

Sustainable Development of Chinese International Contractors



Global Infrastructure Cooperation Conference 2017

Fang Qiuchen

Chairman

China International Contractors Association (CHINCA)

About CHINCA



Founded in April 1988,
National industrial association of international contractors,
labor service agencies, engineering project investors and
related service providers



Functions:
communicate members' appeals
strengthen industry self-discipline
provide professional service



China Social Organization Evaluation Grade 5A
Advanced Social Organization of China

About CHINCA

1500

Member Companies

- 65 members are listed in ENR Global Top 250 International Contractors

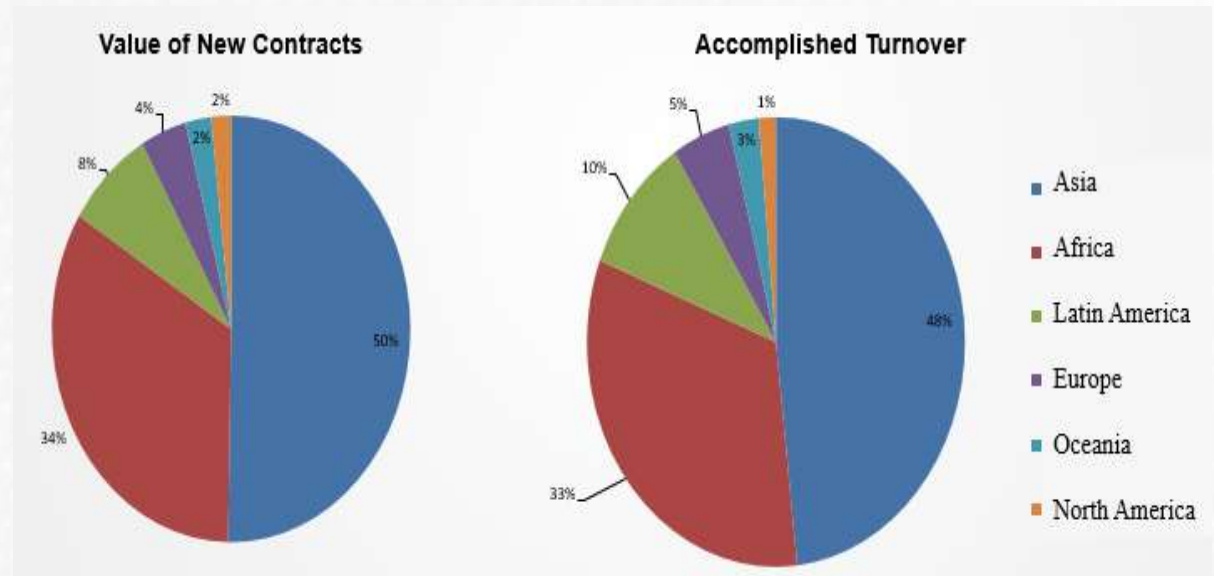
- Several backbone enterprises have been listed in Fortune 500



Overview of Chinese Contractors' Overseas Business

Market Distribution

- 190 countries and regions
- 84% of business was in Asia and Africa
- Successfully developing new markets in Europe, Latin America, North America, and Oceania.

