

Chinese fund to increase agriculture investment in Africa

China-Africa Development Fund (CADFund) is considering partnerships with agriculture development banks in some African countries in order to expand its investments on the continent, CADFund's vice president Hu Zhirong said, according to AllAfrica.com.

CADFund is a Chinese state funded organisation promoting investment co-operation between China and Africa. China has been providing aid to African banks since 1985, when the Chinese government started supporting the Africa Development Bank (AfDB).

Speaking to Xinhua News Agency, Hu said the fund's core plan is to expand Chinese farming investments in Africa. CADFund is working together with China Development Bank (CDB) - its major shareholder - on this investment plan. He added that the plan would also consider partnering with local agriculture companies and other financial institutions supporting agriculture development. "Both the CDB and China-Africa Development Fund are willing to develop agriculture projects in African countries," Hu said.

Established in 2007 with committed funding of 5 billion U.S. dollars, CADFund - which reportedly is the first equity investment fund in China focusing on investment in Africa - is a key component of the Chinese government's forging of the Sino-African new strategic partnership, AllAfrica.com says. CADFund reports show that by the end of 2008, the fund had invested nearly 400 million U.S. dollars in over 20 projects in Africa. "We also need local partners including the financial institutions and other agriculture local companies," Hu said. "In this way we can work together to develop agriculture in Africa."

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