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CHINA HORIZONS

DEALING WITH A RESURGENT CHINA

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Interests first: China's playbook for post-conflict reconstruction and implications for Ukraine

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Key findings:

1. China has developed a track record and a growing global role in post-conflict reconstruction and expressed willingness to contribute to rebuilding Ukraine when the time comes.
2. Chinese actors bring an attractive mix of capabilities, including multiple companies experienced in delivering big infrastructure projects, plus attractive loan terms from state-backed banks and fewer concerns about recipients' debt burden than many lenders.
3. China's approach differs from Western ones, stressing economic growth before political reforms or governance issues. Its "development first" approach finds favor with host countries.
4. Beijing's key considerations tend to be the ability to obtain access to oil and other minerals that contribute to China's economic security, and the security of assets and citizens. Both goals are pursued through intense cultivation of local authorities. Geopolitical and strategic considerations, either for its own security (as in Afghanistan) or its competition with the United States, also shape the type and depth of China's involvement.
5. Beijing favors a bilateral approach that readily turns transactional and, though willing to lend rhetorical support to UN-led efforts, China's donations are minor, and it has limited in-country engagement with other international actors.
6. China-US strategic competition is likely to make collaboration harder. Europe should explore ways to cooperate with China that benefit reconstruction processes, but European actors must be realistic. China's rejection of values-based approaches will clash with Europe's and create challenges for European interests.

Introduction: China's growing role in post-conflict reconstruction

International stakeholders are starting to grapple with the question of Ukraine's eventual reconstruction. It will be challenging and expensive. The estimated costs were EUR 506 billion over ten years in the February 2025 Rapid Damage and Needs Assessment, released jointly by Ukraine's government, the World Bank, the European Commission and the United Nations. This was more than 10 percent higher than their EUR 452.8 billion estimate in February 2024. The longer the war continues, the more expensive reconstruction and recovery will be.¹

Ukraine is not alone in needing substantial reconstruction support from multiple international partners. Rebuilding Gaza was costed at more than USD 53 billion in a February 2025 interim needs assessment from the World Bank, the UN and the EU.²

Although committed to contributing, Europe and like-minded partners may not be able to cover all of Ukraine (or Gaza's) needs, even before considering other conflicts and post-conflict nations. Efforts will also be hampered by European budgetary constraints and US reluctance to fund overseas aid, expressed in the Trump administration's closure of the United States Agency for International Development (USAID). China is already signaling interest in filling some of the gaps left by Western countries.

China expressed its willingness to participate in Ukraine's reconstruction in its 2023 position paper on a political settlement for the war.³ It has also supported an Egyptian-led Gaza reconstruction plan.⁴

China's involvement in post-conflict reconstruction has significantly expanded since it launched the Belt and Road Initiative (BRI) in 2013. It now has a track record in such work and its own approach. Chinese actors have experience and appealing capabilities: they can act quickly, offer attractive conditions and draw in many companies specializing in large infrastructure projects in sometimes unstable settings. They also tend to worry less about recipient countries' debt to GDP levels than other international lenders do.

China is not always welcomed as a key partner, but its contribution is often deemed necessary. Kyiv, for example, remains skeptical of Chinese contributions because of Beijing's support for Russia's war economy, but may need its aid nonetheless. China's global role in reconstruction and development is likely to increase, if only because the cost of

¹ European Commission (2025). "Updated Ukraine Recovery and Reconstruction Needs Assessment Released". Directorate-General for Enlargement and Eastern Neighbourhood. February 25. https://enlargement.ec.europa.eu/news/updated-ukraine-recovery-and-reconstruction-needs-assessment-released-2025-02-25_en Accessed: 22 October 2025.

² World Bank (2025). "Gaza and West Bank Interim Rapid Damage and Needs Assessment (February 2025)". World Bank Group. February 21. <https://thedocs.worldbank.org/en/doc/133c3304e29086819c1119fe8e85366b-0280012025/gaza-rdna-final-med> Accessed: 22 October 2025.

³ Ministry of Foreign Affairs of the People's Republic of China (2023). "China's Position on the Political Settlement of the Ukraine Crisis". February 24. https://www.mfa.gov.cn/eng/zy/gb/202405/t20240531_11367485.html Accessed: 22 October 2025.

⁴ Fu Cong 傅聰 (2025). "Remarks on the Palestinian-Israeli Issue by China's Permanent Representative to the UN Ambassador Fu Cong at the UN Security Council Briefing". Ministry of Foreign Affairs of the PRC. March 18. https://www.mfa.gov.cn/eng/xw/zwbdt/202503/t20250324_11580638.html Accessed: 22 October 2025.

reconstruction tends to be so high that contributions will need to come from as many countries as possible.

Europe can expect China's growing role as a reconstruction and development actor to present growing economic and geopolitical challenges, although some opportunities for collaboration, or simply necessary coordination, might also emerge. It is worth considering how Beijing typically approaches post-conflict reconstruction in order to anticipate what kinds of risks and opportunities China's role might present for Europe in Ukraine, and beyond.

