

A Study of Chinese Construction Projects in Nigeria And Work Efficiency

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Abstract: China and Chinese owned firms as well as construction projects are not new in Nigeria. For instance, Chinese firm such as Chinese Civil Engineering Construction Company (CCECC) has been in operation in Nigeria for decades now. The firm has undertaken several projects. In the 21st century, CCECC has continued to win many contracts and is now competing with big names such as Julius Berger in Nigeria. However, the issue that has not been looked into is how efficient as well as effective is this Chinese firm in delivering these projects? Are there shortfalls witnessed in Chinese construction works? What makes Chinese firm increasing being sourced for today by Nigerian government? In other words, what are the advantages of sourcing for Chinese firm for Nigeria's infrastructural development? Employing primary (interviews) and secondary sources (library materials- books, journal articles, government reports, memos, briefs etc) of data, this study examined the efficiency of Chinese construction firm (CCECC) and provided answers to the research questions above.

Key Words: *China, Chinese firms, Nigeria, Work Efficiency, CCECC*

I. INTRODUCTION

China and Chinese owned firms and construction projects are not new in Nigeria. For instance, Chinese firm such as Chinese Civil Engineering Construction Company (CCECC) has been active in Nigeria for almost 3 decades now. The firm has undertaken several projects (more than 100 contracts), and has worked with more than 20,000 locals in their construction activities. From the 1990s when the first major contract for the rehabilitation of Nigeria railway was awarded to the Company by the then Nigerian Military Head of State, General Sani Abacha (when Nigerian government adopted look east policy due to Western sanctions), CCECC gained prominence in Nigeria. Precisely in 1995, the Nigerian government awarded the Firm the contract for the rehabilitation of its railways put at the tune of \$528 million. That contract was a kind of 'reward' for the role China played when General Sani Abacha was facing sanction from the Western countries. When United States and European Countries isolated Nigeria due to its human rights abuse and mainly the hanging of Ken Saro Wiwa, and 8 others from Niger Delta, China in its 'usual' manner maintained non-interference in internal affairs of other states and did not come forward to criticise the Nigerian government, and this attracted the then Nigerian government to China. It was as a result that General Sani Abacha's government made a 'u-turn' to the East. China became the Nigerian government's 'favourable' partner, and subsequently the railway rehabilitation contract was awarded to the Chinese-state firm, CCECC. The execution of that contract was not completed. The railway rehabilitation which had 4 years duration for completion was later abandoned; and reasons such as inadequate funding and non disbursement of funds on the part of the Nigerian government were giving by the Nigerian government as well as the Chinese Firm.

In the 21st century, with China's economic expansion, China and Nigeria's relations have strengthened. China, a developing country is now competing with developed world not only in the area of trade of goods (exports and imports), services, raw-materials, resources' extraction but also in the construction sector in Africa. While the construction and infrastructure sectors have traditionally been dominated by European companies such as Julius Berger, Chinese State owned Enterprises, such as CCECC are now playing a prominent role. According to Odediran et al (2012) Julius Berger Nigeria Plc remains the market leader, as it controls a large chunk of public sector construction but with the entrant of Chinese Construction giants however, the dominance of Julius Berger faces significant threat in the long term. For example, China Civil Engineering Construction Company was appointed by the Lagos State Government as the contractor for the Lagos Light Rail Project. CCECC was also awarded the rehabilitation of Lagos-Jebba rail track by the Nigerian federal government.

Today, China exports significantly services in construction projects and its Civil Engineering Construction Company is the major state firm that is engaged in construction services in Nigeria. Since Nigeria returned to democratic rule in 1999, CCECC has been Nigerian government (both federal and state governments) major partner in construction of roads, railway as well as housing. The Chinese firm has won

many contracts and it continues to win more. The increasing number of contracts executed by CCECC actually prompted this study to examine Chinese construction works in Nigeria and work efficiency. Some of the questions that this study answers are; how efficient is CCECC in delivering these projects? Are they shortfalls witnessed in Chinese construction works? What makes Chinese firm increasingly sourced for today by Nigerian government? In other words, what are the advantages of sourcing Chinese firm for Nigeria's infrastructural development?

