



# ASSOCIATION FOR EVOLUTIONARY ECONOMICS

## POWER, FINANCE AND DEVELOPMENT IN AFRICA, AND ISSUES IN DEVELOPMENT

Session date/time: Friday, Jan. 5, 2024, 8:00 AM - 10:00 AM (CST)

Room: Marion Bonham, Marriott Riverwalk

CHINA RAILWAY CONSTRUCTION CORPORATION (CRCC)  
AROUND THE WORLD AND AFRICAN DEVELOPMENT

(中国铁道建筑有限公司)

ALICIA GIRÓN

UNIVERSITY STUDIES PROGRAM OF ASIA AND AFRICA

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- - The strength of the economic and political project of the People's Republic of China is based on what Minsky has pointed out as the "creation of the Big *Government and* Big Bank, a phrase he frequently used to denote the size of government, the level of public expenditure, and the central bank, and by the various New Deal Reforms" (Minsky, 2008) during the Great Depression. The economic and financial reforms undertaken in China during the eighties positioned large corporations globally. An example is *China Railway Construction Corporation* (CRCC) with investments in the five continents transforming the landscape of the regions through long-range construction projects, as well as investments in priority sectors and necessary for the accumulation process in China.
- The objective of this paper is to demonstrate CRCC's expansion worldwide; highlight the main areas of investment and show the main institutional investors involved in the corporate. A new element that has favored Chinese corporations is global investments under the so-called *Belt Road Initiative* during the last decade. Although the pandemic and the policy of 'zero covid-19' in the current situation, characterized by inflation, high interest rates, war conflict and action on climate change present a complex panorama for the expansion of Chinese corporations, CRCC is one of the ten most important corporations worldwide.

# China Railway Construction Corporation. China Finance Capital

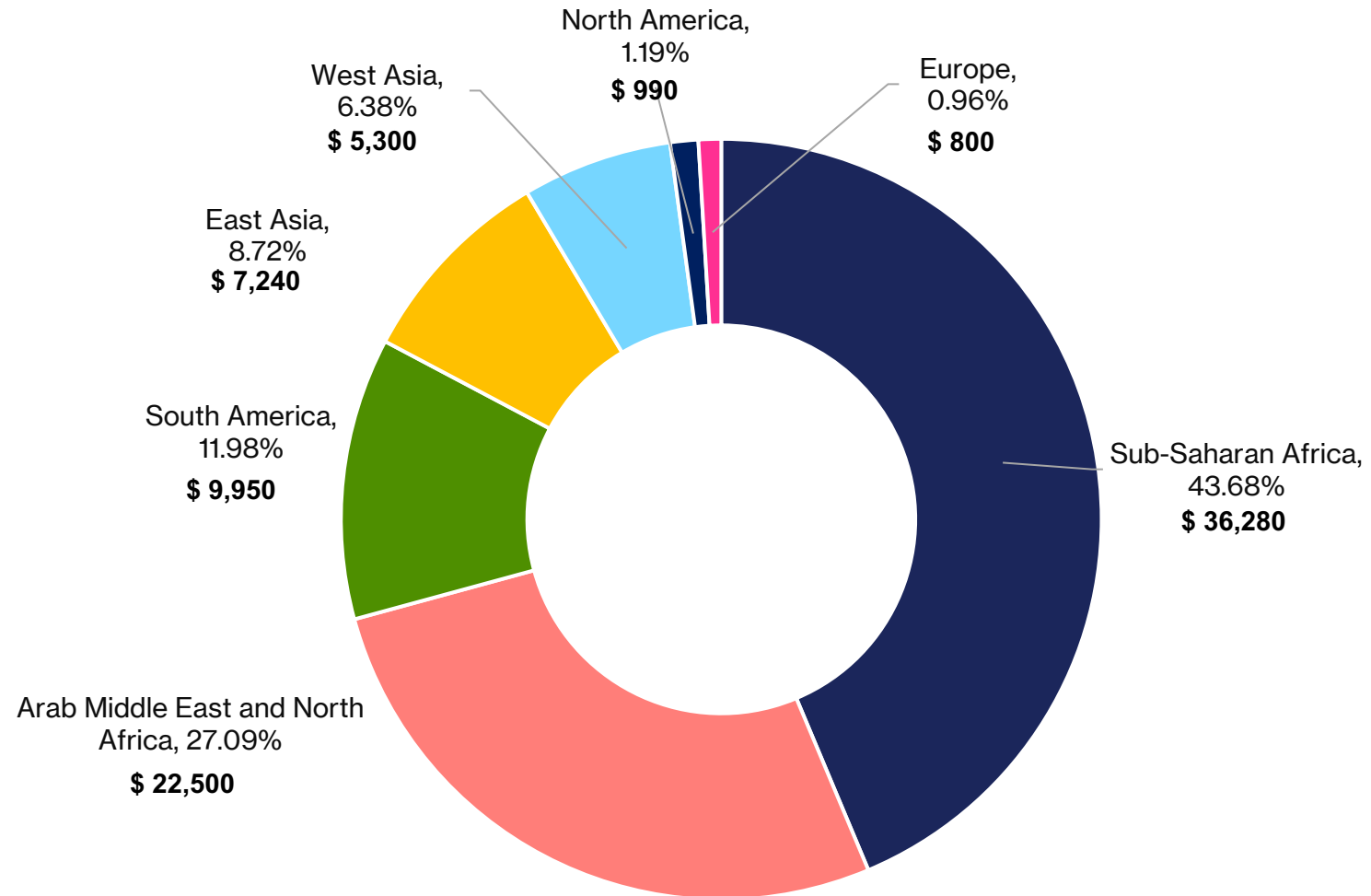
(中国铁道建筑有限公司)

