

中国铁道建筑有限公司

China Railway Construction Corporation (CRCC) and African Development¹

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“Moreover, apart from profits earned on capital actually invested in the new territories, great capital gains are made simply by acquiring possession of land and other natural resources”.

In all these cases the causes of these interruptions of reproduction obviously lay in the one-sided determination of the plan of reproduction by those in power”.

Rosa Luxemburg, *The Accumulation of Capital* (2015, 24 and 30-31). Kindle Edition.

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JEL classification Codes: B50, O1, F02, F20, F54, F65

Abstract

To talk about Africa's economic development without referring to infrastructure investments made by large Chinese corporations would be to deny the changes in international cooperation between the countries of the Global South. An economic and political project of the People's Republic of China, whose strength base has been a ‘*Big Government* and *Big Bank*’ accompanied by economic and financial reforms and a long-term imperial vision, the central hypothesis in Minsky's work that underlines the importance of public companies and the exercise of a monetary and fiscal policy focused on employment creation with a significant expansion of capital exports. The Great International Financial Crisis (GIFC) strengthened under the *Belt Road Initiative* (BRI) along with a social reproduction process of the State capital with a long-term global vision explains the great Chinese corporations. In this essay, we will demonstrate the positioning and growth of large Chinese corporations, interrelated with profound economic and financial reforms in China since the 1980s. Firstly, the focus will be the investments of *China Railway Construction Corporation* (CRCC) globally; secondly, there will be a brief account of the investment projects on the African continent; lastly, we will pay particular attention to the institutional investors participating in the CRCC.

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Introduction

The economic and financial reforms that Deng Xiaoping undertook in China during the 1980s positioned large corporations globally. *China Railway Construction Corporation* (CRCC) stands out among the ten most significant corporations; it is a state-owned enterprise that has invested in projects of five continents in the construction and engineering sectors, such as trains, roads, bridges, tunnels, and other projects related to transportation infrastructure. According to data from the Global Investment Tracker from the American Enterprise Institute and The Heritage Foundation (n.d.), CRCC investments represented 83.06 billion dollars worldwide. That is, 3.6% of the total investments of Chinese corporations, which amounted to 2.27 trillion dollars between 2005 and 2022. CRCC has been transforming the landscape of different regions through infrastructure projects, long-range constructions related to investments in priority sectors, and China's internal accumulation project.

On the global scene, in addition to competing with the multilateral financial organizations, whose birth was from the creation of the Bretton Woods international monetary system, we can see how China transitioned from being a donor country to a lender through its “policy banks”, *China Eximbank* and *China Development Bank*, according to Dreher et al. (2022).

The risk these loans entail is present from the creditors in the event of possible insolvency by the debtor countries, though profitability is a central element. The position of Chinese corporations is to capture the economic and financial spaces of the host country. Also, “as reported by the Ministry of Commerce, the total number of cross-border mergers and acquisitions of Chinese companies increased sixteen-fold from 2006 (\$8.25 billion) to 2016 (\$135.33 billion), and the average growth rate was more than 150% per year. With cross-border mergers and acquisitions, companies can not only acquire advanced technology and management experience but also expand their business and brand ownership in global markets” (Zaiyang et al., 2019). For this reason, authors such as Lechini describe the Chinese investment strategy from a global economic and political vision, as “going in” and “going out” (Lechini, Dussort and Marchetti 2020).

Different angles allow us to analyze the growth of China's investments and loans to several investment projects in Africa, Latin America, Southeast Asia, and other countries. In this essay, we will examine CRCC's worldwide investments. The significance of researching this company is to observe its expansion and the presence of corporate capital, not because of the profitability of the investment or the possible growth of past due portfolios of the projects in which it participates, but because of its impact on the economic, political and social areas, where this corporation locates along with the other large corporations is much more significant, since they are closely related to China's internal accumulation process. On the other hand, it is interesting to observe who the institutional investors participating in a corporation like CRCC are.

Methodological Note

The data obtained for the analysis of *China Railway Construction Corporation* (CRCC) is from the American Enterprise Institute and The Heritage Foundation's database. The “China Global Investment Tracker” platform responds to a project of the American Enterprise Institute and The Heritage Foundation that “monitors China's construction activities and global investments” (CSIS, n.d.). This tracker shows over “4,000 large transactions across transportation, metals, property, agriculture, technology, and other sectors (plus more than 350 troubled transactions) from 2005 to 2022” (American Enterprise Institute and The Heritage Foundation, n.d.).