With Introduction as Section I, section 2 gives a historical background of China's relations with Nigeria. Section 3 lists some of the CCECC past and present projects executed in Nigeria. Section 4 investigates the reasons behind the increasing sourcing of CCECC for Nigeria's construction works; it also looks the efficiency of CCECC is delivering the projects. Section 5 concludes.

II. HISTORICIZING CHINA'S RELATIONS WITH NIGERIA

China's first formal contact with Africa as a whole was made in the Bandung Conference of 1955 in Indonesia. Issues of liberation of Asian and African countries under colonial rule brought together 29 Asian and African countries for the first time in Bandung. Six African countries Egypt, Sudan, Ethiopia, Liberia, Libya, and the Gold Coast (now Ghana) were represented, as many African countries were under colonial rule. Nigeria being not independent at the time was not represented at the Conference but the Bandung Conference created 'a milestone in China's foreign policy towards the countries in Africa' (El-Khawas, 1973). A year after the Conference (1956), China established diplomatic relations with Egypt. From its Embassy in Cairo, China began to make contacts with other African countries. China made the first informal contact (commercial) with Nigeria in 1957 when it established a trade post in the country. This was followed by Chinese export of goods to Nigeria in 1958. Ogunsanwo (1974) stated that, in 1958, Nigeria bought 1.4m Euro worth of goods from China and this increased to 1.8m euro in 1959, although selling nothing in return to her. Nigeria as of 1959 became the third largest importer of Chinese goods in Africa, behind Egypt and Morocco. In 1960, Nigeria became independent from colonial rule. Nigeria at its independence (being a Western colony) consistently opposed communism, and was not among the African countries Chinese leader, Zhou Enlai visited in 1963. Chinese communist ideology was not at par with Nigerian ruling political elites. Nigeria, among other countries like Ivory Coast, Niger Republic, consistently opposed communist China in Africa (Tareq, 1971).

At independence, Nigeria had a lukewarm attitude towards the communist bloc (Bukarambe, 2005:234) which hindered establishment of diplomatic relations with China immediately after its independence. This lukewarm attitude manifested clearly in the leaders as 'neither Chief Obafemi Awolowo nor Dr. Nnamdi Azikiwe visited a communist country during their time' (Ogunsanwo, 2007). The Communist opposition was also shown during late Mrs. Ransom Kuti's visit to Beijing in the late 50s to attend the "Women International Democratic Federation" when the Prime Minister Tafawa Balewa was quoted to have said;

I must tell you quite clearly that I and my colleagues are determined that while we are responsible for the government of the Federation of Nigeria and for the welfare of its people, we shall use every means in our power to prevent the infiltration of communism and communistic ideas into Nigeria. In order to carry our policy, we shall seek to prevent Nigerians from visiting communist-controlled countries, especially if we have reason to believe that they are traveling for the purpose of indulging in communist activities (cited in Ogunsanwo, 2007)

The Nigerian government maintained its stance on non-relations with Communist countries to the extent that 'whenever government received reports of such visits to Communist countries, it ensured that such individuals were denied access to civil service employment on their return to Nigeria (Ogunsanwo, 2007). Given Nigeria's opposition of Communism and Communist ideologies, establishing diplomatic relations with China were not discussed at its independence. Nigeria's consistent opposition of communist China led to the delay of the two countries establishment of diplomatic relations after Nigeria's independence in 1960. When Nigeria's civil war broke out in 1967; the issue of establishing diplomatic relations was stretched further. China came under suspicion during the Nigerian Civil War. China was alleged to be supporting Biafra's secession bid by supplying arms and weapons to Biafra through Tanzania. With former Soviet Union supplying weapons to Nigeria, China was alleged have supplied weapons to Biafra (Bukarambe, 2005:235). China's support to Biafra seems plausible because of Sino-Soviet rivalry at the time. According to Segal (1992) the burnishing of China's credentials as the main revolutionary power 'at that period' depended on winning more support in the developing world than the Soviet Union.

