

INSIGHTS

Sino-African Cooperation:
A Catalyst for Shared Prosperity

Voice of the World

By LIN Yuchen

The 2024 Summit of the Forum on China-Africa Cooperation (FOCAC), held in Beijing from September 4 to 6, underscored the enduring friendship and growing partnership between China and African countries. The summit highlighted the remarkable achievements of China-Africa cooperation in recent years, especially since the establishment of FOCAC. From infrastructure and industrialization to healthcare and digital transformation, the benefits of collaboration have been tangible and impactful.

One clear example of the partnership's success is the recent arrival of China's hospital ship "Peace Ark" in South Africa, offering medical services to over 1,000 local residents. As part of a broader medical cooperation mission, this initiative reflects the humanitarian and people-centric nature of Sino-African collaboration. According to AFP, the visit to Cape Town was welcomed as part of the joint medical efforts of South Africa and China. South African media Eyewitness News hailed this cooperation as a much-needed relief for local healthcare systems.

Beyond healthcare, infrastructure development has been a cornerstone of this partnership. The Ghana Web notes that China's involvement in Afri-



Representatives of participating companies film a short video introducing China's cutting-edge technologies at the press center of the 2024 Summit of the Forum on China-Africa Cooperation on September 6, 2024, in Beijing. (PHOTO: VCG)

can infrastructure goes beyond construction, fostering deeper cultural exchanges and a foundation for broader economic and political engagement. This cooperation has enhanced Africa's development potential, responding directly to the continent's needs in areas such as capacity building and poverty reduction.

Innovation has also emerged as a critical driver of Sino-African cooperation. Egypt's Sada Elbalad emphasized that the digital economy and green development are providing Africa with crucial opportunities to climb the global value chain and accelerate economic transformation. This forward-

ward-looking cooperation is empowering African countries to transition toward more sustainable and high-tech futures. Likewise, *The African Leadership Magazine* praised the collaboration, particularly in climate change initiatives, where China and African countries are working together to promote affordable green energy and low-carbon development.

China's role as Africa's largest trading partner is well established. According to Kenya's *Daily Nation*, China's commitment to poverty alleviation remains central to African development. The establishment of the Africa-China Alliance for Poverty Alleviation in

2022 demonstrates a targeted approach to tackling rural transformation and sustainable development challenges.

Digital transformation has also become a key area of focus in recent Sino-African collaboration. Russia's Sputnik News highlighted recent agreements signed between China and several African countries to enhance digital infrastructure, benefiting over 900 million people. This collaboration is helping African countries leap forward in terms of connectivity, innovation, and economic development, boosting their role in global decision-making.

Meanwhile, the recent China-Africa Internet Development and Cooperation Forum, as reported by Ugandan daily *New Vision*, shows that Africa's digital future is being shaped through strategic partnerships with China. The forum resulted in a joint declaration outlining plans for AI collaboration, which is expected to accelerate Africa's technological development.

As China's modernization continues to advance, its partnership with Africa remains a key driver of mutual progress. African media, including Tanzania's *Daily News*, noted that platforms like FOCAC and the Belt and Road Initiative have strengthened these ties, ensuring that cooperation is aligned with Africa's own development goals. As both sides look to the future, the prospects for even deeper cooperation are bright, with shared objectives of innovation, sustainability, and economic growth.

Shapers of Future Global Trade

Comment

By LIN Yuchen

The economic landscape of the Global South — comprising emerging markets in Asia, Africa, and Latin America — is undergoing a significant transformation.

Recognizing the immense potential of these rapidly developing economies, Chinese companies have adopted strategies that prioritize affordability, adaptability, and local engagement.

They have been particularly successful in integrating into global supply chains, enhancing their operational efficiencies while ensuring competitive

pricing. By becoming essential components of production and distribution networks that span multiple continents, these firms have gained access to a broader consumer base and have been able to offer products tailored to the specific needs of diverse markets. This strategic integration has allowed them to deliver cost-effective solutions that meet the demands of consumers in the Global South.