The information obtained for the China Railway Construction Corporation (CRCC), presented below, is at a global and regional level. We considered the investment and construction amounts in both analyses, and the most significant projects were highlighted, regarding their proportion to the global and regional amounts in millions of dollars. Furthermore, looking to expand the information about the corporation, we included data from internet sites, newspaper portals, the company's official website, news related to relevant projects by country to map the data related to the actors and progress of each project, and data on Mutual Fund shareholders and Institutional shareholders in CRCC.

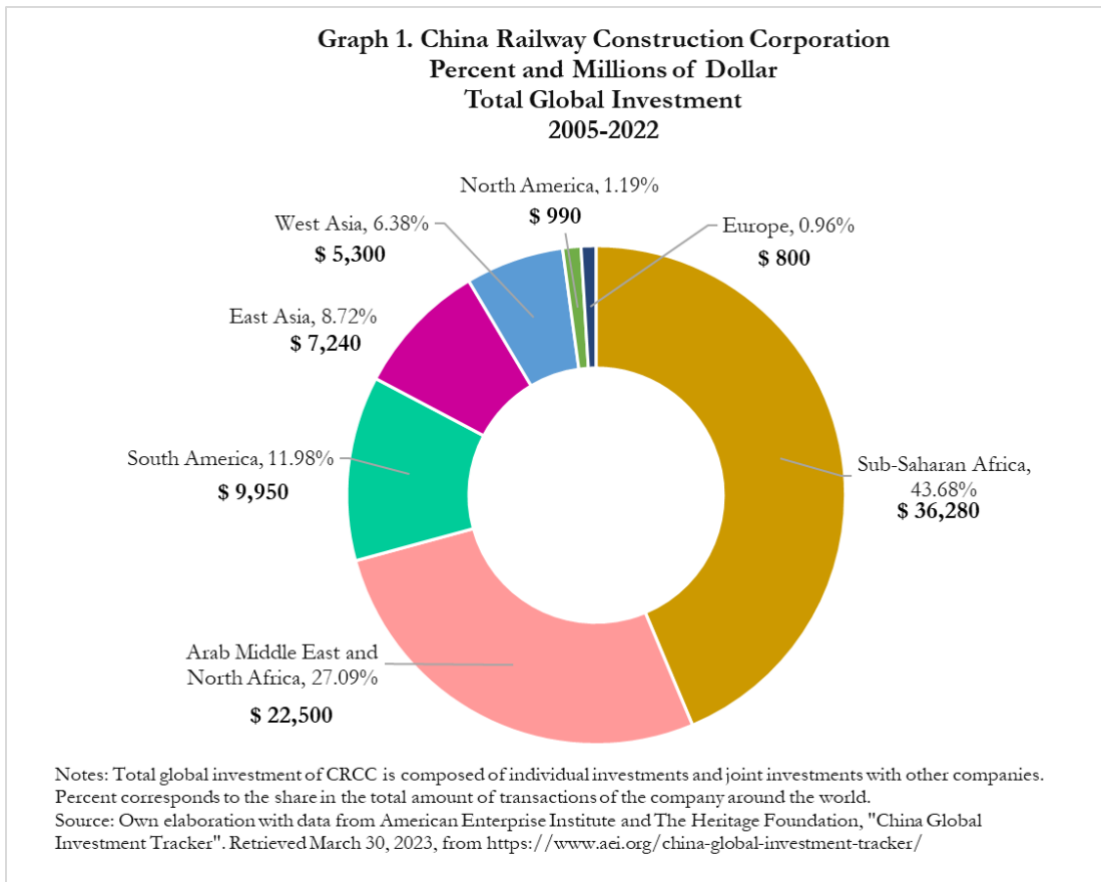
Worldwide Presence of China Railway Construction Corporation

CRCC has a strong presence in construction worldwide because it has carried out numerous infrastructure projects in different countries. It is also a leader in high-speed railway lines, urban transportation systems, and other railway projects. It is an iconic company of China's extensive high-speed railway network.

1. Under the BRI, CRCC has participated in building railways and infrastructure in Kenya, Nigeria, Ethiopia, Indonesia, Laos, Serbia, and other countries.
2. Even in countries outside the BRI, such as Australia, the United States, Saudi Arabia, Malaysia, and others.