This study will look at China's involvement in the reconstruction of Syria, Iraq, Afghanistan, Ethiopia and South Sudan. Both the EU and China played a significant role in these processes, which mostly took place between the 2013 launch of the BRI and 2024. It will identify China's patterns of action to enable a more nuanced discussion of opportunities and challenges so European actors can craft better-targeted responses.

Beijing's "development-first" approach supports its interests

China's official discourse highlights its "great power" responsibility to contribute to post-conflict reconstruction⁵ and thereby demonstrate its capacity to lead in global governance and provide "Chinese solutions" (中国方案) for developing nations.⁶

Chinese officials criticize the Western focus on political change in post-conflict societies, objecting that it has led to failed nation building.⁷ Instead, its "development-first" approach prioritizes economic development over political reform. This approach relies on economic growth to bring stabilization (often by building infrastructure) and allows Beijing to secure economic opportunities. This view is in line with the growing securitization of China's development interests. Ensuring the international community gives China space and opportunities to fulfil its development needs has become a matter of growing importance for Beijing, against the background of an international environment that is seen as increasingly hostile.

China's approach to reconstruction is primarily driven by its own (geo)political and (geo)economic interests. Beijing's strategic considerations shape the form and depth of its

⁵ State Council of the People's Republic of China (2021). "新时代的中国国际发展合作白皮书" (White Paper on China's International Development Cooperation in the New Era). January 10. https://www.gov.cn/zhengce/2021-01/10/content_5578617.htm Accessed: 22 October 2025.

⁶ Sun Degang 孙德刚 (2019). "中国在安理会参与中东的冲突解决：原则、路径与实践" (China's Participation in Middle East Conflict Resolution at the UN Security Council: Principles, Approaches, and Practices). 世界政治研究 World Politics Studies, China Renmin University, 2019, Vol 2. <http://sis.ruc.edu.cn/docs//2025-01/bcee4b8792c44fb180aff7ea7e8c040a.pdf> Accessed: 22 October 2025.

⁷ Sun Degang 孙德刚, Wu Sike 吴思科 (2020). "新时代中国参与中东安全事务：理念主张与实践探索" (China's Engagement in Middle East Security Affairs in the New Era: Conceptual Proposals and Practical Explorations). 中国国际问题研究院 China Institute of International Studies. July 23. https://www.ciiis.org.cn/gjwtyj/dqak/202009/t20200918_7463.html Accessed: 22 October 2025.

involvement and have led to different engagements with the post-war reconstructions of Iraq, South Sudan, Ethiopia, Afghanistan, and Syria. In Iraq⁸ and South Sudan,⁹ China was primarily motivated by gaining access to oil and by the need to secure its energy supply. In Afghanistan, the rationale was more complex, combining concerns over border security with interests in the country's natural resources, such as oil and critical minerals.¹⁰ In Syria, meanwhile, China's support for the Assad regime was shaped by geopolitical ambition and the strategic location of the country for energy transit and other trade routes.¹¹

More concretely, when it comes to defining the level of Chinese engagement in different reconstruction scenarios, and the chance that commitments eventually materialize, three main factors can be identified from Chinese writings published in authoritative journals.

First, internal security and stability matter for large-scale infrastructure projects, to avoid losses caused by a changing security environment, confiscation or other disruptions. To protect these projects, China's government prioritizes engagement with the central and local authorities in host states.¹² Private security companies and local militias also play key roles in safeguarding these investments.¹³

Second, access to natural resources that can generate returns and contribute to China's energy security objectives is a major consideration. Many Chinese infrastructure investments are backed by host governments through guarantees of access to natural resources, as seen in Iraq and South Sudan.

Third, Beijing's geopolitical and strategic interests play a key role in shaping China's involvement. With an interests-based approach to reconstruction, China weighs the impact of national and regional dynamics and of establishing a strong position in the country on its global posture, its competition with the United States, its relations with other developing

⁸ Hussein Askary, Li Xing 李形, Li Qing 李青 (2024). "共建"一带一路"国家基础设施融资的五种渠道" (Five channels for financing infrastructure in Belt and Road Initiative countries). 习近平外交思想和新时代中国外交 China's Diplomacy in the New Era. December 16. http://cn.chinadiplomacy.org.cn/2024-12/16/content_117609220.shtml Accessed: 26 October 2025.

⁹ Cao Fengyu 曹峰毓, Wang Tao 王涛 (2017). "南苏丹石油出口通道问题探析" (Analysis of the outlets for South Sudan Oil Exports). 非洲研究 African Studies, 2017 Vol 2, pp. 3-17. https://ias.zjnu.edu.cn/_upload/article/files/5e/25/48546ba04df68aa8011b0b8558f3/e836bfe5-629a-43d6-ba8a-0e3f44f026a9.pdf Accessed: 26 October 2025.

¹⁰ Liu Zhongmin 刘中民, Fan Peng 范鹏 (2015). "中国对阿富汗重建的外交参与" (China's Diplomatic Involvement in the Reconstruction of Afghanistan). Asia & Africa Review, 2015 Vol 1, pp 11-24. https://mideast.shisu.edu.cn/_upload/article/d1/a3/53df137e4e2faef5b5600c7c47ad/4200a6c7-ecd5-4791-8afb-9a348365f97f.pdf Accessed: 26 October 2025.