## Profile Data:

- ❖ 2022 Fortune 500 Rank: 39
- ❖ Notable Affiliates: China Civil Engineering Construction, Corriente Resources, Aldesa
- ❖ Investment Total (2005-2022) (Billions USD): 6.6
- ❖ Construction Total (2005-2022) (Billions USD): 66.6
- ❖ Major Sector of Investment Activity: Transport/rail
- ❖ Major Country of Investment Activity: Ecuador
- ❖ Ownership: State

Source: *The Heritage Foundation and The American Enterprise Institute (s.f), "China Global Investment Tracker: China Railway Construction"*,  
<https://www.aei.org/china-global-investment-tracker/>

**Graph 1. China Railway Construction Corporation  
Percent and Millions of Dollar  
Total Global Investment  
2005-2022**



Note: Percent corresponds to the share in the total amount of transactions of the company around the world.

Source: Own elaboration from data of The American Enterprise Institute and The Heritage Foundation, "China Global Investment Tracker".

Retrieved March 30, 2023, from <https://www.aei.org/china-global-investment-tracker/>

**Table 2. China  
Railway  
Construction  
Corporation  
Total Investments by  
Region, Country and  
Amount  
2005-2022**

**Part 1. Africa**

Region	Country	Total amount (Billions of Dollar)	Sector	Period/ Years
Arab Middle East and North Africa	Algeria	10.00	Transport	2006-2013
	Saudi Arabia	5.38	Transport, Utilities, Real estate, Other	2009-2022
	Libya	2.60	Transport	2008
	Sudan	1.45	Transport	2014
	United Arab Emirates	1.20	Transport	2019
	Qatar	0.88	Entertainment, Real estate, Utilities	2016-2022
	Egypt	0.60	Transport	2015
	Morocco	0.39	Real estate	2017
Sub-Saharan Africa	Nigeria	13.30	Transport, Real estate	2008-2022
	Chad	5.63	Transport	2011
	Ethiopia	3.46	Logistics, Other, Transport	2013-2021
	Tanzania	2.23	Transport, Utilities	2018-2021
	Angola	2.14	Transport, Utilities	2007, 2016
	Zimbabwe	1.93	Real estate	2015
	Mali	1.46	Transport	2015
	Senegal	1.26	Transport	2015
	Djibouti	1.11	Transport	2012, 2015
	Guinea	1.10	Metals	2020
	Zambia	0.98	Transport, Utilities	2012, 2020
	Ghana	0.60	Transport	2019, 2022
	Kenya	0.30	Transport	2018
	Sierra Leone	0.26	Metals	2010
	Democratic Republic of the Congo	0.22	Metals	2015
Rwanda	0.15	Real estate	2017	
Uganda	0.15	Transport	2020	

