

# The Lobito Corridor: American Investments in the Shadow of Great Power Competition

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By Dr. Irit Back

## 1. Executive Summary:

In response to decades of substantial Chinese investment in Africa, the United States has reestablished its presence to compete with China, emerging as the main backer of the Lobito Corridor—Washington's largest infrastructure initiative on the continent. The Lobito Corridor represents a significant advancement in U.S. ambitions in Africa, offering critical financing for infrastructure upgrades throughout the ambitious project, which connects the central African mineral belt—including mines in Zambia and the Democratic Republic of the Congo (DRC)—to the Angolan port of Lobito. However, substantial questions persist, as the U.S. and its European allies are perceived as being late to the game following nearly two decades of Chinese investment in both infrastructure and financing across Africa. This paper analyzes the Lobito Corridor within historical and geopolitical contexts, detailing the historical background that prompted American investment in the project and the broader geopolitical implications of the Corridor as a counter to Chinese-backed infrastructure initiatives financed by the Belt and Road Initiative (BRI). Finally, it will provide a look to the future, analyzing the potential benefits that it can provide to the United States in the prism of its rising competition with China, particularly with Donald Trump's return to the White House.

## 2. Introduction

United States President Joe Biden chose Angola for his final overseas visit, making him the first sitting American president to travel to the former Portuguese colony. This visit was not coincidental; Washington has recently invested considerable diplomatic capital in a state that has long held close economic and political ties with Russia and China. For Washington, the trip symbolized the evolution and strengthening of political and economic relations between the two nations, centered around the Lobito Corridor—the largest American-backed infrastructure project in Africa. The project is a major statement by Washington as it seems to expand its footprint on a continent that has experienced a surge in Chinese investment in the 21st century. Heightened competition between the United States and China, particularly in the critical minerals sector, has led to the Lobito Corridor emerging as a significant initiative by Washington and its allies to exert greater control over these resources and reduce dependence on Chinese-controlled supply chains. The U.S. has also sought to reform the investment model for infrastructure projects, distinguishing its approach from that of its Chinese counterparts. Unlike Chinese investments in Africa under the Belt and Road Initiative (BRI), which primarily utilize state investment vehicles and have faced widespread criticism for exploitative practices and the imposition of unsustainable debt [on partner countries](#),<sup>1</sup> the Lobito Corridor aims to mitigate risks for participating nations by employing a combination of public and private investments and partnerships that enhance potential benefits for African [stakeholders](#).<sup>2</sup>

From a broader perspective, the Lobito Corridor represents a strategic shift in Washington's approach toward Africa, particularly considering the geopolitical ramifications of energy transition and the growing importance of critical minerals, which have diverse applications ranging from the production of batteries for electric vehicles to solar panels and advanced defense systems. This shift is underscored by the International Energy Agency's (IEA) 2024 report, which posits that demand for critical minerals is expected to expand significantly over the next two decades across all potential scenarios, primarily driven by growth in the clean energy sector. According to the IEA, this could result in a fivefold increase in demand for lithium, a doubling in demand for graphite, and a rise in demand for cobalt, nickel, and other rare earth metals of

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<sup>1</sup> Mark Green, "Debt Distress on the Road of the Belt and Road," *Woodrow Wilson Center*, October 24, 2023, <https://www.wilsoncenter.org/blog-post/debt-distress-road-belt-and-road>; Irit Back, "China's BRI and Developmental Peace in South Sudan (2013-2022): Rethinking Chinese African Political-Economic Relations in the Context of Oil, Sanctions, and Peacekeeping," In: *Africa and China's Belt and Road Initiative: outcomes & failures*, edited by R. Mireille Manga Edimo and Julien Rajaoson, Springer 2025.

<sup>2</sup> Sarah Way, "What to Know About the Lobito Corridor—and How It May Change How Minerals Move," *Atlantic Council*, December 20, 2024, <https://www.atlanticcouncil.org/blogs/africasource/what-to-know-about-the-lobito-corridor-and-how-it-may-change-how-minerals-move/>.

between sixty-five to eighty percent by 2024.<sup>3</sup> These developments provide a framework that has generated considerable interest in the Lobito Corridor as a mechanism to enhance American and Western access to these critical minerals, particularly given that the Democratic Republic of the Congo (DRC) is the world's largest producer of cobalt, accounting for over seventy percent of global production, and Zambia ranks among the largest producers of copper.<sup>4</sup>

At the local level, the evolving relations between the United States and Angola, the central state in this project, exemplify the shifting geopolitical dynamics among states within the Global South. Angola, which has experienced long-term Chinese investment in its substantial oil and gas sector, as well as investments in its critical infrastructure, is now seeking American investment to counterbalance Beijing's longstanding presence and to achieve greater freedom of maneuver in the international arena. Luanda's new policy, initiated by President João Lourenço (2017-present), reflects a strategic pivot toward Washington since his assumption of power, despite the fact that Angola owes over one-third of its external debt to China. This approach is indicative of a broader trend among many countries in the Global South that are attempting to navigate relations between Washington and Beijing in order to leverage benefits from both.

This paper will commence with an overview of the history of the Lobito Corridor, detailing its development and significance within global politics. It will also provide a snapshot of China's presence in Africa, which has spurred Washington's renewed interest in the continent, and will conclude with an examination of the potential challenges and opportunities as Africa enters Donald Trump's second term in office.