¹¹ Zhang Xinping 张新平, Dai Jiawei 代家玮 (2019). "中国参与叙利亚重建的动因?挑战与方式" (China's Motivations, Challenges, and Methods for Participating in Syria's Reconstruction). 国际展望 Guoji Zhanwang, 上海国际问题研究院 Shanghai Institutes for International Studies, Jan 2019, pp. 138-155. <https://www.sis.org.cn/updates/cms/old/UploadFiles/file/20190114/201901010%20%E5%BC%A0%E6%96%B0%E5%B9%B3.pdf> Accessed: 26 October 2025.

¹² Ministry of Commerce of the People's Republic of China 中华人民共和国商务部 (2024). "2024年版对外投资合作国别 (地区) 指南-伊拉克" (2024 Edition of Country (Region) Guide for Foreign Investment and Cooperation – Iraq). December. <https://www.mofcom.gov.cn/dl/gbdqzn/upload/yilake.pdf> Accessed: 22 October 2025 ; Chen Zhaoyuan

陈兆源 (2021). "中国直接投资与埃塞俄比亚国家能力建设" (China's Direct Investment and Ethiopia's National Capacity Building). 世界政治研究 World Politics Studies, China Renmin University, 2021, Vol 1. <http://sis.ruc.edu.cn/docs//2025-01/b1960158b00442bd9e7ede769efdca22.pdf> Accessed: 22 October 2025.

¹³ Ibid.

countries, and its overall ability to reach its grand geopolitical objectives. Beijing's wish to protect its interests in Xinjiang, for example, helps explain its involvement in Afghanistan.

Fundamentally, assessments of whether their engagement would serve China's long-term strategic objectives tend to be the decisive factor in defining the willingness of Chinese actors to get involved in reconstruction processes, as well as the extent of their involvement.

China's pledges do not always materialize



Selected Chinese investment commitments in five countries, and their current status

COUNTRY	YEAR	PLEDGE	STATUS
Afghanistan	2002-2017	USD 523.7m pledges	Unclear delivery
	2021	USD 31m emergency aid	Partially delivered
	2022	RMB250m (~USD 37.4m) aid	Confirmed delivered
Ethiopia	2016	USD 4b (Addis-Djibouti railway)	Completed and operational
	2023	Support for Tigray reconstruction (no amount)	Unclear delivery
	2025	USD 1.7b mining & energy deals	Pending
Iraq	2017	USD 11.7m aid; USD 6.7b debt forgiveness;	USD 6.7b – debt forgiven USD 11.7m – unclear delivery
	2019	USD 10b (oil-for-reconstruction)	Deal restarted in 2025 after a brief suspension
South Sudan	2019	USD 736m (oil-for-roads)	Phase 1 (392 km) built
Syria	2017	USD 2b reconstruction pledge	Not materialized
	2023	RMB 30m (~USD 4.4m) earthquake aid	80 tons of supplies delivered

Source: AidData, CIDCA, China MFA, SIPRI, MERICS research

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China's post-conflict reconstruction playbook

Today, China has a track record in reconstruction work and its own approach. Each conflict and country are unique, and so are the details of China's role, but patterns of behavior emerge from Chinese involvement in Afghanistan, Iraq, Syria, Ethiopia and South Sudan.

China prioritizes economic engagement, moving early to secure long-term influence

Beijing's involvement in post-conflict reconstruction is closely linked to the CCP's worldview, its offer to third countries, and its long-term strategic objectives. Beijing frequently favors early engagement, often while the conflict region is still unstable, and prioritizes economic ties above other forms of cooperation or aid.

China got involved early in Syria, Iraq, Afghanistan, South Sudan and Ethiopia, with offers to expand trade ties, integrate them into the BRI, and make long-term investments in critical sectors. Reconstruction presented a chance to secure access to natural resources and to build a stake in new markets.

For Chinese companies, the party-state's geopolitical and strategic interests take precedence, though they also pursue their own commercial interests. The party-state's focus on protecting the security of China's overseas interests reassured Chinese firms of Beijing's willingness to back them in long-term projects.

For example:

- In Afghanistan in the late 2000s, Chinese companies signed a 25-year contract to develop oil deposits in the Amu Darya basin and a 30-year extraction deal for the Mes Aynak copper deposit (including building a railway to China via Pakistan).¹⁴ Meanwhile, thousands of additional US troops were being deployed to stabilize the situation.
- In 2008, China National Petroleum Corporation (CNPC) became the first foreign company to sign an oil production deal with Iraq since the war began in 2003.¹⁵
- China was among the first to offer support for Ethiopian reconstruction efforts in the aftermath of the Tigray War in January 2023,¹⁶ resuming the long-term Mekelle City Water Supply Project, originally started in 2018 and largely funded by state-owned China Exim Bank.¹⁷

¹⁴ Harooni, Mirwais (2011). "Afghanistan signs major oil deal with China's CNPC". Reuters. December 28. <https://www.reuters.com/article/business/energy/afghanistan-signs-major-oil-deal-with-chinas-cnpc-idUSL3E7NS40J/> Accessed: 22 October 2025 ; RFE/RL's Radio Azadi (2024). "China Breaks Ground On Massive Afghan Copper Mine After 16 Years Of Delays". Radio Free Europe/Radio Liberty. July 25. <https://www.rferl.org/a/china-afghanistan-mes-aynak-copper-mining/33050447.html> Accessed: 22 October 2025.