Source: Own elaboration with data from The American Enterprise Institute and The Heritage Foundation, "China Global Investment Tracker". Retrieved March 30, 2023, from <https://www.aei.org/china-global-investment-tracker/>

**Table 2. China  
Railway  
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Corporation  
Total Investments by  
Region, Country and  
Amount  
2005-2022**

**Part 2. Asia**

Region	Country	Total amount (Billions of Dollar)	Sector	Period/ Years
East Asia	Malaysia	3.52	Transport, Tourism	2013-2018
	Thailand	1.80	Transport, Agriculture	2016-2021
	Singapore	1.27	Transport	2011-2021
	Cambodia	0.35	Entertainment, Tourism	2019, 2020
	Philippines	0.30	Transport	2019
West Asia	Pakistan	1.62	Transport	2015
	Turkey	1.27	Transport	2005
	Russian Federation	0.92	Real estate, Transport	2017, 2019
	Iran	0.54	Transport	2018
	Bangladesh	0.39	Transport	2018, 2021
	Georgia	0.34	Transport	2011
	Kazakhstan	0.12	Metals	2021
	Uzbekistan	0.10	Transport	2020

Source: Own elaboration with data from The American Enterprise Institute and The Heritage Foundation, "China Global Investment Tracker". Retrieved March 30, 2023, from <https://www.aei.org/china-global-investment-tracker/>

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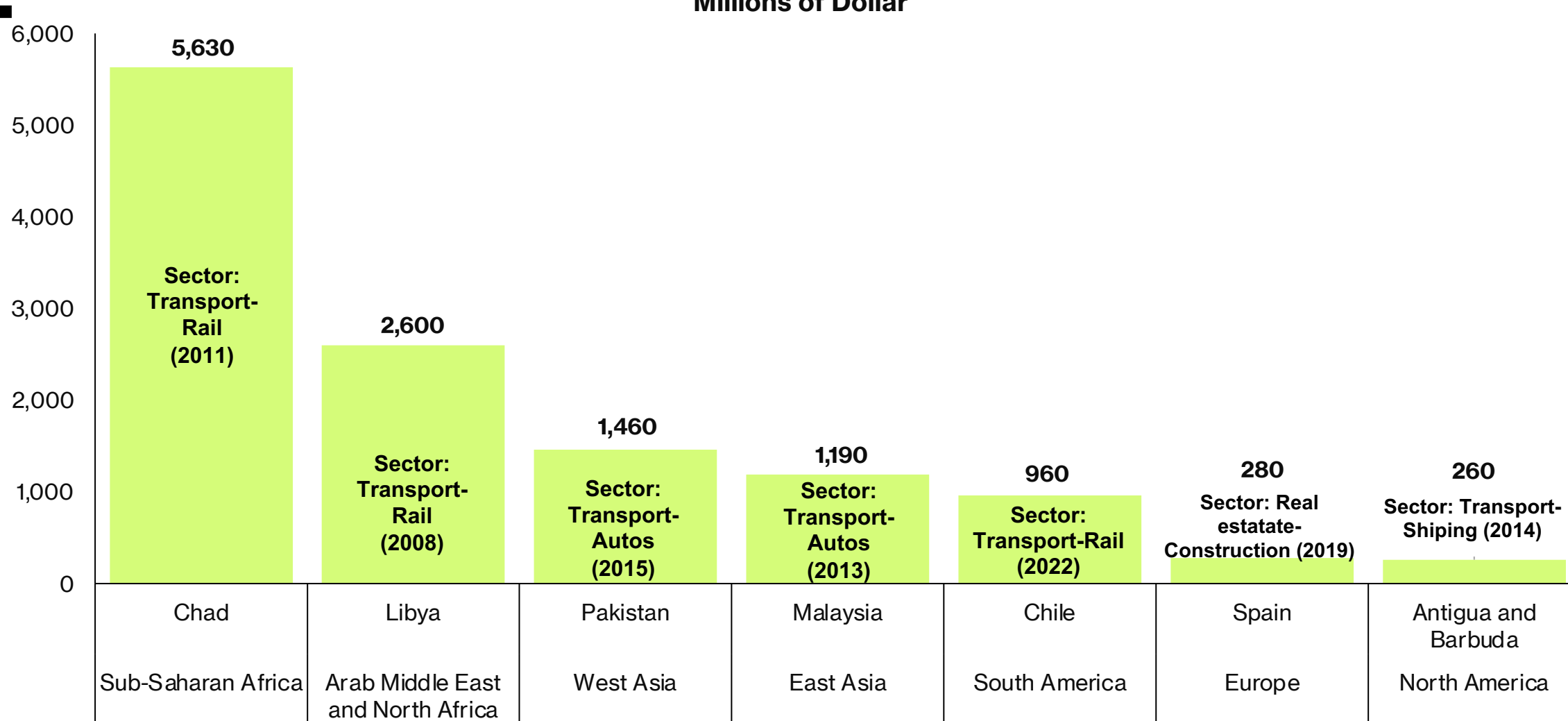
**Part 3. Other  
regions**

