

China signs oil-exploration deal with Kenya

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NAIROBI Kenya

Chinese President Hu Jintao on Friday finalized another oil deal in Africa, the poorest and most corrupt continent in the world but one that is rich in natural resources.

Hu is on his second trip to Africa since he became leader three years ago, showing his keen interest in the continent and its oil. Africa also has become a new market for Chinese exporters in the last five years, China's trade with Africa has grown fourfold, to \$40 billion in 2005.

The deal signed Friday allows for CNOOC Ltd., China's state-controlled offshore oil and gas company, to prospect for oil in Kenya, though no other details were released.

Kenya is just beginning to drill its first exploratory wells on the borders of Sudan and Somalia and in coastal waters. But no oil has been produced yet and there has been no formal estimate of the reserves possible.

Friday's agreements also include sending a Chinese team to study the notoriously potholed roads in Kenya's capital of Nairobi as well as 5 million yuan (\$620,000) for malaria medicine.

The deal comes two days after Hu and Nigerian President Olusegun Obasanjo signed an agreement that requires Africa's top oil producer to give China preferential access to four blocks of oil exploration rights in return for China taking over a money-losing refinery in the northern city of Kaduna. China also agreed to build a hydroelectric power station, build a fast-rail system linking two Nigerian cities and install rural telephone service across large areas of the country.

Critics of China's influence in Africa are concerned about the communist nation's increasing economic impact. China, a veto-wielding U.N. Security Council member, has offered key diplomatic support to some governments shunned by the West, like Sudan and Zimbabwe. And Chinese pursuit of deals with Canada and other U.S. allies is causing unease in Washington.

Hu said Friday his government follows a policy of "non-interference in others affairs."

"In our dealings with African countries we have all along followed the principle that we have to respect ... the political model followed by African countries," Hu said during a news conference with Kenyan President Mwai Kibaki on the lawn of the State House.

Kibaki, who faces mounting pressure to respond to allegations of high-level government corruption, was satisfied with China's approach.

"Africa will do trade with China and there is no problem whatsoever," Kibaki said.

Hu arrived in Kenya on Thursday night and will spend three days here, the final stop on a tour that has included the United States, Saudi Arabia, Morocco and Nigeria.