### **3. Why Lobito? Background and History and China's Entry into Angola**

The Lobito Corridor symbolizes a significant volte-face in Angola's relations with the United States and its geopolitical alignment. Following its independence from Portugal in 1975, Angola was a prominent Cold War battleground with a bloody civil war between the Moscow-backed People's Movement for the Liberation of Angola (MPLA), led by the country's founding president, José Eduardo dos Santos (1979-2017), and the Washington-supported National Union for the Total Independence of Angola (UNITA).

The corridor is based on the existing infrastructure of the Benguela Railway Company, established under a concession granted to Sir Robert Williams, a Scottish entrepreneur, in 1902. Williams and his company, Tanganyika Concessions (Tanks), held a ninety-nine-year lease for the railroad,

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<sup>3</sup> International Energy Agency. *Global Critical Minerals Outlook 2024*. Paris: IEA, 2024. <https://www.iea.org/reports/global-critical-minerals-outlook-2024>.

<sup>4</sup> E.D. Wala Chabala, "Lobito Corridor – A Reality Check," *Africa Policy Research Institute (Afripoli)*, February 2, 2024, <https://afripoli.org/lobito-corridor-a-reality-check>.

eventually sold to a Belgian holding company and returned to the Angolan state in 2001. Completed in 1931 during the Portuguese colonial era, the Benguela Railway served as a vital economic artery, providing the most efficient means of exporting the substantial mineral resources of the DRC and Zambia through the Lobito port to markets in the United States and Europe.

At its peak operational efficiency in 1973, the railway employed over thirteen thousand workers, transporting more than 3.3 million tons of cargo and handling sixty percent of Zaire's (now the Democratic Republic of the Congo) copper and forty-five percent of Zambia's.<sup>5</sup> During the Angolan Civil War (1975-2002), the railway was nearly completely destroyed. In response to the devastation of the Benguela railway, the Zambian government, under then-President Kenneth Kaunda (1964-1991), sought to bypass the white minority regimes in Rhodesia and South Africa by enlisting Chinese assistance to construct the Tanzania-Zambia Railway Authority (TAZARA) as an alternative. This project represented China's largest infrastructure initiative at the time and served as a flagship project for Maoist China, showcasing its ambition to influence politics in the Third World as it linked the Zambian copper belt to ports on the Indian Ocean, utilizing Chinese labor to build the 1,860 km railway.

Yet, even in the late 1960s and early 1970s, during the planning of the TAZARA railway, President Kaunda considered the Benguela railroad as an alternative route for transporting Zambian copper and other mineral resources to the port. This was also viewed as a strategic move to counterbalance Chinese influence during a critical period in the Cold War. As noted in a CIA report, "President Kaunda supports the proposed rail link through Angola not as a substitute for the Tan-Zam (TAZARA) railroad, which he continues to give top priority, but as an additional outlet to the sea."<sup>6</sup>

With the destruction of Angolan infrastructure during its bloody, multi-decade civil war, the TAZARA railway emerged as the primary alternative to the Benguela railway, transporting minerals to the port of Dar es-Salaam in Tanzania –additional routes transporting minerals via truck to Beira in Mozambique, and southward to the Port of Durban in South Africa.<sup>7</sup> Following the conclusion of the Angolan Civil War in 2002, the railway was left with approximately thirty-four kilometers of operational track along the Atlantic coast. In response to the urgent need to

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<sup>5</sup> *The Lobito Corridor: What It Is and Why It Matters*, Lobito Corridor Investment Promotion Authority, January 2024, <https://www.lobitocorridor.org/history-background#:~:text=The%20rail%20route%20was%20established,out%20by%20the%20Chinese%20government>.

<sup>6</sup> Intelligence Memorandum: Another Railroad for Zambia?" September 1969, CIA Freedom of Information Act, <https://www.cia.gov/readingroom/docs/CIA-RDP85T00875R001600010066-8.pdf/>.

<sup>7</sup> Matthew Hill, "The Billion-Dollar Railways Driving Biden's Last Overseas Trip," *Bloomberg*, December 2, 2024, <https://www.bloomberg.com/news/articles/2024-12-02/biden-in-angola-to-promote-trafigura-s-lobito-atlantic-railway>.

rebuild the nation's deteriorating infrastructure, the Angolan government made substantial efforts to attract foreign direct investment. This initiative resulted in Angola opening up to significant Chinese credit and investment through loans secured against future oil supplies. The Angolan government opted for this route, partly due to IMF regulations insisting on transparency and anti-corruption mechanisms, and Luanda ultimately secured a two-billion-dollar credit line from China's state-owned Exim Bank.<sup>8</sup>

#### 4. Angola's Bargain with the Chinese

The prospects for reviving the railway were transformed with the offer of virtually unlimited Chinese financing. Angola's initial \$2 billion line of credit from Exim Bank was announced in 2004, coinciding with the government's decision to discontinue negotiations with the International Monetary Fund (IMF), which had insisted on reforms and transparency. As noted by the *Financial Times*, "further credit lines followed on similar terms – long-term loans repayable through deliveries of oil," and these funds were allocated for the reconstruction of the old Benguela railway. Although the terms of Angola's agreement were not the most favorable, the limited access to capital and the urgent need for reconstruction left few alternatives. As one Angolan official remarked, "when you are in that situation, surely you are not going to get it cheap."<sup>9</sup>

