

# Chávez to expand trade with China

**President Hugo Chávez is expected to sign deals in oil exploration, housing and communications network during his visit to China this week.**

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**BEIJING** - Venezuelan President Hugo Chávez says China will expand cooperation in oil exploration and help his country build a fiber-optic communications network under agreements due to be signed this week in Beijing.

Chávez kicked off his visit to China early today. The government has released no details on whom Chávez will meet but says he is to receive an official welcome Thursday at Beijing's Great Hall of the People, the seat of China's parliament.

Chávez has forged strong ties with Beijing since taking office in 1999.

He said last week that he will buy Chinese-made tankers and seal an oil exploration deal.

According to the Bolivarian News Agency, Venezuela has also struck a \$1.22 billion deal with China to build 20,000 homes during the next two years in the South American country. At least 75 percent of the project will be financed by Chinese capital.

The world's No. 5 oil exporter, Venezuela now sells 150,000 barrels of crude, fuel oil and other petroleum products a day to China, which is looking to Latin American for new energy sources to fuel its booming economy. Venezuela says it plans to increase the amount to 200,000 barrels this year.

Chávez said last week that China would cooperate with Venezuela's state oil company, Petróleos de Venezuela S.A., on an oil project in the Orinoco River basin and also help in offshore exploration.

The president said he also plans to reach a deal to buy 12 Chinese-made oil drills and to assemble 12 more in Venezuela at a new, jointly owned factory.

Chávez, a critic of the United States, has said buying tankers would prevent his enemies "from sabotaging us the way they sabotaged us when the [U.S.] empire wanted to overthrow the government" in a 2002-03 strike led by the opposition that nearly paralyzed Venezuela's oil exports.

The United States is the No. 1 buyer of Venezuelan crude, but Chávez's government has sought to sell more to other countries.