In addition to being a renowned participant in the railway construction sector alongside other Chinese companies involved in railway projects, CRCC's railway network projects range from design and planning to construction and operation. The specific details and scale of projects vary by country and depending on project requirements and collaborations with partners or local authorities.

Below are the CRCC investment percentages in different regions worldwide. Due to its importance, Sub-Saharan Africa stands out with 43.68%, equivalent to 36.28 billion dollars; Middle East and North Africa 27.09%, equivalent to \$25.5 billion dollars. By adding these two regions, the CRCC reaches 70.77% of the total investments worldwide, approximately 58,780 million dollars, almost three-quarters of the total investment. In order of importance, Asia adds 15.10% and South America only 11.98%, an area where the interests of the United States predominate less and less compared to China's advance.



Since the BRI, cooperation between China and the countries of the Global South has been strengthened through investments by their state-owned companies and financing granted for infrastructure projects. “In terms of foreign financial cooperation, researchers from all over the World generally believe that the mechanisms China has adopted in recent years include monetary, investment and financing, capital market, and multilateral financial-institution cooperation” (Krosinsky 2020).

Below are the investments greater than one billion dollars, by region and country, made by the CRCC: 1) North Africa and the Middle East: Algeria, 10 billion dollars stands out; Saudi Arabia, 5.38 (billion); Libya, 2.6 billion dollars; Sudan, \$1.45 billion; Arab Emirates, 1.20 billion dollars. 2) Sub-Saharan Africa: Nigeria, 13.30 billion dollars; Chad, \$5.63 billion; Ethiopia, \$3.46 billion; Tanzania, \$2.23 billion; Angola, 2.14 billion dollars. 3) East Asia: Malaysia, 3.52 billion dollars; Thailand, \$1.80 billion; Singapore, 1.27 billion dollars. 4) Western Asia: Pakistan, 1.62 billion dollars and Türkiye, 1.27 billion dollars; 5) South America: Ecuador, 4.03 billion dollars; Chile, 2.03 billion dollars; Colombia, 1.44; Brazil, 1.24 billion dollars.

Table 1					
China Railway Construction Corporation					
Major Projects by Region and Country					
<i>Region</i>	<i>Country</i>	<i>Type of transaction</i>	<i>Total amount (Millions of Dollar)</i>	<i>Sector</i>	<i>Year</i>
Sub-Saharan Africa	Chad	Construction	5,630	Transport: Rail	2011
Arab Middle East and North Africa	Libya	Construction	2,600	Transport: Rail	2008
West Asia	Pakistan	Construction	1,460	Transport: Autos	2015
East Asia	Malaysia	Construction	1,190	Transport: Autos	2013
South America	Chile	Construction	960	Transport: Rail	2022
Europe	Spain	Investment	280	Real estate: Construction	2019
North America	Antigua and Barbuda	Construction	260	Transport: Shipping	2014

Note: This table shows the main projects where CRCC is the only investor.

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

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

China Railway Construction Corporation in Africa

Multilateral financial organizations have emphasized the importance of the close relationship between China and Africa. The recent IMF report (2023) notes how "Sub-Saharan Africa has forged broadly beneficial economic ties with China over the last two decades. China has become the region's largest trading partner, a central credit provider, and a significant source of foreign direct investment (FDI)" (IMF 2023, 1). On the other hand, China's participation has strengthened based on multilateralism through the African Development Bank and the African Union's Agenda 2063. "The banks that have provided financing are the Asian Investment Bank, the African Development Bank, and the Silk Road Fund. To this end, the Forum on China-Africa Cooperation (FOCAC) adopted four resolutions: The Dakar Action Plan (2022-2024), the China-Africa Cooperation Vision 2035, the Sino-African Declaration on Climate Change, and the Declaration of the Eighth Ministerial Conference of FOCAC (Thomas 2021). It is relevant to mention that the ten cooperation plans and eight initiatives adopted at the FOCAC Summit in Johannesburg in 2015 and the FOCAC Summit in Beijing in 2018 elevated economic and commercial cooperation between China and Africa" (Girón 2023, 185).