¹⁵ Al Jazeera (2008). "China agrees \$3bn Iraq oil deal". Al Jazeera. August 28. <https://www.aljazeera.com/news/2008/8/28/china-agrees-3bn-iraq-oil-deal> Accessed: 22 October 2025.

¹⁶ Nyabiage, Jevans (2023). "China pledges support for reconstruction efforts in war-torn Ethiopia". South China Morning Post. January 12. <https://www.scmp.com/news/china/diplomacy/article/3206458/china-pledges-support-reconstruction-efforts-war-torn-ethiopia> Accessed: 22 October 2025.

¹⁷ AidData (no date). "Chinese Government provides RMB 540 million interest-free loan for Mekelle City Water Supply Project, Project ID: 66045". <https://china.aiddata.org/projects/66045/> Accessed: 22 October 2025.

- In South Sudan, CNPC was building connections with the future government prior to independence in 2011.¹⁸ In January 2012, they established an office in Juba.¹⁹ By 2013, there were already more than 100 Chinese companies in the country exploring business opportunities.²⁰

These were risky bets, driven by Beijing's strategic desire for access to critical resources, a greater global footprint and credentials as a good partner to developing countries. Reality seldom matched China's rhetoric and promises: many projects never materialized, or were put on hold for extended periods of time once it became clear stability could not be guaranteed.

The security of Chinese nationals and assets shapes follow-through on projects

Protecting Chinese nationals and assets in post-war situations is a priority for Beijing, especially since the Arab Spring forced the evacuation of more than 35,000 nationals from Libya.²¹ This was the first time that Beijing deployed military assets far away from its borders to protect its citizens. China has since developed a system to secure investments and protect workers and expatriates overseas. Early involvement in peace talks, building relationships with local actors from all sides, pressure on local governments for security resources to protect Chinese projects all play a role, along with contracting Chinese private security companies.

How effective these tools are often shapes Chinese actors' delivery on reconstruction-related promises and commitments.

For instance, China's involvement in Syria's reconstruction during the Assad years remained limited to government-controlled areas, mainly due to Damascus' inability to guarantee the security of Chinese investments elsewhere in the country. Similarly, Chinese projects in Afghanistan struggled as successive governments proved unable to guarantee their safety.²² Where local actors failed to protect them, many – if not most – of China's promised projects and investments failed or were abandoned, notably in Afghanistan and South Sudan.

Building local relationships is at the center of China's strategy

Relationship-building with local governments and authorities is fundamental to how Beijing tries to guarantee its in-country interests. In all the cases considered here, it leaned on host countries to use their resources and security forces to protect Chinese investments.

China's engagement in long-running talks or mediation processes, as with Afghanistan or South Sudan, smoothed entry into the country for Chinese firms once the conflict ended. In

¹⁸ International Crisis Group (2017). "China's Foreign Policy Experiment in South Sudan". International Crisis Group, Asia Report 288. July 10. <https://www.crisisgroup.org/africa/south-sudan-china-sudan/288-chinas-foreign-policy-experiment-south-sudan> Accessed: 22 October 2025.

¹⁹ Bodetti, Austin (2019). "How China Came to Dominate South Sudan's Oil". The Diplomat. February 11. <https://thediplomat.com/2019/02/how-china-came-to-dominate-south-sudans-oil/> Accessed: 22 October 2025.

²⁰ International Crisis Group (2017). "China's Foreign Policy Experiment in South Sudan". International Crisis Group, Asia Report 288. July 10. <https://www.crisisgroup.org/africa/south-sudan-china-sudan/288-chinas-foreign-policy-experiment-south-sudan> Accessed: 22 October 2025.

²¹ Duchâtel, Mathieu; Bräuner, Oliver; Shou Hang (2014). "Protecting China's Overseas Interests: the slow shift away from non-interference". SIPRI Policy Paper 41. June. <https://www.sipri.org/sites/default/files/files/PP/SIPRI41.pdf> Accessed: 22 October 2025.

²² Vasselier, Abigaël (2016). "Chinese Foreign Policy in South Sudan: the View from the Ground". Jamestown, China Brief Volume 16, Issue 13. August 22. <https://jamestown.org/program/chinese-foreign-policy-in-south-sudan-the-view-from-the-ground/> Accessed: 22 October 2025.