The reconstruction of the railway was carried out from 2006 to 2014 by the China Railway 20th Bureau Group Corporation, a subsidiary of China Railway Construction Corporation (CRCC), utilizing primarily Chinese labor.<sup>10</sup> Despite the resumption of services, the railway's usage remained significantly below pre-civil war levels. The Angolan government faced substantial challenges in establishing a viable business model for the railway, particularly in connecting it to the mineral-rich interior of Africa. As a result, Angolan Transport Minister Viegas D'Abreu stated the need for a partner to develop "an economic and financial model for the viability and activation of the corridor."<sup>11</sup>

Angola's evolution from a state that depended on Soviet and Russian support during the civil war, coupled with close economic ties to China, to the host of the largest American-backed infrastructure project in Africa reflects a shift driven by realpolitik and geopolitical maneuvering. As sub-Saharan Africa's largest oil producer, second only to Nigeria, Angola has been adversely affected by its overreliance on oil exports as the primary source of foreign capital, with over ninety percent of its exports originating from oil or petroleum products. Additionally, Luanda has

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<sup>8</sup> David White, "Infrastructure: Benguela Railway Transformed by Loans from Beijing," *Financial Times*, July 17, 2012, <https://www.ft.com/content/cdb78d52-c6b9-11e1-95ea-00144feabdc0>.

<sup>9</sup> Ibid.

<sup>10</sup> Andres Schipani, "The US-backed Railway Sparking a Battle for African Copper," *Financial Times*, August 20, 2024, <https://www.ft.com/content/cb2823c7-f451-4bc9-959e-ec7e07384a31>.

<sup>11</sup> Ibid.

secured more loans from China than any other African nation and is home to Africa's largest Chinese workforce.<sup>12</sup> At its peak in 2006, Angola briefly became China's largest oil supplier, and for an extended period, China relied more on Angola for oil imports than on any other source apart from Saudi Arabia.<sup>13</sup> The extent of Angola's economic dependence on China is striking, and has impacted the conduct of its foreign and economic policies. Currently, Angola's debt burden exceeds forty-five billion dollars, with China holding over seventeen billion dollars, approximately one-third of Angola's total foreign debt, primarily stemming from oil-related lending programs.

Angola's ties to China run so deep that the term "Angolan model" has emerged to describe the practice of securing oil-backed loans in exchange for financing infrastructure projects, such as the initial Chinese investment to upgrade the Benguela railway. However, for Angola, the decline in oil prices, coupled with a reduction in Chinese imports, has resulted in a significant drop from being Beijing's second-largest source of imported oil to its eighth within a decade. This shift has adversely affected Angola's ability to service its external debt and generate additional revenues.<sup>14</sup> As oil prices fell, Angola was compelled to increase oil production to meet its debt obligations, a process that eventually culminated in its exit from OPEC following considerable disputes with the oil cartel regarding cuts in production quotas.<sup>15</sup>

The decision to leave OPEC was driven by Angola's need to attract greater investment which was hindered by the production limits imposed by the organization—much of this investment will potentially come from China. Consequently, Angola is attempting to diversify its economy away from oil, but they "do not have sufficient non-oil sources of revenue to sufficiently finance that diversification."<sup>16</sup> Furthermore, to cover interest payments on its debt, Angola was forced to access a Chinese escrow fund in order to pay the debt servicing.<sup>17</sup> With this constellation of economic and political dependence on China, Angolan President João Lourenço has made a

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<sup>12</sup> David Dollar, "Understanding China's Belt and Road Infrastructure Programs in Africa," *Brookings Institution Global China Project*, September 2019, <https://www.brookings.edu/articles/understanding-chinas-belt-and-road-infrastructure-projects-in-africa/>.

<sup>13</sup> David White, "Infrastructure: Benguela Railway Transformed by Loans from Beijing," *Financial Times*, July 17, 2012, <https://www.ft.com/content/cdb78d52-c6b9-11e1-95ea-00144feabdc0>.

<sup>14</sup> Zainab Usman and Tang Xiaoyang, "How Is China's Economic Transition Affecting Its Relations With Africa?" *Carnegie Endowment for International Peace*, May 30, 2024, <https://carnegieendowment.org/research/2024/05/how-is-chinas-economic-transition-affecting-its-relations-with-africa>.

<sup>15</sup> David Pilling, Tom Wilson, and Lukanyo Mnyanda, "Angola Quits OPEC After Clashes With Saudi Arabia," *Financial Times*, December 21, 2023, <https://www.ft.com/content/02a98658-f5ef-4dda-abd1-3dc5786e6d46>.

<sup>16</sup> Joe Cash, "Angola's OPEC Exit Opens Way for More Chinese Investment," *Reuters*, December 22, 2023, <https://www.reuters.com/business/energy/angolas-opec-exit-opens-way-more-chinese-investment-2023-12-22>.

<sup>17</sup> Joseph Cotterill, "Angola Agrees Deal With Chinese State Bank to Ease Debt Crunch," *Financial Times*, May 8, 2024, <https://www.ft.com/content/7f29687d-d6eb-498c-97ba-774f617f0e0b>.

concerted effort to diversify Angola's international relations to balance the longstanding Chinese influence.

