



China's grand safari in Africa

“The Chinese started coming in about two years ago, but they were small-time businessmen buying from local companies,” said Jean-Pierre Kabongo. “Now they are buying the companies themselves.”

China is moving into Africa on a grand scale. Still a developing nation itself, it has nonetheless now overtaken Britain to be the continent's third-biggest trading partner after the United States and France. For China, Africa is first and foremost a supplier of oil. In **Sudan**, Chinese state-owned oil companies have been investing since 1995. In 1996 China bought a 40% stake in two oilfields and since 1998 it has helped to build a 930-mile pipeline from the fields to the Red Sea. Last year it bought 50% of Sudan's oil exports, accounting for 5% of its needs.

China has invested money in **Nigeria**, **Angola** and **Algeria**, among others. Its biggest deal so far came in January when CNOOC, the Chinese state-owned energy company, announced it would buy a 45% stake in an offshore oilfield in **Nigeria** for \$2.3 billion. African countries now supply one third of China's manganese; **South Africa** is the fourth-largest supplier of iron ore to China and 85% of Chinese imports of cobalt come from the **Republic of Congo**, the **Democratic Republic of Congo** and **South Africa**.

Projects range from diamond mining and timber logging to cotton and telecommunications. About 800 Chinese companies are now working in Africa, and one estimate puts the number of Chinese workers in Africa at 78,000. A key to their success is the willingness of Chinese state-run companies to undercut their Western rivals and take on the projects they dismiss as too risky. **Zambia's** neglected Chambishi copper mines are being overhauled by China, and around them has sprung up what visitors describe as the fastest-growing Chinatown in the world. CNOOC recently agreed to pay \$2.3 billion to rebuild the Kaduna oil refinery in **Nigeria**, a loss-making project which no privately owned Western company would touch. And China is building not just mines and refineries in Africa but the very infrastructure itself: roads, bridges and power grids across the continent are being thrown up by Chinese firms. In oil-rich, war-torn **Angola**, Chinese companies will build railway lines, schools, roads, hospitals, bridges, offices and a fibre-optic network, thanks to a \$2 billion loan deal in which Beijing can secure a stake in the country's offshore oilfields. Last week it pledged a further \$2 billion loan to the country.

Chinese arms sales made up 10% of all conventional arms transfers to Africa from 1996 to 2003. China has faced allegations of providing weapons used by the Islamic government in **Sudan** to terrorise civilians in Darfur, and of selling fighter jets and radio-jamming devices to **Zimbabwe**.

Flows of foreign direct investment from China into Africa have risen from \$1.5 million in 1991 to \$107.4 million in 2003, according to the Ministry of Commerce. China has sent 1,100 doctors to Africa, taken African students to China on educational exchanges, and designated 16 African countries as official tourism venues. The scrapping of hundreds of customs tariffs on African imports and a \$1.3 billion debt write-off in 2003 have also strengthened relations.