Iraq, meanwhile, China leverages the BRI to build connections with 11 political parties, which were invited to take part in a BRI exchange mechanism, first convened in 2020.²³

This approach was not always sufficient. Insecurity often remained high, and attacks (including against Chinese interests) proliferated. In South Sudan, Upper Nile rebels kidnapped four oil workers to pressure a CNPC-Sinopec-Petronas consortium to leave the country in 2017.²⁴ Islamic State – Khorasan Province (IS-K) gunmen bombed and stormed a Kabul hotel popular with Chinese nationals in 2022.²⁵ Chinese private security companies were hired in both countries: the DeWe Security Group helped evacuate 300 Chinese oil workers from South Sudan in Juba in 2016.²⁶

Beijing has no military presence in any of the five countries except South Sudan, where it has participated in a UN Peacekeeping mission. It tried to direct its contribution to protect Chinese assets, asking for its first battalion to be posted near the borders and the oil fields with a mandate to secure its infrastructure and projects.²⁷

In future scenarios, Beijing is likely to continue its early engagement in peace talks and mediation efforts to scope out possibilities for the subsequent reconstruction and stabilization.

State-owned enterprises lead China's reconstruction efforts

China's development and reconstruction work has several key actors. Nominal authority over development cooperation efforts sits with the Chinese International Development Cooperation Agency (CIDCA), established in 2018. The Ministry of Foreign Affairs is another important stakeholder. However, China's growing role in development financing rests on the state-run Export-Import Bank of China (Exim Bank) and China Development Bank, under the leadership of the Ministry of Commerce (MOFCOM).

State-owned enterprises (SOEs) make up the majority of Chinese firms involved in reconstruction projects. This is part of Beijing's risk-management strategy. Backed by Exim Bank and CDB, they can take on higher risks and offer better prices than private or Western competitors. In Iraq's first oil auction in 2009, this allowed Chinese SOEs to outcompete Western energy giants like Shell or ExxonMobil.²⁸ Chinese private firms, more driven by

²³ International Department, Central Committee of CPC (2020). "The Belt and Road Exchange Mechanism Between Chinese and Iraqi Political Parties Officially Established and the First Online Exchanges Held". November 30. https://www.idcpc.gov.cn/english2023/ldt/202012/t20201204_160515.html Accessed: 22 October 2025.

²⁴ Dumo, Denis (2017). "South Sudan rebels say seize four oil workers, demand firm's exit". Reuters. March 20. <https://www.reuters.com/article/world/south-sudan-rebels-say-seize-four-oil-workers-demand-firms-exit-idUSKBN16R16J/> Accessed: 22 October 2025.

²⁵ Reuters (2022). "Kabul hotel attack ends as three gunmen killed; two foreigners injured". Reuters. December 12. <https://www.reuters.com/world/asia-pacific/armed-men-open-fire-kabul-building-housing-foreigners-sources-2022-12-12/> Accessed: 22 October 2025.

²⁶ Bartlett, Kate (2023). "How Chinese Private Security Companies in Africa Differ From Russia's". VOA News. March 31. <https://www.voanews.com/a/how-chinese-private-security-companies-in-africa-differ-from-russia-s-/7030946.html> Accessed: 22 October 2025 ; Legarda, Helena; Nouwens, Meia (2018). "Guardians of the Belt and Road: the internationalization of China's private security companies". MERICS. August 16. <https://merics.org/en/report/guardians-belt-and-road> Accessed: 22 October 2025.

²⁷ Vasselier, Abigaël (2016). "Chinese Foreign Policy in South Sudan: the View from the Ground". Jamestown, China Brief Volume 16, Issue 13. August 22. <https://jamestown.org/program/chinese-foreign-policy-in-south-sudan-the-view-from-the-ground/> Accessed: 22 October 2025.

²⁸ Korosec, Kirsten (2011). "Iraq Oil Auction: China's Public Display of Aggression, BP-led Bid Scores Deal". CBS News. January 11. <https://www.cbsnews.com/news/iraq-oil-auction-chinas-public-display-of-aggression-bp-led-bid-scores-deal/> Accessed: 22 October 2025.

commercial considerations, play a role too, but a relatively minor one with the exception of the telecoms sector, where Huawei has been a major actor.

Chinese actors prioritize the critical infrastructure sector in reconstruction

China has a clear preference for large scale projects in infrastructure, natural resources and agriculture, whereas Western donors often focus more on governance and rule of law, healthcare and education.

China's preference was visible in Syria, Iraq, Afghanistan, Ethiopia and South Sudan.²⁹ Projects were primarily in critical infrastructure, particularly energy, transport, mining and telecommunications - all highly strategic sectors for securing China's access to resources and raw materials.³⁰ Owning or operating critical infrastructure can also create dependencies and potential leverage in recipient countries. On the commercial front, Chinese SOEs' excess capacity at home pressured them towards export markets and enabled them to outcompete Western rivals with cheaper conditions, faster timelines and unique state guarantees.

China's contribution to rebuilding public health and education systems in these countries was marginal, and largely nonexistent in rule of law and governance. However, the politicization of development suggests the education and governance sectors could become increasingly contested, which might lead to greater Chinese interest.

Only in the security sector was China more willing to contribute, training local police and supplying military equipment. For instance, China sold CH-4 armed drones and guided bombs to Iraq between 2014-16. It provided anti-tank missiles to South Sudan in 2013, shortly after independence.³¹ It also set up a joint Law Enforcement Centre with Ethiopia in 2024.³²

China favors bilateral approaches that can turn transactional

Beijing's strong preference for bilateralism is evident in its approach to post-conflict reconstruction: it is often bilateral, sometimes transactional, and generally favors limited engagement or coordination with other international actors, an approach seen in Iraq, Afghanistan, Syria, Ethiopia, and South Sudan.