## 5. Balancing Between Superpowers—Angola Aligns with Washington

The main shift in Luanda's international alignment was the replacement of longtime president José Eduardo dos Santos, a kleptocratic authoritarian whose family, particularly his daughter, amassed considerable wealth. The ascension of his defense minister, João Lourenço shifted Angola's geopolitical alignment. Lourenço has gradually sought engagement with Washington, motivated by the overwhelming debt owed to China and a growing interest in attracting Western investment, particularly from the IMF and World Bank. Lourenço has reportedly been influenced in this matter by his wife Ana, a former World Bank economist. Under

During the first Trump administration, particularly under the leadership of noted China hawk Mike Pompeo as Secretary of State, Washington viewed Angola as a state that could potentially be drawn closer into America's orbit. Pompeo visited Angola in 2020 to strengthen bilateral ties; however, as the *Economist* notes, the Angolan policy to move closer to the U.S. was driven primarily by pragmatism as "Angola had maxed out its Chinese credit card. Better relations with America were required to unlock support from the IMF and foreign direct investment."<sup>18</sup>

These closer ties with Washington facilitated the initiation of American investment in Angola. In 2021, the American-owned mobile network provider Africell was awarded a tender by the Angolan government, joining three other mobile network providers in the telecom market. Africell became the first wholly owned foreign operator in Angola and pledged to disrupt the "overly cozy" market that had long been dominated by Unitel, a private operator led by Isabel dos Santos, the billionaire daughter of former President José dos Santos. Amid allegations of graft and corruption, dos Santos was forced off the board, and Africell's entry into the market was perceived as a sign that the Angolans were making progress in fostering genuine competition and working to eliminate corruption.<sup>19</sup> Additionally, in what was seen as a blow to the Chinese, Africell opted to utilize a Nokia network for its services, favoring the Finnish telecom firm over the Chinese conglomerate Huawei.<sup>20</sup> These developments ultimately culminated in an American-led initiative that would lead to the establishment of the Lobito Corridor.

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<sup>18</sup> "America Under Joe Biden Plays the Pragmatist in Africa," *The Economist*, November 28, 2024, <https://www.economist.com/middle-east-and-africa/2024/11/28/america-under-joe-biden-plays-the-pragmatist-in-africa>.

<sup>19</sup> "US Mobile Firm Africell Vows to Shake Up Angola Market," *Barron's*, June 18, 2021, <https://www.barrons.com/news/us-mobile-firm-africell-vows-to-shake-up-angola-market-01624037107>.

<sup>20</sup> "America Under Joe Biden Plays the Pragmatist in Africa," *The Economist*, November 28, 2024, <https://www.economist.com/middle-east-and-africa/2024/11/28/america-under-joe-biden-plays-the-pragmatist-in-africa>.



Amid significant American and European concerns regarding access to critical minerals and escalating tensions with China, a European consortium comprising Swiss commodities trader Trafigura, Portuguese construction firm Mota-Engil, and Belgian railways firm Vecturis secured a thirty-year concession to operate the Lobito Atlantic Railway (LAR). In collaboration with the consortium managing the LAR, Washington and the G-7 Partnership for Global Infrastructure and Investment (PGII) committed to invest nearly four billion dollars to upgrade the LAR, in what has been seen as a direct response to China's Belt and Road Initiative.

In the West, the Russian invasion of Ukraine in February 2022 was perceived as a significant catalyst for securing access to critical minerals while pushing back against Chinese and Russian gains in the Global South. The PGII investment is directly linked to the Lobito Corridor Transit Transport Facilitation Agency Agreement, signed by the governments of Angola, the Democratic Republic of the Congo (DRC), and Zambia in January 2023, aimed at encouraging cross-border trade along the Lobito Corridor.<sup>21</sup>

Additionally, a separate Memorandum of Understanding (MOU) signed in January 2023 between the United States, the DRC, and Zambia outlined plans to establish supply chains that would enable these countries not only to extract minerals but also to process them and develop supply chains for battery precursors used in electric vehicles.<sup>22</sup> This initiative was later buttressed by additional funding from the United States, the European Commission, the African Development Bank (AfDB), and the Africa Finance Corporation (AFC). In October 2023, a Memorandum of Understanding was signed with the constituent countries—Angola, the DRC, and Zambia. The MOU designated the AFC as the lead financier of the rail line with the AfDB contributing over \$500 million and committing to raise an additional \$1.6 billion in funding.

Overall, the United States has committed over \$4 billion to the pit to port project. However, differing from previous Chinese infrastructure initiatives, Washington has chosen to expand its areas of influence. In addition to funding for the Lobito Corridor, the United States has made substantial investments in Angola, including over \$900 million through the Export-Import Bank to the Angolan Ministry of Energy and Water “to support the construction of two photovoltaic

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[pragmatist-in-africa](https://www.nokia.com/about-us/news/releases/2021/07/12/nokia-and-africell-to-deploy-a-brand-new-5g-ready-network-in-angola/); "Nokia and Africell to Deploy a Brand-New 5G-Ready Network in Angola," *Nokia*, July 12, 2021, <https://www.nokia.com/about-us/news/releases/2021/07/12/nokia-and-africell-to-deploy-a-brand-new-5g-ready-network-in-angola/>.