Due to its natural resources, Africa is a supplier for multinational high-tech companies. "As multinational companies seek to extend their supply chains into diverse regions, African countries

could become potential sources of high-technology mineral resources along shorter and simpler supply chains, with the added effect of contributing to the stable development of emerging industries on the continent. More equivalent Investor–State agreements, or host government agreements, especially for the critical minerals and metals employed in high-technology products and supply chains, will be necessary to develop domestic industries successfully and improve the capability of local firms to design, procure, or manufacture necessary parts and components in high-technology-intensive supply chains” (UNCTAD 2023, 3).

Technology companies' investments in the region will develop qualified employment, hence the importance of the African Union's Programme for Infrastructure Development in Africa (PIDA) and the African Development Bank, "whose mission is to spur sustainable economic development and social progress in its regional member countries (RMCs), thus contributing to poverty reduction" (AfDB 2023).

The most significant projects that the China Railway Construction Corporation (CRCC) has carried out at a regional level in the Middle East and North Africa are those in Algeria, amounting to 10 billion dollars assigned to the transportation sector, such as *The Oran Sinosteel BPM Pipe Belt Machine Project*, in conjunction with the *Oran Sinosteel* company. It consisted of building an 11-kilometer-long tubular belt to connect the port of *Arzew* with the *Tosyali* steel works to transport minerals, meaning a total of approximately 64 million RMB or 5.75 million dollars (CRCC 2017a). Likewise, the *Algeria East-West Highway Project*, also called "Project President" and "Project Century", stands out as one of the most important for the Algerian government for having been the first project abroad for China, adopting European technical standards, and earned them the *Zhan Tianyou* Award (CRCC 2018a). Finally, there is the *Algerian Tlemcen connection Line* project, whose objective was to pave the PK2 bridge connecting Algeria Tlemcen, involving one hundred and twenty thousand tons of asphalt (CRCC 2019).

Libya is the country with the most significant investments by the CRCC, equivalent to 2.60 billion dollars, assigned to two construction projects in early 2008 for a west-east railway line from the city of *Khums* to *Sirt* and from south to west from *Sebba* to *Misurata*, with a length of 352 and 800 kilometers, respectively, for an approximate value of 2.6 billion dollars (EFE 2015).

Subsequently, Morocco has a 0.39 billion dollars investment in the real estate sector, mainly for the “CRCC Morocco Rabat” tower, the first tallest building in Africa with 250 meters, which accommodates a complex of apartments, offices, and five-star hotels. This project promoted the Moroccan market to follow up on the Chinese “Belt and Road Initiative” (CRCC 2017b).

In sub-Saharan Africa, Nigeria tops the list with a \$13.3 billion investment in real estate and transportation construction projects, such as the International Cargo Airport in the city of *Ekiti*, which allowed local people to export more products and stimulated the State's economy (CRCC 2022a). Furthermore, along with its subsidiary *China Civil Engineering Construction Corporation* (CCECC), *The Kaduna to Kano Railway* was carried out, a project that would link the cities of Kaduna and Kano through a single railway so that resources from the north flow to the south (CRCC 2021(a)). Like this project, the CRCC had already been developing additional railway constructions, the rehabilitation and reconstruction of the Nigerian Eastern Railway that runs from *Port Harcourt* to *Maiduguri*, and whose objective is to connect 12 cities in the country. It is also worth mentioning construction projects such as the Nigeria Ibadan Light Rail Red Line or the *Itakpe - Ajaokuta - Warri* route, which have commercial and passenger transport objectives (CRCC 2020a). The construction of the Kano municipal road was completed in 2017 and was 2.1 kilometers long to connect the two most important roads in the city. (CRCC 2017c).

Ethiopia had a 3.45 billion investment assigned to the logistics and transportation area and to construction projects within the country, such as the Dire Dawa Industrial Park, whose total area is 150 hectares divided into a free, a residential, and a commercial zone, offering fully serviced buildings, dormitories, shopping centers, and other well-equipped support facilities. (CRCC 2020b) Additionally, in the logistics field, the CRCC has built unloading facilities and a railway connection for the *Awash* oil depot, a project that entails the construction of a new railway connection that links the oil depot of the Awash city and the unloading facilities with the oil depot and the *Addis Ababa - Djibouti* railway, adding to it one more station but for passengers. (CRCC 2021b).

Likewise, the “construction of the African Center for Disease Control and Prevention (Africa CDC) stands out and has financial support from the Chinese government. The project has a total floor area of 23,570 square meters and includes office administration areas, emergency response areas, an information center, and biology laboratories. [...] it will be the first CDC in Africa with modern office and laboratory conditions and well-equipped facilities [...]” (CRCC 2023).