Beijing readily takes part in UN-led efforts, offering political and rhetorical support, though its announced donations tend to be relatively minor at UN donor conferences:

- In 2015, at the Third International Humanitarian Pledging Conference for Syria, China pledged to support Syria but did not specify an amount, while the United States pledged USD 507 million.
- At the 2018 Kuwait International Conference for the Reconstruction of Iraq, China voiced support but did not announce a new pledge. Other donors pledged a total of USD 30 billion.

²⁹ AidData (no date). "Global Chinese Development Finance". <https://china.aiddata.org/> Accessed: 22 October 2025.

³⁰ Orlange, Philippe; Pomet, Alisée (2025). "Géopolitique du Développement: Les enjeux de la solidarité internationale". Presse Universitaire de France. September.

³¹ Stockholm International Peace Research Institute (2025). "SIPRI Arms Transfers Database". March 10. <https://armstransfers.sipri.org> Accessed: 22 October 2025.

³² Fana Media Corporation (2024). "Addis Ababa, Beijing Sign MoU to Work in Cooperation on Security Matters". November 15. <https://www.fanamc.com/english/addis-ababa-beijing-sign-mou-to-work-in-cooperation-on-security-matters/> Accessed: 22 October 2025.

- At the 2022 UN High-Level Pledging Event for Afghanistan, China reiterated its RMB 200 million (about USD 31 million) humanitarian aid commitment, first announced at a 2021 meeting of Afghanistan's neighboring countries. The United States pledged USD 204 million and Germany USD 220 million.

China did not contribute to the World Bank-administered Afghanistan Resilience Trust Fund or other multilateral funds for South Sudan, Iraq, Syria, or Ethiopia. There was no conclusive data on its donations in the most recent UN Donor Conferences for either South Sudan or Ethiopia.

However, bilaterally China committed to higher donations in the form of aid plans or debt relief:

- In 2002, China announced a USD 150 million bilateral aid plan for Afghanistan's reconstruction,³³ and pledged around USD 74 million to Syria between 2011 and 2017.³⁴
- Beijing wrote off about 80 percent of the USD 8.5 billion of debt Iraq owed China in 2007.³⁵
- China partially wrote off Ethiopia's USD 13.7 billion debt in 2023 under Ethiopia's agreement with creditors for an initial USD 1.5 billion.³⁶

Beijing's engagement is typically couched in "win-win" cooperation language and has often involved tacit 'quid pro quo' arrangements to ensure China's interests were served, but sometimes its transactional approach is stated more openly.

- The 2019 "oil-for-projects" deal with Iraq secured 100,000 barrels of oil per day (bpd) to China for 20 years in exchange for concessional credits for Iraq's critical infrastructure development projects.³⁷ It was reportedly suspended in late 2024 then revived in mid-2025, with shipments raised to 150,000 bpd and revenues allocated to Chinese companies for infrastructure projects there.³⁸ A similar "oil-for-roads" agreement was reached with South Sudan.
- China's then-foreign minister Qin Gang explicitly hailed Ethiopia's Tigray reconstruction as a "win-win" opportunity,³⁹ promising vastly improved infrastructure as Chinese companies were able to resume their disrupted projects or start new ones.

³³ People's Daily (2002). "China to Provide US\$150 Million in Aid to Afghanistan". China.org.cn. January 25. <http://www.china.org.cn/english/2002/Jan/25899.htm> Accessed: 22 October 2025.

³⁴ Syrian Observatory for Human Rights (2022). "China in Syria: Aid and Trade Now, Influence and Industry Later?". SOHR. July 15. <https://www.syriahr.com/en/259616/> Accessed: 22 October 2025.

³⁵ Zhu Wentan 朱稳坦 (2010). "中国政府减免伊拉克所欠中国80%债务" (The Chinese government has forgiven 80% of Iraq's debt to China). 环球网 Global Times. April 5. <https://m.huanqiu.com/article/9CaKrnJndtV> Accessed: 22 October 2025.

³⁶ Plaut, Martin (2023). "Relief for PM Abiy: repayment of Ethiopia's \$14 billion dollar Chinese debt on hold – for now". December 1. <https://martinplaut.com/2023/12/01/relief-for-pm-abiy-repayment-of-ethiopias-14-billion-dollar-chinese-debt-on-hold-for-now/> Accessed: 22 October 2025.

³⁷ Al-Auqailli, Ameer (2024). "Why Did Iraq Suspend a \$10 Billion Deal With China?" The Diplomat. November 22. <https://thediplomat.com/2024/11/why-did-iraq-suspend-a-10-billion-deal-with-china/> Accessed: 22 October 2025.

³⁸ Kawach, Nadim (2025). "Iraq revives oil-for-projects deal with China". AGBI. August 1. <https://www.agbi.com/construction/2025/08/iraq-revives-oil-for-projects-deal-with-china/> Accessed: 22 October 2025.