Moreover, these enterprises have shown a deep commitment to understanding and catering to local preferences. This is especially evident in sectors such as telecommunications, consumer goods, and renewable energy, where Chinese companies have launched products and services that resonate strongly with local populations.

For example, Chinese smartphone

brands have gained significant market share by offering affordable yet feature-rich devices that appeal to the rising middle class in countries like Nigeria, India, and Brazil.

Similarly, Chinese solar companies have played a pivotal role in expanding access to clean energy in rural areas, providing off-grid solutions that bring electricity to millions for the first time.

Investments in infrastructure, manufacturing, and technology have surged in countries like Morocco and Malaysia, turning these nations into key hubs for Chinese companies looking to expand their footprint. These projects have not only improved local infrastructure but have also created jobs, boosted trade, and stimulated economic growth.

The rise of Chinese enterprises in

the Global South is a reflection of their business acumen. As these companies continue to expand their reach, they are contributing to the economic development of these regions and reducing global economic inequalities. Their success is likely to spur further innovation and competition, benefiting consumers worldwide.

Looking ahead, the influence of Chinese enterprises in the Global South is expected to grow even further. With their strong focus on innovation, adaptability, and customer-centric strategies, they are well-positioned to continue their upward trajectory. As they do so, they will play a crucial role in shaping the future of global trade, contributing to a more balanced and inclusive global economy.

Breakthrough in Continental Shale Oil Exploration

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The research team was determined to try again. In a warehouse with tens of thousands of core samples, they used microscopes to look for clues of "sweet spots" in the pores and cracks of samples. Finally, the team characterized the stratigraphic features of the continental shale oil and identified the "sweet spots" distribution pattern.

Probability of penetration improved

The exploration of continental shale oil is difficult because of the depth of the oil reservoir and the thinness of the "sweet spot".

The average depth of the reservoir in Jiqing Oilfield is 3800 meters, in which the "sweet spot" is a wave-like distribution, with an average thinness of only 1.5 meters, undoubtedly posing a huge challenge for exploration.

"The exploration drill had just hit the inside of the 'sweet spot', and then it drilled out of oil reservoir within

dozens of meters, just like a man driving on a country lane without lights at night, who will drive off the road accidentally," said Yue Hongxing, an engineer of the Jiqing Oilfield Geological Research Center.

"The probability of penetration in oil exploitation means the probability of a drill bit finding an oil layer. In 2020, the domestic index of the probability of penetration was stuck at less than 50 percent, meaning that half of the pipes in the rock formations were non-oil producing," said Yue.

In the same year, Jiqing Oilfield was approved to build the first national shale oil demonstration zone. To achieve commercial scale production, improving the probability of penetration is critical.

The composition of shale oil in Jiqing Oilfield is very complicated, so more precise petrographic analysis was needed. The team decided to use carbonate content to determine the location of the

oil reservoir.

"We added petrographic analysis at the drilling site. If the carbonate content is too high, we will adjust the drill bit until the carbonate level is back to normal," said Liang Chenggang, senior expert of Jiqing Oilfield, adding that this method will increase the probability of penetration to more than 80 percent.

'Nodding Donkey' replaced

Conventional oil fields only need vertical wells to produce oil, while the exploitation of shale oil requires the coordination of vertical wells and horizontal wells, through the method of fracturing.

In 2013, foreign fracturing technology was introduced to Jiqing Oilfield, which was not suitable for local conditions. The high rate of drill bit and power line loss, coupled with the high price of fracturing materials, has caused the cost of extraction skyrocketing.

Therefore, Jiqing Oilfield began to

explore horizontal well volume fracturing technology, which uses high-density cutting, high-strength modifications and low-cost materials. After adopting this technology, Jiqing Oilfield completed the fracturing operation of No.8 well on Platform 58 in less than 50 days. Previously, it took 50 to 60 days to drill a well," said Liang.

At present, rodless pumps in the small containerized rooms have replaced the "nodding donkey", traditional pumping equipment transporting the oil to the ground through an up-and-down reciprocating motion. Relying on the Internet of Things technology, the temperature, pressure and other parameters of the rodless pump are automatically transmitted to the central control room.

