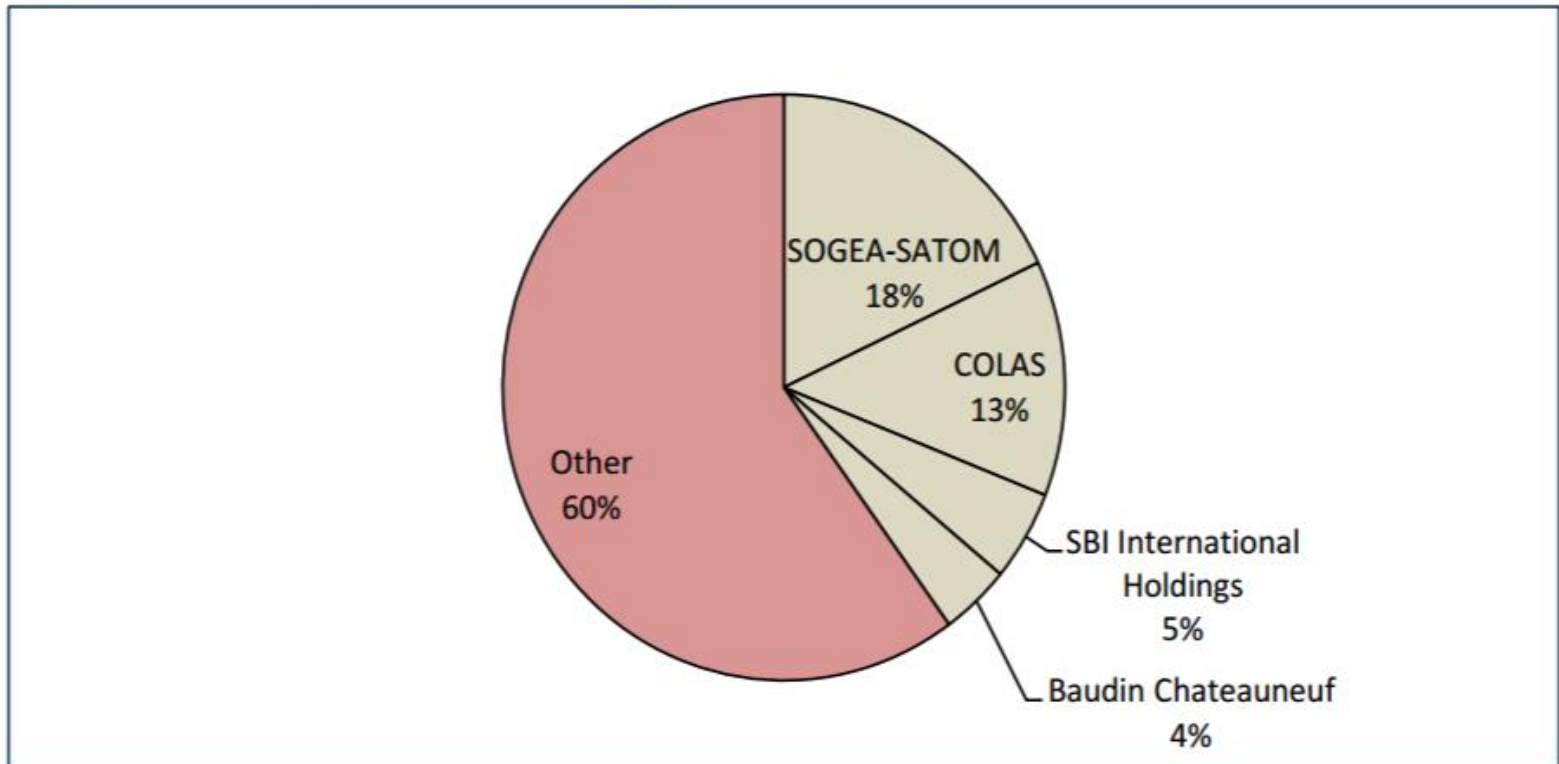
Figure 1: Distribution of contracts and debarments of Chinese firms



**The highlighted wedges indicate the firm was debarred at some point after the completion of the contracts under analysis*

INSIGHTS: DEBARMENTS

Figure 2: Distribution of OECD country firms



INSIGHTS: VOLATILITY

Table 3.1: Breakdown of specific contract scores (number of contracts)

Score (Rating)	Chinese Contracts	Percentage by Value, Chinese	OECD Contracts (Extrapolated)	Percentage by Value, OECD
6	5	1.0%	4	0.7%
5.5	5	7.0%	4	5.5%
5	39	36.4%	42	53.9%
4.5	9	18.5%	14	31.1%
4	9	27.3%	2	6.7%
3	3	3.8%	6	2.1%
2	1	3.2%	0	0%
1	1	0.9%	0	0%

INSIGHTS: ENVIRONMENTAL, SOCIAL ISSUES

Two out of seventy-two contracts made reference to social or environmental concerns



FURTHER QUESTIONS:

- Do Chinese firms work in riskier environments than most OECD firms?
- How do average bid prices compare?
- How would African firms be rated under this system?