However, with the hard lessons Nigeria learnt during the Civil War, following the abandonment by the Western power (Nigeria only got support from Soviet Union, a Communist country), Nigeria had to review her foreign policy to embrace all countries of the world regardless of political ideology. Thus, on February 10, 1971,

Nigeria and China established diplomatic relations. Subsequently in the 1980s, China focused on its economic reform, started by its then leader, Deng Xiaoping in 1978. China's engagement in economic reform caused minimal impact in its external relations, especially in relations with African countries, as China concentrated on its domestic economic concerns. That notwithstanding, when China in 1989 was faced with sanctions from Western countries, China got closer to African countries. Chinese goods, services and experts diverted to Africa to find markets and more economic partnerships. China was also ready to pay back to African countries for their support and this was evident in Nigeria, when China was quick to stand for Nigeria during its own sanctions in 1995. China and Nigeria's relations have continued to strengthened, first due to the South-South connection or solidarity as developing countries; second due to China's economic growth and expansion and third, Nigeria's new government dispensation that clamours for overseas investment, partnership and support for Nigeria to build and rebuild its dilapidated infrastructure after decades of military rule.

In the present 21st century, with China's economic expansion, China has placed its relations with Nigeria (as well as other African countries), on South-South connection; and this China maintained that it is in Africa (in this case Nigeria) for mutual and win-win cooperation. Such professed terms as 'win-win cooperation' are giving China smooth entrance into African countries. Africa countries such as Nigeria are canvassing for China's support and assistance in order to ascend the throne of economic powers.

Thus, China and Nigeria's cooperation are intensified in all sectors and project construction is one of the major areas. It is quite known that 'the construction industry has been one of China's economic backbones (Corkin and Burke, 2007). When Chinese Communist Party (CCP) ascended into power in 1949 after the 3 years Civil War with the Nationalist Party (now controlling Taiwan), the CCP made rebuilding its economy a priority with target on infrastructure development. Majority of the companies that undertake construction in China were state-owned, and these state enterprises became engaged in overseas businesses. For instance, China Civil Engineering Construction Company (CCECC), a state-owned firm, is one of the largest construction companies in Africa, and this is evident in Nigeria.

III. CCECC'S PAST AND PRESENT CONSTRUCTION PROJECTS IN NIGERIA

Chinese Civil Engineering Construction Corporation (CCECC) was established in 1979 according to the approval of the State Council of the People's Republic of China. Its presence in Nigeria became remarkable in the mid-1990s. Prior to its entrance in Nigeria, CCECC was already a known firm in Africa due to its execution of Tanzania-Zambia Railway project in 1976; which was the biggest economic-aid project undertaken by China in Africa in the 1970s. With China's go-out policy (as a result of economic reform) and the desire to engage its firms in international contracting and construction, the presence of Chinese firms, both state and private began to be greatly felt in Africa. The major construction project awarded to CCECC in Nigeria in the 20th century was the rehabilitation of Nigeria's railway, and that contract was awarded by then Nigeria's military leader, late General Sani Abacha (see Table 1 for details of the contract).

Table 1: CCECC Projects Awarded to China Prior to 21st Century

Past Projects Awarded to CCECC in Nigeria	Year Signed	Year of Completion
Construction/Rehabilitation and purchase of Locomotives and Rolling Stocks for the Nigeria Railway System, signed at the tune of \$528 million	December 9, 1995	Not completed

According to the contract terms, the CCECC was to engage in the construction/rehabilitation of existing Nigeria railway system including designing, surveying, elimination of sharp curves, supply of 620 locomotives and training of local technicians and skilled workers. The contract, which had 4-year duration, was later not completed by CCECC. In an interview with Senior Foreign Affairs Officer in the Nigeria's Ministry of Foreign Affairs, Mr. Usman Bakori, he pointed that the project was not completed due to inadequate funding/non-disbursement of funds, which Nigeria shares in the blame. Mr. Usman maintained that even though money was not forthcoming for the firm to complete the project, there might be other undisclosed reasons that were not available to the Ministry (at that time, the military handled external relations, sometimes without the knowledge of the Ministry of Foreign Affairs) for the abandonment of the project.