<sup>21</sup> “Lobito Corridor Transit Transport Facilitation Agency Agreement to Accelerate Cross-Border Trade,” *Southern African Development Community (SADC)*, January 31, 2023, <https://www.sadc.int/latest-news/lobito-corridor-transit-transport-facilitation-agency-agreement-accelerate-cross-border>.

<sup>22</sup> Memorandum of Understanding for U.S. Assistance to Support DRC-Zambia EV Value Chain Cooperation, *U.S. Department of State*, January 13, 2023, <https://www.state.gov/wp-content/uploads/2023/01/2023.01.13-E-4-Release-MOU-USA-DRC-ZAMBIA-Tripartite-Agreement-Tab-1-MOU-for-U.S.-Assistance-to-Support-DRC-Zambia-EV-Value-Chain-Cooperation-Instrument.pdf>



solar energy power plants in the country.”<sup>23</sup>This funding is in addition to American investments in infrastructure upgrades, such as bridge repairs and the introduction of digital finance applications through a USAID program in collaboration with Africell.<sup>24</sup>

## 6. Washington’s Worries and Competition with China

Much of Washington’s newfound interest in Africa can be attributed to the increasing strategic competition with China, as outlined in the Biden administration's 2022 National Security Strategy (NSS).<sup>25</sup> For U.S. policymakers, China's control over supply chains of critical minerals has become a significant national security threat. The Americans together with their European allies established the Minerals Security Partnership (MSP), “aimed at diverse, secure, and sustainable supply chains for critical minerals” as well as “deploying these technologies at the speed and scale necessary to ensure continued American prosperity.”<sup>26</sup>

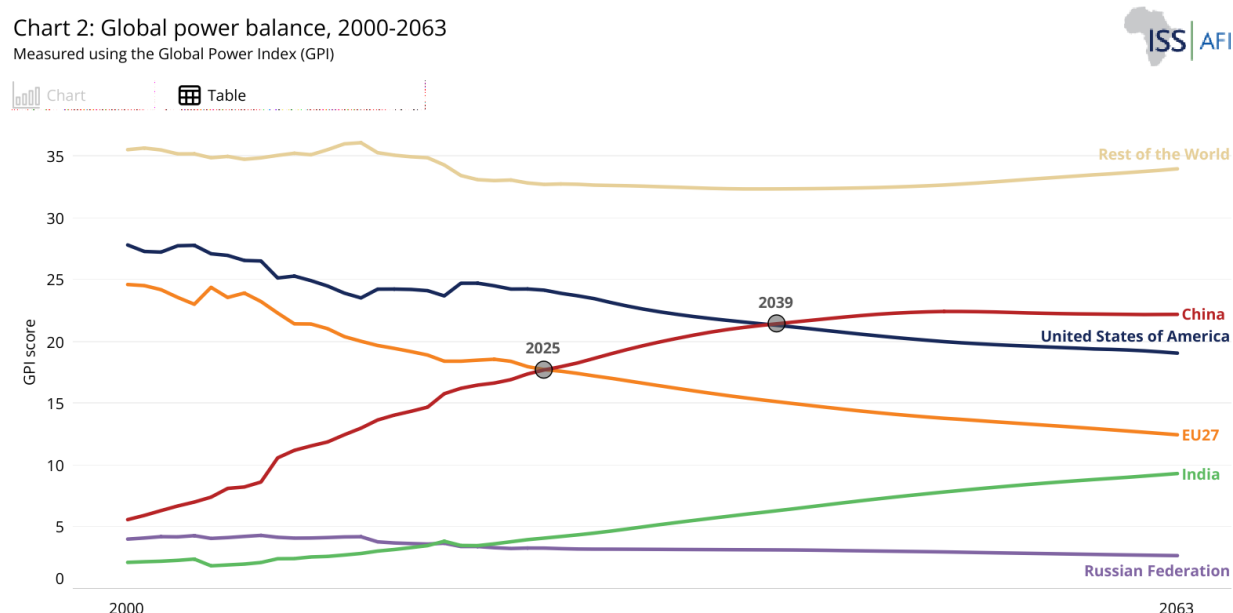


Figure 1: Global Power Balance, 2000-2063. Source: ISS African Futures<sup>27</sup>

<sup>23</sup> "Export-Import Bank of the United States Approves More Than \$900M for Solar Energy Project in Angola," *Export-Import Bank of the United States*, June 1, 2023, <https://www.exim.gov/news/export-import-bank-united-states-approves-more-900m-for-solar-energy-project-angola>.

<sup>24</sup> U.S. Embassy Launches 'Digital Money Is Better' Project to Increase Financial Inclusion," *U.S. Embassy in Angola*, August 7 2023, <https://ao.usembassy.gov/us-embassy-launches-digital-money-is-better-project-to-increase-financial-inclusion/>; "Acrow to Supply 186 Modular Steel Bridges to the Republic of Angola," *GlobeNewswire*, June 27, 2024, <https://www.globenewswire.com/en/news-release/2024/06/27/2905367/0/en/Acrow-to-Supply-186-Modular-Steel-Bridges-to-the-Republic-of-Angola.html>.

<sup>25</sup> "National Security Strategy," The White House, October 2022, <https://www.whitehouse.gov/wp-content/uploads/2022/10/Biden-Harris-Administrations-National-Security-Strategy-10.2022.pdf>.