This year, Jiqing Oilfield will complete 100 shale oil drillings, realizing the new production capacity of more than 600,000 tons, which means a well can be drilled in just over three days on average.

Opinion

Invest in China: New Buzzwords for Foreign Investors

By TANG Zhexiao

Foreign companies continue to invest heavily in China, highlighting recognition of the vitality of China's market.

German investment in China has risen to a record high recently. Figures from Germany's central bank, the Bundesbank, show that the country's total direct investment in China hit 7.3 billion EUR in the first half of 2024, compared with 6.5 billion EUR for the whole of 2023. Notably, its direct investment in China in the first quarter of this year was nearly 2.5 billion EUR, and soared to 4.8 billion EUR in the second quarter.

Danielle Goh, an analyst at US-based research group Rhodium Group, said the strong momentum of German investment in China would continue through the rest of the year, according to the *Financial Times*.

According to an article by Singapore's *Lianhe Zaobao*, automakers are the main force behind German companies' investment in China. This is echoed by Professor Adam Tooze of Columbia University, who believes that German automakers know that they must not lose the Chinese market, because it represents the direction of the global auto industry. Withdrawing investment from China is equivalent to exiting the auto industry, Tooze said.

Meanwhile, on the tail of many multinational companies increasing their investment in China, "Investing in China" is becoming a new trend for more and more foreign companies.

According to data released recently by China's Ministry of Commerce (MOFCOM), from January to July this year, 31,654 new foreign-invested enterprises were established nationwide, an increase of 11.4 percent year-on-year.

The 2024 Kearney Foreign Direct Investment Confidence Index report,

released in April by the management consulting firm Kearney, has upgraded China's ranking from seventh to third, just after the U.S. and Canada.

This year, survey respondents cited technological and innovation capabilities as their primary priority in selecting investment destinations, according to Kearney. And the preference for technologically advanced markets is also reflected in 2024's top three markets on the Index: the U.S., Canada, and China.

Amway, one of the world's largest direct-selling companies, announced that it is ready to fully embrace unlimited growth potential in China. According to the President of Amway China Yu Fang, the 10th capital increase in China will see an investment of 600 million RMB to upgrade their production base in Guangzhou, support their supply capacity for innovative products led by Chinese R&D, and the Chinese market's role as a hub and innovation center.

Kevin Binder, CFO of Mercedes-Benz (China) Investment Co. Ltd, said in the past five years, the company has invested over 10 billion RMB in innovation and R&D alone, adding that the company will invest more in China, not only in the production and technology departments, but also in product R&D. "Digitalization, innovation, and electrification transformation will be focused [on]," Binder said.

China's development is open to the world, and so is its huge market. The country's imports and exports, passenger and cargo volume, as well as consumption, have all led to a continuous increase in investment confidence of multinational companies.

As the Ministry of Foreign Affairs remarked, "Our message to businesses around the world: invest in China, flourish in China and succeed in China."

Takeaways Delivered by Drone on the Great Wall

Hi! Tech

By GONG Qian

If you're a visitor to the Great Wall of China and you get hunger pangs whilst climbing all those stairs, there is no need to worry. You can now have your favorite food, drinks or even medical supplies in an emergency, delivered to you by drone service.

Recently, Chinese food delivery company Meituan announced its new airborne delivery service, sending goods to customers at the distant southern extension of Badaling. This marks the first drone service in Beijing, bringing much convenience to visitors.

Travelers can now use their phones to scan a QR code at the delivery location

and place an order. Once the order is received and processed, an employee of Meituan will pick up goods from a neighboring store and transport them to a designated hotel rooftop. There, an operator will attach the package to a drone, which will fly to the pinned watchtower extension where the clients pick up their deliveries. The entire process takes just five minutes. Additionally, the drones can carry trash from the drop-off to recycling stations.

One challenge of logistics delivery by air is to ensure the stability of the aircraft during flight. This was achieved by Meituan's independent research and development to enhance the stability of the aircraft.

The drones can now carry up to 2.3 kilograms and even fly in moderate wind and rain.



A drone delivers orders to clients at the southern extension of the Great Wall of China in Beijing. (COURTESY PHOTO)