

China To Finance New Railway Line In Mozambique
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MAPUTO (Mozambique), Aug 13 (Bernama) -- The group "China Kingho" announced in Beijing on Wednesday that it will finance the construction of a new railway line linking the town of Moatize, in the western Mozambican province of Tete to the port of Beira in central province of Sofala, Mozambican news agency, AIM, said citing a local media report.

According to the daily paper "Noticias", the new line will pass through the town of Chimoio, capital of the central province of Manica. China Kingho also plans to develop the port of Beira.

This was announced by Huo Qinghua, chairman of the group China Kingho, during an audience with the visiting Mozambican President, Armando Guebuza.

On Wednesday, the both governments signed a memorandum of understanding for the implementation of both projects. Huo also told that China Kingho last April handed over to the Mozambican government pre-feasibility studies concerning those projects.

In July 2010, the group signed a memorandum of cooperation with the Mozambican government for mining development, construction of new infrastructures, agricultural development, education support, among others. The initial investment is budgeted at US\$20 million.

On Wednesday, before heading to the city of Shenzhen, President Guebuza met with the management of the state owned "Exim Bank".

During the meeting he asked the bank management to continue financing projects already submitted by Mozambique to China based on concessional and commercial loans, the latter to be developed through Public-Private Partnership.

Exim Bank is the largest partner of Mozambique for financial cooperation with China, and the largest creditor in terms of concessional loans provided by the Chinese government to Mozambique.

Later on Wednesday Guebuza visited the Chinese city of Shenzhen to attend the opening ceremony of the XXVI Summer Universiade, at the invitation of his Chinese counterpart Hu Jintao,

President Guebuza is on six-day state visit to China started on Tuesday.

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