<sup>26</sup> "Minerals Security Partnership," *U.S. Department of State*, <https://www.state.gov/minerals-security-partnership>.

<sup>27</sup> Jakkie Cilliers (2025) *Africa in the World*. Published online at [futures.issafrica.org](https://futures.issafrica.org). Retrieved from

Washington's investments in the Lobito Corridor aim to mitigate China's dominance over mineral supply chains; however, critics argue that these efforts be too little too late.

The Biden administration has sought to implement institutional reforms in the funding of infrastructure projects. Given China's long-standing preeminence in infrastructure development across Africa and the Third World,, the establishment of the International Development Finance Corporation (DFC) has tried to redress the balance by “using development finance to further U.S. foreign-policy goals, including reducing dependence on China in critical supply chains” as well as providing alternatives to Chinese and other U.S. competitors.<sup>28</sup>

For Washington, the Lobito Corridor is an integral part of this wider strategy, particularly in light of China's overwhelming control over mineral supply. A notable example is found in the Democratic Republic of the Congo (DRC), where China exerts near-total dominance over copper and cobalt production—“85% of rare earth minerals and nearly 80% of the cobalt in DRC is mined by Chinese firms.”<sup>29</sup> Cobalt, used in the manufacture of batteries, is viewed as a cautionary tale for American strategic planners who have effectively ceded control of the market to the Chinese who “owned or had stakes in 15 of 19 cobalt-producing mines as of 2020.”<sup>30</sup> This situation was exacerbated by the U.S. decision to permit the mining company Freeport-McMoRan to sell its 95% stake in the Kisanfu copper-cobalt mine to China Molybdenum Co. (CMOC) in 2020, further consolidating Beijing's grip on this vital resource.<sup>31</sup>

With the initial shipment of copper from the massive Kamoa-Kaluka mine in the DRC, co-owned by the Canadian resource group Ivanhoe—the first lead partner for the project—arriving in Baltimore harbor in August 2024, the Lobito Corridor project has demonstrated its value by reducing shipping transport times and providing an additional outlet for mineral exports to the Atlantic seaboard—a key goal for the Americans and Europeans with the aim to redirect supply chains away from China.<sup>32</sup> President Joe Biden's visit to Angola in December 2024 further

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<https://futures.issafrica.org/thematic/18-africa-in-the-world/> [Online Resource] Updated 03 March 2025

<sup>28</sup> Lili Pike and Christina Lu, "DFC Investment in Africa: Countering China's BRI and Advancing the Lobito Corridor," *Foreign Policy*, December 16, 2024, <https://foreignpolicy.com/2024/12/16/dfc-investment-africa-china-bri-lobito-corridor-infrastructure-development/>.

<sup>29</sup> Ronak Gopaldas, "Reviewing the Lobito Corridor: A New Gold Rush or Fool's Gold?" *NTU Singapore*, November 11, 2024, <https://www.ntu.edu.sg/cas/news-events/news/details/reviewing-the-lobito-corridor>.

<sup>30</sup> "How America Plans to Break China's Grip on African Minerals," *The Economist*, February 28, 2023, <https://www.economist.com/middle-east-and-africa/2023/02/28/how-america-plans-to-break-chinas-grip-on-african-minerals>.

<sup>31</sup> "China Moly Buys 95% of DRC Copper-Cobalt Mine from Freeport for \$550 Million," *Reuters*, December 13, 2020, <https://www.reuters.com/article/world/china-moly-buys-95-of-drc-copper-cobalt-mine-from-freeport-for-550-million-idUSKBN28N0D8/>.

<sup>32</sup> Paul Burkhardt, "Lobito Atlantic Railway Exports First Copper to US From DRC," *Bloomberg*, August 22, 2024, <https://www.bloomberg.com/news/articles/2024-08-22/lobito-atlantic-railway-exports-first-copper-to-us-from-drc>.

advanced the project. Following discussions with the Presidents of Angola, the DRC, and Zambia, Biden announced plans to extend the Lobito railway to Zambia's copper belt, with groundbreaking expected by early 2026. The African Finance Corporation (AFC) has committed to a financing round exceeding half a billion dollars, bringing total financial commitments for the rail extension to over one billion dollars. At the summit, Biden expressed optimism that the Lobito Corridor would serve as the platform for a trans-African infrastructure network linking Tanzania's ports on the Indian Ocean with the Lobito Corridor. Additionally, the AFC signed a Memorandum of Understanding (MOU) with KoBold Metals, a firm backed by Bill Gates and Jeff Bezos, as an anchor client for the Lobito Corridor "with the promise of securing a minimum of 300,000 tons of copper and related freight annually."<sup>33</sup>

Chart 3: Influence on Africa, 1960-2019

Measured as sum of influence on all African countries; former colonial powers include France, Germany, Portugal, Spain and the UK