Despite the setback experienced in Nigeria's railway rehabilitation awarded to CCECC in the 1990s, CCECC has continued to bid for contracts in the 21st century and has been wining many contracts. CCECC has

become a household name in construction works in Nigeria. For instance in the Abuja Games Village Housing project won by CCECC in year 2000, CCECC constructed 60 blocks of 2 bedroom terrace houses; 40 blocks of 3 bedroom terrace houses; 13 blocks of 4 bedroom terrace houses; 4 blocks of semi-detached of 4 bedroom duplexes; 15 three-bedroom bungalows and 15 four-bedroom bungalows. CCECC construction works are notable in roads, railways and at the moment construction of international airport terminals for Nigeria. CCECC has engaged in construction works in almost all the 36 states of the Nigerian federation. Some of the construction works that CCECC has completed or engaged in are listed in Table 2 below.

Table 2: CCECC Construction Works in Nigeria in the 21st Century

CCECC Projects in Nigeria	Year Signed	Date Completed/Expected Date of Completion
Rehabilitation and Asphalt overlay of Papalanto-Lagos/Ibadan Expressway valued at US\$ 4,780,000 million	May, 2000	Completed May 2001
Construction of Houses in the Games Village of the National Stadium Complex, Abuja valued at \$50,500 million	20 September, 2000	Completed 31 August, 2003
Construction of Nigeria's Communication Commission building, Abuja valued at \$16.56 million	December 2003	Completed August 2005
Rehabilitation of Ikot Akpaden-Okoroette Road awarded by Niger Delta Development Commission (NDDC) and valued at \$5.63 million	22 September 2003	Completed 22 June 2004
Construction/Rehabilitation of Ugep, Ikom, Ogoja and Obudu Urban road under the urban renewal programme of Cross River State, awarded by the Cross River State government, and was valued at \$14.6 million	September 2003	August 2005
Construction of four new International Airport Terminals for Nigeria in 4 states- Kano, Lagos, Port Harcourt and Abuja with \$500 million loan from China Exim Bank	January, 2013	To be completed in 20 months
Construction of Abuja light rail project with a loan of \$600 million from Chinese Exim Bank	2012	2015
Construction of Lagos-Kano railway valued at \$1.49 billion	July, 2012	In 36 months

Lagos-Ibadan rail project at the support of \$1.5 million loan from Chinese Exim Bank	August, 2012	In 36 months
Rehabilitation of Lagos-Jebba rail track	Not available	Not available
Rehabilitation of Vandeikya, Benue-Obudu-Obudu Cattle Ranch 25KM Road valued at \$21.3 million	19 December 2012	2014
Construction of Lagos rail mass transit system with proposed seven lines network (red, blue, green, yellow, purple, brown and orange) funded by Lagos State Government. CCECC won the blue line in two phases. The first phase includes the National Theatre to Mile 2 and the second phase includes mile 2 to Okokomaiko and this is valued at \$1.2b	2011	2015

Source: Ministry of Works, Abuja; CCECC office, Abuja

In recent years, CCECC is undertaking and executing numerous significant projects ranging from railway, light rail, expressway to bridges, buildings, and municipal works. Many of the records of CCECC projects were not made available by the CCECC office in Nigeria. The reason giving was that there was no compiled record of these projects as at the time I visited the CCECC office in Abuja, Nigeria. Nonetheless, a Nigerian staff of CCECC that has worked with CCECC since the 1990s pointed that CCECC construction projects in Nigeria are enormous (more than 100 contracts). CCECC has successfully signed other contracts for many large-scale projects in Nigeria such as Nigeria Railway Modernization of Abuja-Kaduna Section valued at 850 million USD in 2010; Nigeria Railway Modernization of Lagos-Ibadan Section valued at 1.487 billion USD and Nigeria Badagry Express Road Project valued at 941 million USD. The number of CCECC’s projects is many, in essence guaranteeing CCECC for increasing business development in Nigeria shown in its ever growing strength for project contracting.

CCECC is diversifying into real estate development and also intends to expand its investments in Nigeria to include manufacturing (cement), seaports, railways, Highways development, Steel, amongst others. According to the President, CCECC, Mr, Yuan Li, ‘CCECC would soon commence construction work for CCECC Plazas in Abuja and Lagos’, revealing the intensifying penetration of CCECC into Nigeria’s economic sector. Nigeria’s former Minister of Works, Mr. Mike Onolomemen pointed that in his Ministry’s execution of road projects worth over \$2billion, CCECC was a major contractor. CCECC is already competing with big construction firms in Nigeria such as Julius Berger, shown in the large projects undertaken by the firm. In April 2106, the incumbent Nigerian President, Muhammadu Buhari got a loan of \$2 billion US dollars for construction of metro rail stations connecting Calabar to Lagos, and Chinese firm CCECC is to undertake the project. In all these construction works by CCECC the question is; what are the motivations behind Nigerian government sourcing of CCECC; how efficient is this firm in its construction works in Nigeria?