³⁹ Qin Gang (2023). "China-Ethiopia Relations Embrace New Opportunities and Broad Prospects for Development". Ministry of Foreign Affairs of the PRC. January 11. https://www.mfa.gov.cn/eng/wjbm/wjbm/hd/202301/t20230111_11005874.html Accessed: 22 October 2025.

China's core interests can be secured through its engagement in reconstruction

Involvement in reconstruction also creates space to leverage each country in support of Beijing's core interests. Afghanistan is a case that demonstrates how geopolitical significance can attract China's involvement, combining the pursuit of natural resources with its keen interest in preventing Afghanistan from becoming a hub for jihadists targeting Xinjiang, with the extra benefit of filling some of the gaps left by the United States and boosting its regional influence.⁴⁰

To curb jihadist activity in Xinjiang, China's leadership prioritized investing in Afghanistan's security sector.⁴¹ Beijing then convinced its partners to support its human rights violations in its northwestern province. Damascus has shared intelligence on Uyghurs in Syria and, in 2019, Syria and South Sudan signed a letter to the UN Human Rights Council supporting China's policies in Xinjiang.⁴²

Substantial Chinese involvement in reconstruction can impact European interests

China's involvement can certainly be positive for post-conflict nations in some ways. Chinese firms will offer cost-effectiveness, speed, attractive financing conditions and other advantages that can support their reconstruction. Due to their competitiveness in these fields, Chinese actors can also help host countries advance towards a green transition and improve the efficiency of their transportation and communications sectors.

But risks to these countries' economic independence, debt sustainability, political autonomy, critical infrastructure security or cybersecurity may also emerge. Europe's own interests in post-conflict settings might also be affected. This applies to both its objective of encouraging long-lasting peace, sustainable development and democratization in post-conflict countries, as well as to Europe's wish to remain globally competitive and influential.

Chinese investments and projects do not always align with EU rules and norms. They have been criticized for their lack of transparency and the opportunities they create for corruption in both China and recipient countries.⁴³ Multiple projects have also suffered from negative environmental and social impacts, including pollution, inadequate compensation for workers,

⁴⁰ Zhang Xinping 张新平; Dai Jiawei 代家玮 (2022). "中国建设性介入阿富汗重建的挑战与路径" (Challenges and Paths to China's "Constructive Involvement" in Afghanistan's Reconstruction). 和平与发展 Peace and Development, China Association for International Friendly Contact, Vol 3, pp. 115-134. <https://www.caifc.org.cn/uploadfile/2023/0214/20230214032831377.pdf> Accessed: 22 October 2025.

⁴¹ Van der Kley, Dirk (2014). "China's Foreign Policy in Afghanistan". Lowy Institute. October. https://www.lowyinstitute.org/sites/default/files/chinas-foreign-policy-in-afghanistan_0.pdf Accessed: 22 October 2025.

⁴² Multiple countries (2019). "Letter dated 12 July 2019 from the representatives of Algeria, Angola, [...] to the United Nations Office at Geneva addressed to the President of the Human Rights Council". United Nations Digital Library. July 12. <https://digitallibrary.un.org/record/3853509?ln=en&v=pdf> Accessed: 22 October 2025.

⁴³ Isaksson, Ann-Sofie and Kotsadam, Andreas (2016). "Chinese aid and local corruption", AidData, Working Paper 33. https://docs.aiddata.org/ad4/pdfs/wps33_chinese_aid_and_local_corruption.pdf Accessed: 27 October 2025.

or the lack of local content and localization requirements, leading to limited benefits for local communities. They can also lead to high debt burdens for host countries.⁴⁴ Chinese projects are not the only ones with these issues. Nevertheless, the impact is clear. They do not always contribute to countries' sustainable development, nor do they help strengthen their rule of law and democratic institutions. In the case of Ukraine, this can have an impact on the country's path towards EU accession.

The entry of heavily subsidized Chinese SOEs or other companies into post-conflict countries can also lead to unfair competition for local, as well as European firms, reducing their opportunities in these markets. It could additionally create challenges for the future competitiveness of local companies, as well as dependencies in supply chains and critical sectors.

The emergence of such dependencies on China in critical sectors and supply chains can also provide Beijing with leverage over local and national authorities in post-conflict countries. As such, they could become vulnerable to economic coercion, political pressure or even disruption in extreme cases – risks that will also impact European actors' own interests in and engagement with these countries.

Beijing's reconstruction playbook is part of a wider strategic goal to portray itself as an alternative partner to Western countries across the Global South, as it tries to build a powerbase from which to contest the global order. Its "win-win" cooperation language resonates, as it is seen as more respectful of local needs and realities. Beijing's reconstruction offer responds to host countries' immediate economic needs, without governance, rule of law or values requirements, which attracts buy-in from local authorities. Against a background of growing geopolitical fragmentation, this presents clear challenges to Europe's wish to uphold international law, democracy, human rights and other key elements of the global order.

Some room for cooperation, or at least coordination, might still exist in selected areas. Europe and China could exchange views on less geopolitically tense sectors. Gender equality, disability policy or elderly care – especially as they apply to the healthcare or education sectors – are issues on which Europe and China might have some overlapping interests and where they have cooperated in the past.