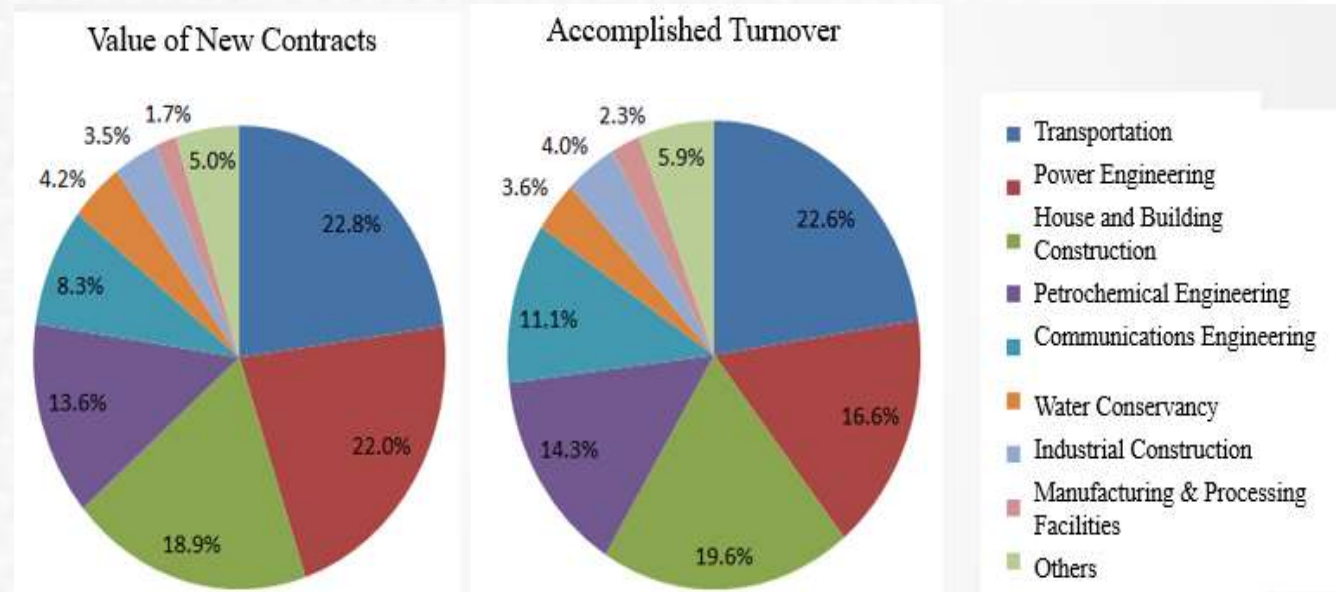


2016 China's Overseas Contracting Business Distribution by Continent

Overview of Chinese Contractors' Overseas Business

Business Sectors

- Developing various businesses in the infrastructure industry.
- Possessing core competitiveness in transportation, housing, power, telecommunication, and petrochemical industry.

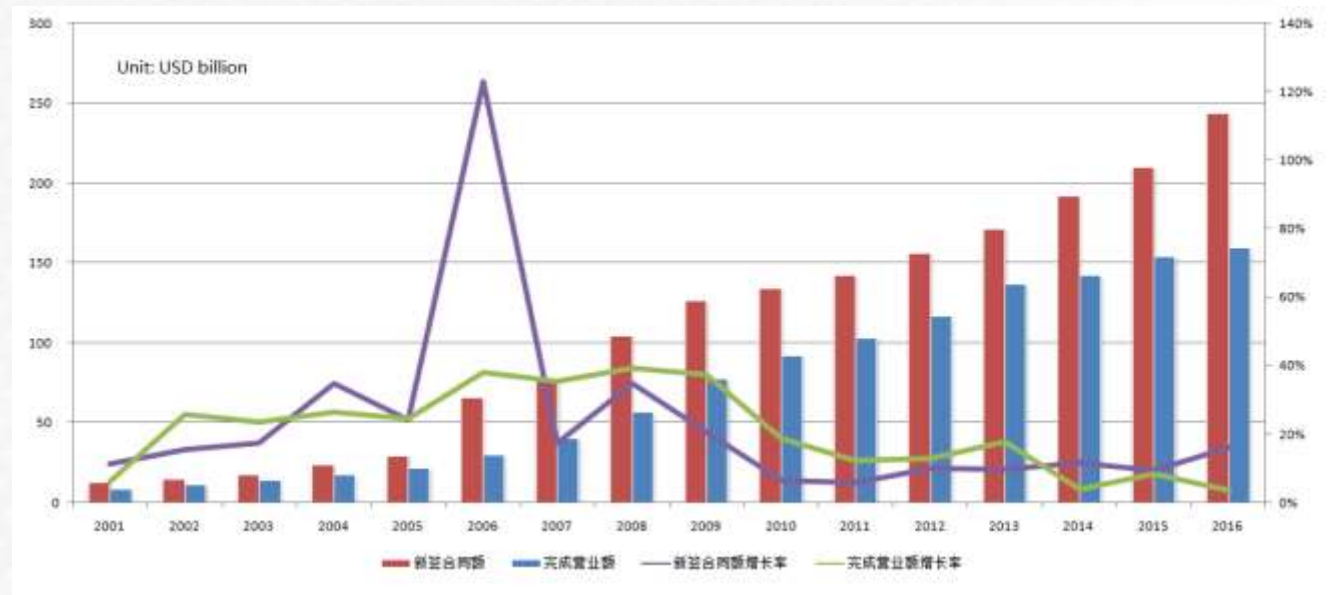


Business in each sector as a percentage of the total in 2016

Overview of Chinese Contractors' Overseas Business

Business Scale

- The accomplished turnover in 2016 was USD **159.4** billion.
- The value of newly-signed contracts reached USD **244** billion in 2016.
- Both showing up-trend in the past 30 years and this year again.