Region	Country	Total amount (Billions of Dollar)	Sector	Period/ Years
Europe	Israel	0.31	Transport	2012, 2017
	Spain	0.28	Real estate	2019
	Moldova	0.21	Transport	2019
North America	Trinidad-Tobago	0.57	Transport, Health	2015-2020
	Antigua and Barbuda	0.26	Transport	2014
	Mexico	0.16	Transport	2022
South America	Ecuador	4.03	Transport, Metals	2010-2019
	Chile	2.03	Health, Transport	2021, 2022
	Colombia	1.44	Transport	2020-2022
	Brazil	1.24	Transport	2020
	Bolivia	0.58	Transport	2014
	Peru	0.37	Transport	2018
	Guyana	0.26	Transport	2022

Source: Own elaboration with data from The American Enterprise Institute and The Heritage Foundation, "China Global Investment Tracker". Retrieved March 30, 2023, from <https://www.aei.org/china-global-investment-tracker/>



**Graph 2. China Railway Construction Corporation  
Major Projects by Region and Country  
Millions of Dollar**



**Table 4. China Railway Construction Corporation Major Projects by Country in Sub-Saharan Africa**

Country	Sector	Amount (Millions of Dollar)	Type of transaction	Year
Angola	Transport: Rail	1,830	Construction	2007
Chad	Transport: Autos	5,630	Construction	2011
Democratic Republic of the Congo	Transport: Rail*	220	Investment	2015
Djibouti	Real estate: Construction	600	Construction	2015
Ethiopia	Transport: Autos*	2,460	Construction	2013
Ghana	Transport: Shipping	500	Construction	2019
Guinea	Transport: Rail*	1,100	Construction	2020
Kenya	Other: Industry	300	Construction	2018
Mali	Transport: Rail	1,460	Construction	2015
Nigeria	Metals: Aluminum	1,660	Construction	2019
Rwanda	Utilities	150	Construction	2017
Senegal	Other: Industry	1,260	Construction	2015
Sierra Leone	Real estate: Property	260	Investment	2010
Tanzania	Other: Industry	1,320	Construction	2021
Uganda	Transport: Rail	150	Construction	2020
Zambia	Transport: Autos	830	Construction	2020
Zimbabwe	Metals: Copper	1,930	Construction	2015

\*Its an investment between CRCC and other Chinese companies or institutions. The share of each one is not available.