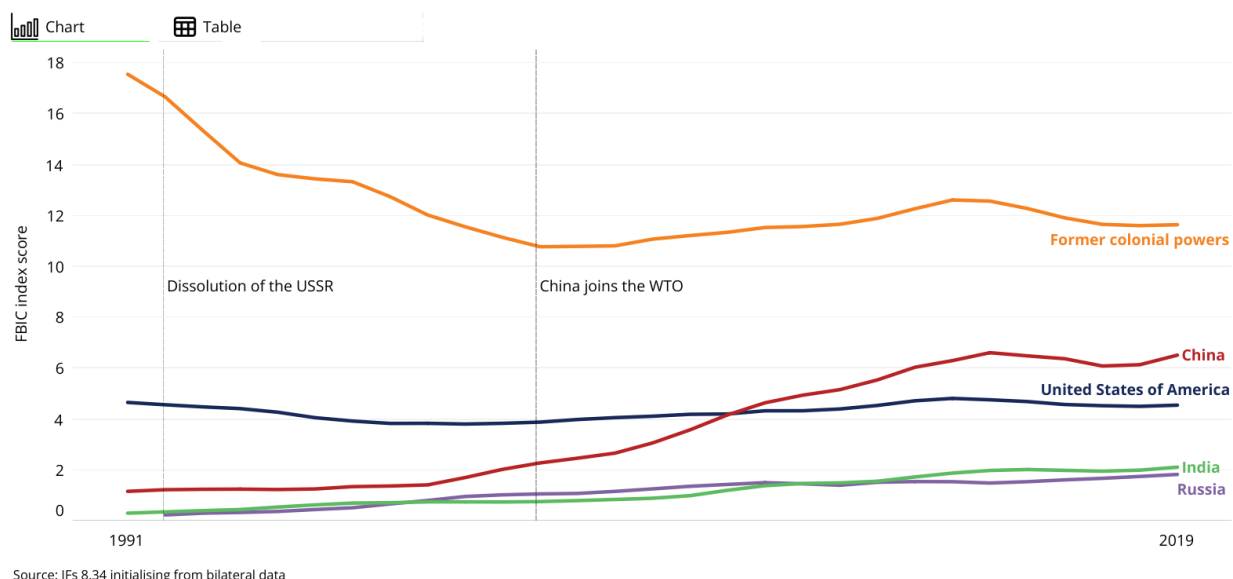


Figure 2: Influence on Africa, 1960-2019. Source: ISS African Futures<sup>34</sup>

## 7. Looking to the Future: Trump, Risk Assessment, and the Way Forward

The election of President Donald Trump and his return to the White House at the beginning of 2025 raises significant questions regarding the direction of American foreign policy in general, and specifically, American strategy towards Africa. However, the primary systemic factors that

<sup>33</sup> "AFC-Led Zambia Lobito Rail Project Receives Boost from Biden Visit to Angola," *Africa Finance Corporation*, December 4, 2024, <https://www.africafc.org/news-and-insights/news/afc-led-zambia-lobito-rail-project-receives-boost-from-biden-visit-to-angola>.

<sup>34</sup> See footnote 27.

have concerned American policymakers remain unchanged. The International Energy Agency's (IEA) warning, as previously noted, indicates that underlying demand for critical minerals will only increase, leaving the United States and its allies at a disadvantage compared to China in the crucial race for resources. A report from the Brookings Institution highlights that China, "refines 68% of nickel globally, 40% of copper, 59% of lithium, and 73% of cobalt. It is also a strategic player in later stages of the supply chain, such as manufacturing of battery cell components." With its control over the supply chain, China stands as the "largest consumer of the minerals it refines."<sup>35</sup> In response to American initiatives in the Lobito Corridor, China has developed its own alternative investment program to enhance its competitive position. Alarmed by the pro-American tilt in Angola, as well as in the DRC and Zambia, China swiftly sought ways to react. In February 2024, the Chinese government announced a one-billion-dollar investment aimed at improving and upgrading the TAZARA railway. However, according to *The Economist*, "the catch, insiders say, was that the deal had to be announced before the Biden administration unveiled its own list of investments in Lobito. Zambia obliged."<sup>36</sup>

This announcement was followed by the signing of an MOU between the Chinese leader Xi Jinping and his Zambian and Tanzanian counterparts during the Forum for China-Africa Cooperation in Beijing in September 2024. Some analysts contend that the two projects are not competitors, "but rather complementary projects, arguing that it realizes a pan-African goal for a transcontinental transportation corridor, it reflects U.S. and Chinese contributions to both railways, and it promises to revive the region's economic fortunes."<sup>37</sup>

Western support for the Lobito Corridor, however, does not mean that the United States and its allies possess exclusive rights to the infrastructure project. Chinese firms are already utilizing the rail link for cargo transportation, and it is important to note that the Chinese presence in Angola remains prominent, despite efforts to strengthen ties with the United States. This includes the management of the Port of Lobito, overseen by a Chinese consortium led by the China International Trust Investment Corporation (CITIC) and Shandong Port Group (SPG), which won a tender in 2022 to manage the port for a duration of 20 years.<sup>38</sup>

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<sup>35</sup> Rodrigo Castillo and Caitlin Purdy, "China's Role in Supplying Critical Minerals for the Global Energy Transition: What Could the Future Hold?" *Brookings Institution*, August 1, 2022, <https://www.brookings.edu/articles/chinas-role-in-supplying-critical-minerals-for-the-global-energy-transition-what-could-the-future-hold/>.

<sup>36</sup> "Africa's Surprising New Age of Rail," *The Economist*, July 18, 2024, <https://www.economist.com/middle-east-and-africa/2024/07/18/africas-surprising-new-age-of-rail>.