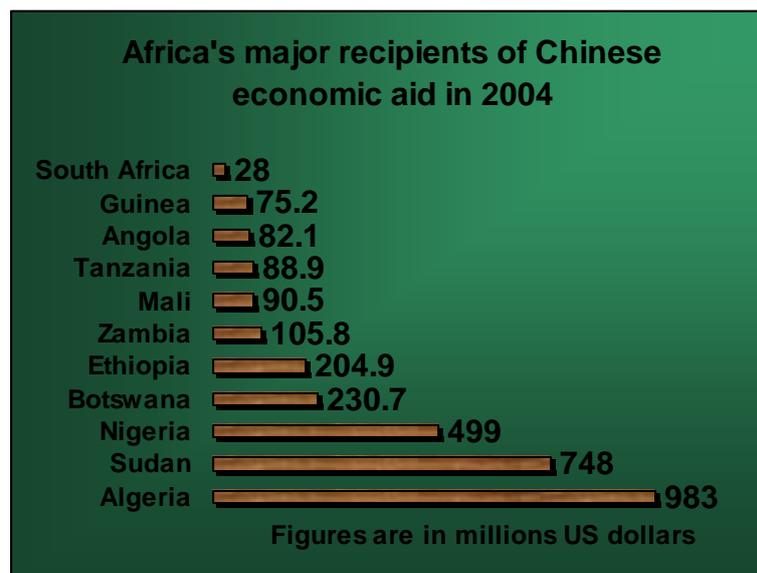
IV. NIGERIAN GOVERNMENT AND SOURCING OF CHINESE FIRM: MOTIVATIONS/REASONS

Evidently, Chinese Civil Engineering Construction Company (CCECC) has constructed various projects in Nigeria and is still executing more projects. China’s cheap labour and low price for project execution seemed to have attracted Nigerian government and many other African leaders. It is known that in the area of contract bid, ‘China undercuts the closest bidder by 25%’ (Corkin, 2006). As stated by Corkin and Burke (2007), the success of China’s companies, particularly state-owned enterprises as CCECC, is attributed to

factors such as cost competitiveness in overall bidding price. Also, China's loan tied to infrastructure development is a source of attraction not only for Nigerian government but other African countries. Majority of China's construction projects are supported by Chinese loans. China's Export-Import Bank (established in 1994) is the main entity the Chinese government uses today to dispense its loans worldwide, including Africa. The loans by Exim Bank are both concessional (akin to those provided by the multilateral aid institutions, such as World Bank), and non-concessional loans (support given on terms that are more in line with commercial lending (Broadman, 2007).

The fact that China supports its construction works in Nigeria with its loans now makes China a suitable partner to cling to. Access to cheap capital through China Exim Bank; access to low cost skilled labour available in China with its China's large population, and access to cheap building materials through supply chains are great pluses for CCECC. It was gathered that the first railway contract awarded to China in Nigeria was not completed because of inadequate funding from the Nigerian government, but with China's economic expansion and 'with more money' to put on the table, African countries such as Nigeria sources for China in their infrastructural development.

What distinguishes China's loan from Western countries is no strings attached, and Nigeria just like many other African countries welcomes such aid where it does not have to keep to political conditions. In its 2006 released Africa Policy Paper, China rejects the Western policies of conditional assistance, and maintained that its aid and assistance are based on no quid pro quo. China presents itself as an alternative to the West, and its aid policies are welcomed in many African countries. For instance, countries such as Zimbabwe has adopted a Look East Policy. Even though Zimbabwe's 'new policy' could be attributed to its questionable human rights records and sanctions from the West, other countries such as Nigeria that is not under sanction have been seeking more partnerships and support from China. As of 2004, Nigeria was among the three major recipient of China's unconditional aid (Kobus and Kotze, 2006), which China 'often ties to infrastructure development' (Hutchinson, 1975).