Value of New Accomplished
Contracts Turnover

Growth Rate of
New Contracts
Value

Growth Rate of
Accomplished
Turnover

1. Long-run Sustainability & Being Responsible

*Transform from the project
"constructors" to the
"participants" of local economic
and social development*

Adhere to three principles:

A: Principle of stakeholders

B: Principle of project life cycle

C: Principle of adaptation to changes



1. Long-run Sustainability & Being Responsible

- Chinese contractors have invested and built a number of sustainable infrastructure projects that benefit people's livelihood and the society*



1. Long-run Sustainability & Being Responsible

the Guidelines of Sustainable Infrastructure for Chinese International Contractors(SIC) released by CHINCA



1. Long-run Sustainability & Being Responsible



Launching Ceremony of SIC during the 8th International Infrastructure Investment and Construction Forum (8th IICF) in June, 2017

2. Participate in Infrastructure Projects in Different Modes & Play Different Roles

BOT and PPP modes are now being widely applied, especially in projects like power stations or roads.

- **Project Name** : Nam Ou Cascade Hydropower Station Project
- **Country** : Laos
- **Project Status** : Phase I of the project has been put into operation
- **Total Investment**: about USD 2.8 billion
- **Business Mode**: BOT
- **Contractor**: POWERCHINA



2. Participate in Infrastructure Projects in Different Modes & Play Different Roles

BOT and PPP modes are now being widely applied, especially in projects like power stations or roads.

- **Project Name :** Jamaica North–South Highway
- **Country :** Jamaica
- **Project Status :** Completed
- **Total Investment:** about USD 700 million
- **Length:** 67.3 kilometers
- **Business Mode:** BOT
- **Contractor:** China Harbour Engineering Company Ltd.



2. Participate in Infrastructure Projects in Different Modes & Play Different Roles

- **Project Name:**
Addis Ababa-Djibouti Railway
- **O&D :** Ababa-Djibouti
- **Project Status :** Completed
- **Total Investment:** about USD
4 billion
- **Length:** about 752.7 kilometers
- **Business Mode:** EPC
- **Contractor:** China Civil Engineering
Construction Corporation



2. Participate in Infrastructure Projects in Different Modes & Play Different Roles

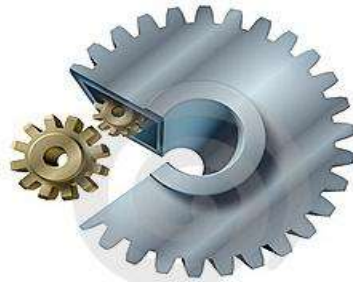
Participate in the investment and construction of overseas economic and trade cooperation zones

- **Project Name** : China-Belarus Industrial Park (Great store)
- **Country** : The Republic of Belarus
- **Project Status** : under-construction
(3.5-square kilometer starting zone in Phase I has been basically completed)
- **Planning Area**: 91.5 square kilometer
- **Contractor**: SINOMACH





2. Participate in Infrastructure Projects in Different Modes & Play Different Roles



中國建築
CHINA STATE CONSTRUCTION

China State Construction's Acquisition of American contracting firm Plaza Construction



中交國際(香港)控股有限公司
CCCC International Holding Limited

CCCC International Holding Limited's Acquisition of Australia's John Holland

3. Cooperation & Win-Win Results

Chinese contractors put priorities to the capability to integrate companies from the upstream and downstream of the industry chain to achieve complementary advantages and synergies, e.g. companies with money, designing firms, equipment and operation service suppliers.



3. Cooperation & Win-Win Results

Strengthen cooperation with foreign contractors, service and product suppliers.



Deepening the “Belt & Road” Construction



Deepening the “Belt & Road” Construction





Establish Platforms & Promote Cooperation



THANK YOU !

No.2 Dongzhimennei Street, Dongcheng District,
Beijing, China (100007)



www.chinca.org



(+ 86) 10 5972 5082



chinca@163.com



(+ 86) 10 5972 5214

Sustainable Development of Chinese Contractors under New Circumstances



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