

Growing opportunities in Venezuela for Chinese investors

委内瑞拉对于中国投资者日益增加的机会

In addition to Venezuela having one of the highest proven oil reserves, diverse mining and a wide array of energy business, due to ever-growing ties between the Chinese and Venezuelan governments, new investment opportunities have recently arisen in sectors ranging from infrastructure to manufacturing.

委内瑞拉的已探明石油储量居于拉美地区前列，此外，它还拥有多样化的采矿和能源企业，由于中国和委内瑞拉两国政府之间日益增加的联系，最近已在该国的诸多行业（包括基础设施和制造业）出现了新的投资机会。

Joint Financing Fund and Cooperation Agreements

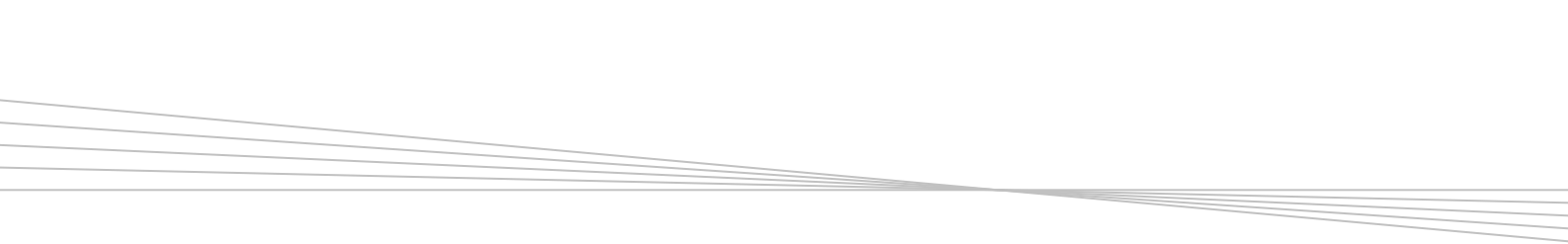
As it is broadly known, in September 2008, an agreement between China and Venezuela entered into force creating a joint financing fund for the latter. The fund originally had USD 6 billion and was increased via an addendum to a total of USD 12 billion, of which the China Development Bank has provided USD 8 billion and the National Development Fund of Venezuela has provided the remaining USD 4 billion.

But besides the joint financing fund agreement, there are numerous cooperation agreements between the two countries that cover sectors such as energy, infrastructure, transport and agriculture. These types of agreements may prove to be rather beneficial because they serve as a platform for contracts with the State that are not as heavily regulated as other types of public contracts. The cooperation agreements are simply agreements to share technology and knowhow that, in some cases, may lead to the execution of governmental agreements.

The main objective of the joint financing fund is to promote economic and social development projects in areas such as infrastructure, industry, agriculture, mining, energy, technology, and technical assistance.

Projects eligible for funding

In order to qualify for funding from the joint financing fund, the projects must meet the requirements set forth by the National Social and Economic Development Plan and other plans that have been put in place by the State. The projects must also contribute to improving the quality of life of the people directly affected by them, create jobs and be sustainable.



So far under the joint financing fund agreement, projects have been implemented in Venezuela in fields such as agriculture, education, energy, oil and gas, mining, infrastructure and health. Many other projects have been announced that are to be financed by the fund, and there is also the possibility for further investments.

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