Source: Kobus, Van der Wath and Kotze Dirk, 'Africa and China: A Neglected Opportunity', African Analyst Quarterly, Issue 1 Third Quarter, 2006

According to Broadman (2007) in 2006, China Exim-Bank loan in the infrastructural sector to Sub-Saharan Africa amounted to over \$12.5 billion, and these loans were concentrated in just few countries- Sudan, Algeria, Angola and Nigeria. So far, the biggest contracted project China got in Africa is the rehabilitation of Nigeria's railway system and construction of new ports (Wenping, 2003). Without doubt, China's Exim Bank loan used by Chinese government to support overseas government and its firms in bidding for contract has given CCECC an edge over other major foreign construction firms such as Julius Berger.

In addition, being a state owned firm, CCECC tends to have an advantage over other overseas firms in foreign market penetration because of the support Chinese state owned firms receive from their government. Chinese state owned firm such as CCECC gets political support from the Chinese government channelled through Chinese embassies and Economic and Commercial Counsels in the respective African countries. As a large construction company, CCECC gets little or challenge from indigenous firms when large projects are

involved, since most Nigerian indigenous construction firms do not get such funding support that Chinese state firms get. Moreover, 'Nigerian contractors remain inexperienced and therefore unable to compete with their foreign counterparts' (Odediran et al, 2012).

It is quite evident that Nigerian firms still lags behind in construction despite huge deficit in the country's infrastructure, and this was attributed 'to the inability of the government to train the indigenous firms' (Odediran et al, 2012). The choice and preference for engaging foreign contractors as compared with other indigenous firms is majorly on lack of technical competence, deficiency in managerial skills and planning (Odediran et al, 2012), as well as financing.

Ordinarily, the major strength of Chinese construction firms both in their own market and abroad is that they often avail themselves of generous governmental financing. For example, in bidding for aid-funded projects in Zambia, China has a marked advantage over other firms because it provided cash 'up-front' for the 2% bid bonds that are required (Sridharan, 2007). Nigeria, just like other African countries, has difficulty in financing (being a developing country with many developmental challenges, including finance) indigenous firms or projects as the case may be, and that leaves Chinese government firms, such as CCECC with a great competitive advantage. For China too, Nigeria as the largest economy in Africa is an attractive destination. It is clear that with the opening up of Chinese domestic market, Chinese companies no longer have the market monopoly they once enjoyed and now need to expand into new markets (Corkin and Burke, 2007), and that means they must devise carrot strategies such as giving out loans and cheap bidding to outbid other contenders.

It is important to recall that China was re-awarded the rehabilitation of Nigeria's railway by former Nigeria's President, Olusegun Obasanjo in 2005, after the project failed in 1996. The difference this time from the former contract is that China provides the loan for the execution of the 'new' contract (Ogunsanwo, 2007). China is constructing this project with loan from China Exim Bank and Chinese experts/engineers. China is currently the biggest lender to, and investor in infrastructure development in the African continent (Cheru and Obi, 2010). The support of Chinese government to its construction firms is in line with its go-out policy, targeted at gaining increased access to international market and being able to compete globally. Going global paves the way for China to gains access to raw materials, foreign exchange and expanded export markets. China's rapid economic expansion has provided continuous momentum for China which currently has the largest construction market in the world (Corkin and Burke, 2007). The capacity of the Chinese Construction market is illustrated in the sheer volume of size: as of 2005, there were 15,545 design firms and 104,297 construction firms in China, employing upwards of 40 million people (Sridharan, 2007).

China's construction works have been rated well by the Nigerian government. According to the former Nigeria's Aviation Minister, Mrs. Stella Oduah, during the signing of the construction of four new international airport terminals with CCECC in 2013, CCECC was adjudged a reputable construction firm that would give Nigeria the best. In her words:

The desire to have the best for Nigerian airports informed the decision to work with a reputable, world class construction firm, like CCECC. I have no iota of doubt in her mind on either the quality of job to be delivered by CCECC or the completion timeline since due diligence was conducted before the federal government finally settled for CCECC (cited in CCECC, 2013).