As US-China and Europe-China competition deepens, however, full cooperation on reconstruction is likely to remain out of the question.

⁴⁴ Malik, Ammar A.; Parks, Bradley; et al. (2021). "Banking on the Belt and Road: Insights from a new global dataset of 13,427 Chinese development projects". AidData. September 29. <https://www.aiddata.org/publications/banking-on-the-belt-and-road> Accessed: 27 October 2025.

China will try to apply its reconstruction playbook in Ukraine

Despite the current tensions between Beijing and Kyiv, caused by China's ongoing support for Russia, Chinese actors remain interested in contributing to Ukraine's reconstruction. Beijing made this clear in the 12-point position paper on the political settlement of the Ukraine crisis released in 2023. Many Chinese companies are also already trying to position themselves to play a role in Ukraine's post-war economy.

China has long seen Ukraine as a gateway to Europe and an attractive partner. Ukraine was designated a key state for the BRI in 2017, and its agricultural, energy and critical minerals sectors have long been of interest to Chinese companies. Ukraine's path towards EU accession will only increase the country's strategic relevance, as a potential entrance into the single market and a potential vector of influence within the bloc. As long as Beijing can obtain guarantees that its investments will be protected, Chinese actors are likely to try to build a footprint in Ukraine through reconstruction.

To overcome Kyiv's likely objections, Beijing will try to leverage the fact that the country's reconstruction – and future economic development – will be challenging and expensive and the advantages that its approach brings. China is likely to follow many of the key elements of its post-conflict reconstruction playbook in Ukraine. It will prioritize loans and investments in critical infrastructure, agriculture, critical raw materials and natural resources. It will leverage its state-owned banks and companies – especially those that have managed to maintain a presence in the country over the last three years – to offer attractive conditions. It will most likely act bilaterally, and perhaps even in a transactional manner. And it will seek to use its position in Ukraine to advance its strategic and geopolitical objectives.

China's success, however, is not guaranteed. Ultimately, China's reputation and actions will shape its possibilities in Ukraine. Kyiv has become much more security conscious towards China since the start of the full-scale invasion.⁴⁵ Restrictions might well be imposed on Chinese firms' access to strategic sectors or industries. Furthermore, Ukraine's path towards EU accession could help constrain China's involvement. Ukraine will have stable alternatives to Chinese financing, for instance via the EU's Ukraine Facility.⁴⁶ These, however, might not be sufficient.

Despite Ukraine's (and Europe's) skepticism, and United States pressure, Chinese actors are likely to play a part in rebuilding Ukraine, if only because the costs of reconstruction are so high that contributions will need to come from as many countries as possible. China's dominance within certain sectors and supply chains – especially in energy – also means Chinese products and technologies are financially competitive and their use is almost unavoidable without high investments by other actors.

⁴⁵ Sabanadze, Natalie; Vasselier, Abigaël; Wiegand, Gunnar (2024). "China-Russia alignment: a threat to Europe's security". MERICS. June 26. <https://merics.org/en/report/china-russia-alignment-threat-europes-security> Accessed: 22 October 2025.

⁴⁶ European Commission (2024). "Ukraine Facility". Directorate-General for Enlargement and Eastern Neighbourhood. March 1. https://enlargement.ec.europa.eu/funding-technical-assistance/ukraine-facility_en Accessed: 22 October 2025.

The way forward for Europe

The EU has an interest in seeking instances of complementarity that would allow it to cooperate with Chinese actors in reconstruction processes, including in Ukraine, where such collaboration enhances the impact of European development aid, improves outcomes for post-conflict countries, and reduces the financial burden on the EU.

Yet amid growing strategic competition, security- and geopolitics-first approaches to policymaking will tend to predominate, making collaboration harder. Linkages should be explored, but Europe must be realistic. In many cases, China's approach to reconstruction work, and its rejection of values-based approaches, will clash with Europe's approach and create challenges for European interests.

Finding ways to mitigate any potential risks and to make sure that European actors remain competitive in reconstruction requires a few actions:

- European stakeholders should familiarize themselves with China's reconstruction playbook and continue monitoring and updating it, as a way to help anticipate the role that China might want to play in Ukraine and any other post-conflict countries.
- The EU and its member states should engage with countries emerging from conflict, especially Ukraine, to help them develop measures to monitor, regulate and potentially restrict China's (and other risky actors') involvement. The EU is well positioned to support Kyiv and other capitals throughout this process, utilizing its experience in developing its own economic security toolbox. These measures should help promote host countries' economic security and ensure the resilience of its economy and critical infrastructure.
- Develop a more coherent approach to post-conflict reconstruction across Europe that centers European interests and takes into consideration the current level of geopolitical competition. Without this, European actors will be outcompeted in Ukraine and beyond by China's offer, which tends to be competitive on price, speed and flexibility.
- With diminished US involvement in global development work, Europe must deepen relationships with other partners.

Fundamentally, Europe will have to accept that China is very likely to play some part in the reconstruction of Ukraine and in other post-conflict reconstruction processes. Rather than on prevention, Europe's focus should be on engaging host countries to monitor China's involvement, limit and mitigate risks, and make sure that its interests and security are protected.

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