\*\*The transaction in the Tracker has been classified as Greenfield

Source: Own elaboration with data from The American Enterprise Institute and The Heritage Foundation, "China Global Investment Tracker". Retrieved March 30, 2023, from <https://www.aei.org/china-global-investment->

**Table 5. China Railway  
Construction  
Corporation  
Shareholders:  
Mutual Funds**

China Railway Construction Corp. Ltd. Mutual Funds					
<i>Name</i>	<i>Shares Held</i>	<i>% Shares Out</i>	<i>Change In Shares</i>	<i>% of Assets</i>	<i>As of Date</i>
Value Partners High Dividend Stocks Fund	19376500	0.93%	-4656000	0.79%	12/31/20
Essence Quality Enterprise 3 Year Mixed Fund	15761500	0.76%	15761500	3.13%	06/30/22
Zhongtai Xingcheng Value One Year Balanced Fund	15694000	0.76%	2655500	4.25%	12/31/21
Essence Value Return 3 Year Holding Return Hybrid Fund	8984500	0.43%	5360500	1.30%	06/30/22
Value Partners China Greenchip Fund Ltd.	8192500	0.40%	8192500	3.30%	06/30/22
Artemis SmartGARP Global Equity Fund	6012500	0.29%	6012500	0.58%	11/30/22
Harvest Core Blue Chip Mixed Fund	5000000	0.24%	5000000	2.03%	06/30/22
Essence New Normal Shanghai HK Shenzhen Core Equity Fund	4022500	0.19%	4022500	2.14%	06/30/22
Fullgoal China Small & Medium Caps (HK-Listed) Balanced Fund	3670500	0.18%	3670500	0.37%	12/31/21
BEA Union Invt. Capital Growth Fd. - Hong Kong Growth Fund	3520500	0.17%	3520500	0.66%	06/30/22

Source: Wall Street Journal Markets, (s.f.). "China Railway Construction Corp. Ltd.". Retrieved April 03, 2023 <https://www.wsj.com/market-data/quotes/hk/1186>

# China Railway Construction Corporation

## Main shareholders of Mutual Funds:

- 1. Value Partners High Dividend Stocks Fund:** “the Fund aims to provide capital appreciation to unitholders by investing primarily in a portfolio of relatively higher yielding debt and equity securities in Asian region.”
- 2. Zhongtai Xingcheng Value One Year Balanced Fund:** “the Fund is a closed-end fund incorporated in China. The Fund mainly tracks the CSI 800 Index. The Fund aims to achieve long-term sustainable return with strict risk management.”
- 3. Artemis SmartGARP Global Equity Fund:** “the manager of the Artemis SmartGARP Global Equity Fund seeks to grow capital over a five-year period by investing in companies around the world. He draws on SmartGARP, Artemis’ in-house software tool that screens companies’ finances to identify potential investments.”
- 4. Fullgoal China Small & Medium Caps (HK-Listed) Balanced Fund:** “the Sub-fund's investment objective is to achieve capital appreciation primarily (i.e., usually two-thirds of its net asset value) through investing in small and mid-cap companies whose operations are focused mainly in, or which derive a significant amount of revenue from China, Hong Kong or Macau listed in China, Hong Kong and the US”.

Source: 1) Value Partners Group. (2022). Value Partners High-Dividend Stocks Fund. August 9, 2022, Value Partners Group Web Site: <https://www.valuepartners-group.com/en/investment-solutions/institutional-funds/value-partners-high-dividend-stocks-fund/?country=hk&type=hkri&tab=facts> ; 2) Bloomberg. (2022). ZXHPMFA:CH Zhongtai Xingcheng Value 1-year Holding Period Mixed Fund. August 10, 2022, From Bloomberg Web Site: <https://www.bloomberg.com/quote/ZXHPMFA:CH> ; 3) ARTEMIS The Profit Hunter. (2022). Artemis Smart GARP Global Equity Fund. August 9, 2022, from ARTEMIS The Profit Hunter Web Site: <https://www.artemisfunds.com/en/gbr/investor/funds/explorer/artemis-smartgarp-global-equity-fund/class-i-accumulation-units-gbp#composition> ; 4) CITYWIRE ASIA. (2022). Fullgoal China Small-Mid Cap Growth Fund. August 10, 2022, from CITYWIRE ASIA Web Site: <https://citywireasia.com/fund/fullgoal-china-small-mid-cap-growth-fund/c574890>