<sup>37</sup> Judd Devermont, "Two Railroads, One Vision," *Center for Strategic and International Studies*, October 10, 2024, <https://www.csis.org/analysis/two-railroads-one-vision>.

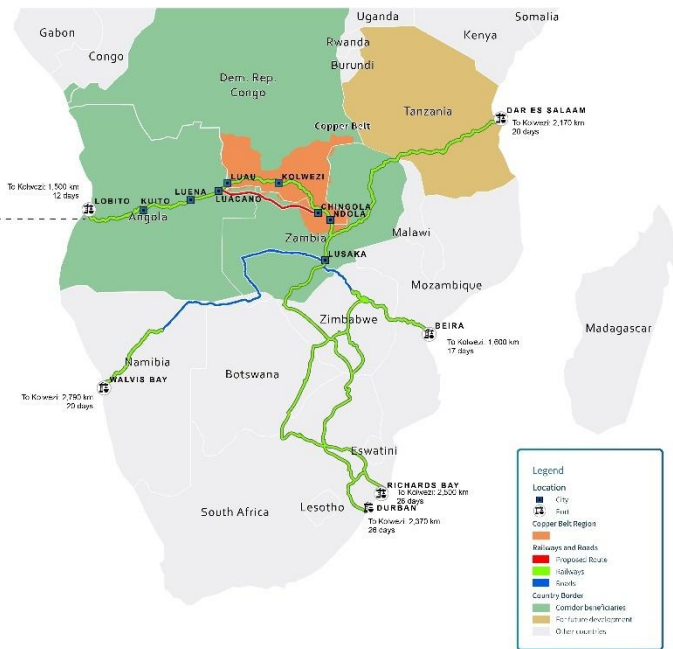
<sup>38</sup> Ronak Gopaldas, "Reviewing the Lobito Corridor: A New Gold Rush or Fool's Gold?" *NTU Singapore*, November 11, 2024, <https://www.ntu.edu.sg/cas/news-events/news/details/reviewing-the-lobito-corridor>.

## The Lobito Corridor: Unlocking Regional Potential

- Shortest Route to Seaport**  
Direct Atlantic access for landlocked countries like Zambia and DRC
- Faster Transit Times**  
From 30–45 days by road to just 6 days by rail
- Boosted Transport Capacity**  
Reduces reliance on 5,000+ trucks, easing congestion and emissions
- Driving Africa's Rise in Global Trade**  
Streamlined exports and stronger regional trade
- Inclusive Growth & Social Uplift**  
Jobs & local business growth fueled by demand across farming, manufacturing & logistics



Planned enhancements on the Kolwezi-Lobito route:  
Higher train speeds  
(up to 300–400 km/h);  
Fewer stops and delays at  
borders;  
Improved railway and port  
logistics.  
Projected travel time: 4  
to 5 days



Map courtesy of Mitrelli

Figure 3: The Lobito Corridor: Unlocking Regional Potential. Sources: Reuters, S&P Global, Lobito Corridor Investment promotion Authority, Harvard International Review, Trafigura, Africa Intelligence

Additionally, there are ongoing concerns regarding regional cooperation among Angola, the DRC, and Zambia, with Angolan officials complaining that the “DRC’s engagement has been “timid,”<sup>39</sup> In Angola, despite high American hopes of transforming the former Portuguese colony into an ally, a more nuanced perspective must be considered. Many members of the Angolan elite were educated in the Soviet Union and maintain enduring connections with Moscow, particularly within the lucrative diamond sector, alongside the substantial Chinese investment in the country. While there are aspirations, particularly on the part of President Lourenço, to shift Luanda’s defense relationships from Moscow to Washington, consensus among the Angolan elite is lacking, especially within the Russian-trained military.<sup>40</sup>

Finally, a critical question arises: what will Donald Trump’s policy be toward Africa in general, and the Lobito Corridor in particular? Trump's demand that Ukraine grant the United States rights to extract rare earth metals in exchange for prior American support highlights the transactional nature of his presidency and the premium he places on natural resources. Furthermore, his remarks regarding the importance of Greenland for American national security due to its substantial mineral deposits may influence U.S. policy toward Africa overall and American financing for the Lobito Corridor specifically. It is evident that the Trump administration adopts a

<sup>39</sup> Andres Schipani, "The US-backed Railway Sparking a Battle for African Copper," *Financial Times*, August 20, 2024, <https://www.ft.com/content/cb2823c7-f451-4bc9-959e-ec7e07384a31>.

<sup>40</sup> Mvemba Phezo Dizolele, "Biden Goes to Angola: Beyond the Lobito Corridor," *Center for Strategic and International Studies*, December 3, 2024, <https://www.csis.org/analysis/biden-goes-angola-beyond-lobito-corridor>.

more transactional perspective on American power, which will likely manifest in U.S.-Africa relations, emphasizing trade over aid. <sup>41</sup>In this context, the Lobito Corridor represents a positive development for American foreign policy in a region that Washington has long neglected, and has finally returned to, albeit perhaps too late.

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<sup>41</sup> Joshua Meservey, "U.S.-Africa Policy Should Be Driven by Trade, Not Aid," *Foreign Policy*, February 11, 2025, <https://foreignpolicy.com/2025/02/11/us-africa-policy-aid-trade-trump/>.