In an interview with China's Economic Counsellor at the Embassy of the People's Republic of China in Nigeria, Mr. Zhou Shanqing maintained that if Chinese firms are not delivering effectively and efficiently, CCECC would not have won numerous contracts in Nigeria. The fact that CCECC is the biggest Chinese company doing business in Nigeria, with a local staff strength of over 20,000; an expatriate quota of over 1000 Chinese citizens, and executed projects that are over 100 (and is still executing more) signify that the firm to an considerable extent is reliable and of good standing. Chinese Civil Engineering Construction firm has executed awarded projects, as shown in the completed projects in Table 2 above. In an interview with Mr. Etim, a senior Staff in the Nigeria's Ministry of Work, he pointed that Chinese CCECC is a dependable firm that Nigerian government would want to continue to partner with, not only because of its loans but also its quality works. In the area of construction, quality delivery and efficiency, CCECC is believed not to have failed.

However, in the area of working conditions for Chinese Companies' employees, some complaints were made. Nigerians have raised concerns on the poor working conditions exhibited in Chinese firms, and CCECC is no exception. Although many Nigerians are working with CCECC, the issue of poor salary, long working hours and lesser positions offered to Nigerians are major challenges for Nigerian workers. A Nigerian graduate that worked with China Civil Engineering Construction Company (CCECC) in Katsina State Branch confirmed that most high positions such as managers and accountants are occupied by the Chinese with the exception of the post of secretary/personal assistant that are mainly given to women, all other Nigerian staff work at the field with unfriendly Chinese supervisors. He narrated his experience with the Chinese Company as thus:

For the two years (2005-2007), I worked with the Chinese, there was no employment letter as they continued to promise to give with nothing seen, and that was the same with the people employed before me. I perceived the non-giving of employment letter as a plot used to Chinese to sack people at any time, and also a way not to commit to any payment of benefit in case of any problem. Nigerians operate the machines and do the entire site works while the Chinese supervise. My experience with the Chinese made me to leave. As at 2006, my salary as a graduate engineer was only N15, 000 and I worked everyday of the week (even on Sunday) from 7am-7pm.

To support the views above, on 1st February, 2013, Nigerian workers at China Civil Engineering Construction Company protested in Lagos over what they called ‘anti-labour practices (Business day, 2013) of the company. Nonetheless, it seemed that Chinese firms’ anti-labour practices have become its strength in gaining ground in African countries. According to Sridharan (2007), Chinese firms’ greatest successes are highly concentrated in markets in developing countries that more closely resemble their domestic scene. In African markets (as against the Western markets where standards are maintained), Chinese firms can often bring their own labor, work as they please, and pay attention to environmental concerns as they are accustomed; and there is little concern about being taken to court, especially as most African countries are quite grateful for the Chinese projects they receive, which are usually at a significantly lower economic cost than other international bids (Sridharan, 2007).

V. CONCLUSIONS

It is an established fact that Chinese state owned firm, CCECC is playing an active role in Nigeria’s construction sector. Gaining entrance in Nigeria’s infrastructure development in the 1990s, CCECC is today a household name in Nigeria’s construction. The firm is now competing with traditional and prominent European firm such as Julius Berger. With the support and financing of construction projects offered by Chinese government to its firm that operate overseas, especially in Africa, CCECC has executed more than 100 projects in Nigeria and is still executing more. More importantly, what makes CCECC a preferred partner by the Nigerian government is Chinese government loans that it is willing to give to support infrastructure development. With its unconditional and ‘forthcoming’ loans managed by China Exim Bank, China serves as an alternative to Western countries, or Western firms. China’s low cost contract bidding has also given CCECC an edge over both foreign and indigenous firms in Nigeria.

While CCECC employing of great number of local staff is welcomed, the poor treatment of employees has been a source of concern; but such concerns have not affected their ability to win more contracts. The well rating of the efficiency of Chinese Civil Engineering Construction Company (CCECC) in executing projects in Nigeria is primarily shown in the number of contracts won. The argument of the Nigerian government is that if CCECC is not efficient in project construction, then Nigerian government would not have been awarding the firms more contracts. That is to say that it is the firms’ efficiency that has earned it more contracts in Nigeria. Besides, with China’s rapid economic growth, and great attraction from Nigerian leaders, it is not totally wrong to say that Chinese construction firm, CCECC would undoubtedly be given more construction opportunities in Nigeria.

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