**Table 5. China Railway  
Construction  
Corporation  
Shareholders:  
Institutions**

China Railway Construction Corp. Ltd. Institutions					
<i>Name</i>	<i>Shares Held</i>	<i>% Shares Out</i>	<i>Change In Shares</i>	<i>% of Assets</i>	<i>As of Date</i>
Essence Fund Co., Ltd.	17238000	0.83%	8194000	0.18%	06/30/22
Grantham, Mayo, Van Otterloo & Co. LLC	15768700	0.76%	0	0.05%	08/31/22
Zhongtai Securities Shanghai Assets Management Co., Ltd.	15694000	0.76%	15694000	1.13%	12/31/21
Nordea Investment Management AB (Denmark)	9589500	0.46%	0	0.73%	08/31/22
Canada Pension Plan Investment Board	7260000	0.35%	0	0.02%	03/31/22
Baring Asset Management (Asia) Ltd.	6270500	0.30%	0	0.18%	10/31/22
Artemis Investment Management LLP	6115500	0.30%	-8448000	0.12%	11/30/22
Harvest Fund Management Co., Ltd.	5600000	0.27%	5600000	0.06%	06/30/22
Allianz Global Investors Asia Pacific Ltd.	5170000	0.25%	0	0.89%	03/31/22
Polunin Capital Partners Ltd.	4871710	0.24%	0	0.23%	12/31/2

Source: Wall Street Journal Markets, (s.f.). "China Railway Construction Corp. Ltd.". Retrieved April 03, 2023  
<https://www.wsj.com/market-data/quotes/hk/1186>

# China Railway Construction Corporation

## Main institutional shareholders:

1. **Grantham, Mayo, Van Otterloo & Co. LLC:** “GMO operates as an investment management firm. The Firm provides portfolio management and consulting services to pooled investment vehicles and private investment funds.”
2. **Canada Pension Plan Investment Board:** “CPP operates as an investment management company. The Company offers pension management services, as well as provides investment such as private equity, real assets, and fixed income. ”
3. **Baring Asset Management (Asia) Limited** “is a large advisory firm based in Hong Kong. It manages \$5.56 billion of regulatory assets for 43 client accounts. It has been registered with the SEC as an adviser since 2001. Baring Asset Management (Asia) Limited provides portfolio management for pooled investment vehicles and portfolio management for businesses and institutional clients. It doesn't provide financial planning services to its clients. On top of advisory services, the firm also engages as pooled investment vehicles.”
4. **Allianz Global Investors Asia Pacific Ltd.** “operates as an investment management firm. The Company offers portfolio management and advisory services to individuals, institutions, trusts, private funds, charitable organizations, and investment companies.”
5. **Polunin Capital Partners Ltd. :** “Founded in 2001, Polunin is an employee-owned Emerging Markets Equity specialist managing c. \$5bln in institutional portfolios.”

Source: 1) Bloomberg (2022). “Grantham Mayo Van Otterloo & Co LLC”, Retrieved from: <https://www.bloomberg.com/profile/company/31986Z:US#xj4y7vzkg> ; 2) Bloomberg (2022). “Canada Pension Plan Investment Board”. Retrieved from: <https://www.bloomberg.com/profile/company/3682Z:CN#xj4y7vzkg> ; 3) Wallmine. (2022). Baring Asset Management (Asia) Limited (Hong Kong). August 13, 2022, from Wallmine. Web Site: <https://wallmine.com/adviser/245347/baring-asset-management-asia-ltd> ; 4) Bloomberg (2022). “Allianz Global Investors Asia Pacific Ltd”, Retrieved from: <https://www.bloomberg.com/profile/company/3885894Z:HK#xj4y7vzkg> ; 5) Polunin Capital Partners Limited. (2022). About Us. August 13, 2022, from Polunin Capital Partners. Web Site: <https://www.linkedin.com/company/polunincapitalpartnerslimited/about/>