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Remarks by the Spokesperson of the Chinese Embassy in Uganda on Some Media Reports Alleging that “Uganda Surrenders Airport for China Cash”

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The past decade has witnessed China becoming one of Uganda’s major development partner, an echo to Uganda’s own need for development. Obviously, there is no other country with such depth and breadth of engagement across investment and infrastructure financing in Uganda. A country during its economic take-off and initial stage of industrialization naturally adopts a huge demand for financing, and Uganda is no exception. China, in response to the priority project lists proposed by the Ugandan government, has done whatever she can to support Uganda in the fields of agriculture, education, medical care, health and social infrastructure with the intention to enhance the well-being of the Ugandan people. China has also been providing concessional loans for Uganda’s major infrastructure projects in the fields of transportation, communication and electricity designed to promote Uganda’s economic and social transformation, and enhance her capacity for home driven development.

China-Uganda economic and trade cooperation, including investment and financing in the field of large-scale infrastructure, follows the principle of equality and mutual benefit, and has been conducted in accordance with the laws and rules of the international market, and strictly abided by the laws of the host country. Each and every financial support that China provides to Uganda must go through serious feasibility studies and market-oriented demonstrations beforehand so as to ensure that the project achieves its due economic and social effects and to ensure healthy and sustainable development for China-Uganda economic and trade cooperation.

Entebbe Airport Expansion and Upgrading Project is a US\$200 million preferential loan project financed by the Export-Import Bank of China and is guaranteed by Uganda's sovereign credit, not by anything else. The two parties of China Exim Bank and the Ugandan side signed the loan agreement in March 2015 and began construction in May 2016. Despite the negative impact of the COVID-19 pandemic, China Communications Construction Company Ltd., the contractor, has managed to catch up with the schedule of the project with the firm support and solidarity from Ugandan Government, especially Uganda's Ministry of Foreign Affairs, Ministry of Works and Transport, Civil Aviation Administration and other relevant Ministries, Departments and Agencies. Now the project has progressed smoothly to 75.1%, and is expected to be completed and delivered in December 2022.

It should be pointed out that China-Uganda cooperation has always adhered to the principles of openness, transparency,

equality, and mutual benefits. All loan agreements, including that of the Entebbe Airport Expansion and Upgrading Project, are voluntarily signed by both parties through dialogue and negotiation on equal footing without any hidden terms or political conditions attached. Terms of the loan agreement for Entebbe Airport Expansion and Upgrading Project are in full compliance with the prevailing conventions and practices in the international financial market. The malicious allegation that “Uganda Surrenders Key Assets for China Cash” has no factual basis and is ill-intended only to distort the good relations that China enjoys with developing countries including Uganda. Not a single project in Africa has ever been “confiscated” by China because of failing to pay Chinese loans. On the contrary, China firmly supports and is willing to continue our efforts to improve Africa's capacity for home driven development.

Action speaks louder than words. China has been supporting the move to ease African countries' debt burden and actively implementing the G20 Debt Service Suspension Initiative for Poorest Countries and has the highest deferral amount among G20 members. Like African countries, China has had the painful experience of being controlled by foreign countries in our economic lifeline, and suffered from unfair treatment and exploitation and oppression. Therefore, for assistance or cooperation with Africa, China will never allow the history repeat itself, let alone impose it on others. Instead, China will always respect and help Africa, pursues common interests and puts friendship first in pursuing cooperation. Even in the face of extreme cases of debt default, China has sought to reduce the burden of African countries by means of debt restructuring, debt

mitigation, and debt reduction through friendly negotiations.

With the terrorist attacks, riots, famines and epidemics emerging one after another, we face a difficult time when cooperation between countries should be strengthened more than ever to enhance the well-being of our peoples. The very few noises will not interfere with the determination and unity of China-Uganda cooperation, nor will it shake the solid ground of China-Uganda friendship. We are confident the the majority of the public understand the cooperation between China and Uganda is mutual benefit in essence.

We are fully aware of Ugandan's expectation to benefit more from China-Uganda cooperation. This is also the goal we have always been striving for. We are willing to listen to constructive suggestions as we continue our efforts to ensure China-Uganda cooperation to be more inclusive and benefit more common people.

The upcoming 8th Ministerial Conference of the Forum on China-Africa Cooperation (FOCAC) will bring more good news to China-Africa and China-Uganda cooperation. We look forward to working with Uganda side to promote China-Uganda cooperation to higher level.

Spokesperson of the Embassy of the People's Republic of China
In the Republic of Uganda

