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## Overseas non-financial investment rises 6%

BEIJING, April 23 -- Direct investment abroad in the non-financial sector increased slightly last year from a year earlier, but investors are being warned of possible risks in overseas markets.

Overseas investment hit 18.7 billion U.S. dollars last year, up 6.2 percent year-on-year, Wang Shengwen, deputy director of the commerce ministry's foreign economic cooperation department, told the second Chinese Enterprise Outbound Investment Conference in Beijing Tuesday.

The meeting was organized by the China Council for the Promotion of International Trade and the Ministry of Commerce.

Cumulative outbound investment in the non-financial sector amounted to 93.7 billion dollars by the end of 2007.

Figures for overseas direct investment in the financial sector, which are monitored by the State Administration of Foreign Exchange, are not yet available for last year. The amount was 3.53 billion dollars in 2006.

Since the government initiated the "go global" strategy for domestic companies in 1998, investment overseas has been rising.

By the end of 2007, more than 12,000 enterprises had a presence in 172 countries and regions.

"Chinese investors are also diversifying their investment," Wang said.

There are now more mergers and acquisitions in outward investment, with such investment accounting for a third of the total last year.

Some 1,400 enterprises in Africa employ about 11,000 local people and have trained 54,000.

Outward investment has provided at least 300,000 jobs for foreigners.

But Wang warned that investors should beware of possible risks, such as problems brought about by a slowdown in the global economy, trade protectionism as well as security incidents involving Chinese businesses.

Zhang Xiaoqiang, deputy director of the National Development and Reform Commission, said the government is trying to create a better environment for investors abroad through joint efforts with foreign governments.

(Source: China Daily)