In Tanzania, there was a 2.23 million dollar investment assigned to the areas of transport and services, with projects such as the construction of “the Arusha Sewage Treatment Plant Project. (CRCC 2018b). The project was “funded by the African Development Bank and the African Common Growth Fund. [...] to build 18 sludge pools and ancillary works with a duration of 16 months of the first stage.” (CRCC 2018b). Additionally, there were different road works, such as Fuoni-Kombeni in the city of Zanzibar (CRCC 2020c) and the dual carriageway outer ring road of Dodoma city, with 52.3 kilometers to be built; the AVIC International Project Engineering company will construct the remaining 60 kilometers. (CRCC 2020d).

However, highway construction was not the only project in which the company participated since it also “signed the contract to build the Tanzanian Central Line Standard Gauge Railway line connecting the town of Isaka to the Lake Victoria port city of Mwanza. [...]” (CRCC 2021c). The project “has played an important role in connecting Tanzania and neighboring countries such as Uganda, Rwanda, Burundi, etc [...]” (CRCC 2021c). The company also participated in building “The Bank of Tanzania Mwanza Branch project, [...] It covers a construction area of more than 15,000 square meters, with a reinforced concrete frame structure of 1 story underground, 7 stories above ground, and 4 stories in the podium, and integrates comprehensive functions such as external business, internal office, medical equipment, [...] It will help promote the region’s financial development and provide more convenient and efficient financial services for local companies and institutions, thereby laying a solid foundation for local economic development.”(CRCC 2020e).

Following the same sequence, regarding Angola, the main investment is also in the services and transportation sector, although with a slightly lower amount, 2.14 million dollars allocated to the railway project of Angola since 2007: “Benguela railway would be connected with railway networks of bordering countries such as Zambia, Congo and Mozambique, to construct a grand network between the Atlantic Ocean and the Indian Ocean.” (CRCC 2017d). Likewise, the company focused on urbanization projects such as the Kazanka Redevelopment Project, which involves building public facilities such as primary schools, secondary schools, hospitals, and convenience service centers. (CRCC 2018c). Also, the Namibe RED project represents the construction of 4,000 social housing units in Namibia. On the other hand, in the province of Huambo, there is the Dondi University of Technology project, which entails that the university facilities have solar panels and cells, along with scientifically selected water wells and achieve a sustainable supply of water and electricity, which makes it one of the most sustainable universities in the province. (CRCC 2022b). Furthermore, the company has participated in the water supply project in the city of Cabinda, providing a daily supply of 50,000

cubic meters of water, benefiting 24,000 homes, and solving the shortage problems faced by local industries, schools, transportation ports, and other industries. (CRCC 2022c).

For its part, the company has a joint investment of 1.10 million dollars in Guinea, specifically in the metallurgical area, with “the first 10,000-ton heavy-haul train composed of 100 cars for ore transport [...] from Dapilon Port to Santou Mine in Guinea.”(CRCC 2021d), thus fostering to the development of this area.

In the case of Kenya, there is an investment for a total amount of 0.30 million dollars from which CRCC by its subsidiary “CCECC and Kenya Rural Highway Bureau formally signed the RWC568 Highway project. [...] The successful implementation of the project will effectively drive economic development in the Great Lakes region of Kenya. The RWC568 Highway project locates in Homa Bay County, west of Kenya, on the eastern shore of Lake Victoria, the construction mainly includes the existing 66 km of road upgrading.” (CRCC 2020f).

Chad is the most relevant recipient of unilateral projects by the China Railway Construction Corporation, with a 5.63 billion dollar investment in 2011. It is significant “to build 1,344 kilometers of railway [...] the first phase would consist of two short stretches linking the eastern town of Abeche to the Sudanese border, and the southern town of Moundou to Cameroon. A second phase would link those two towns via the capital, N’djamena.” (Reuters, 2011).

In Libya, investments amounted to 2.6 billion dollars in 2008 after winning two tenders to build two large railways. The first consists of a west-east coastal railway from the city of Khums to Sirt. The second line would be a south-west railway to facilitate the transportation of iron and passengers from the southern city of Sebha to Misurata, with a length of 352 and 800 kilometers, respectively. (Xinhua News Agency 2008).

Mutual Funds and Institutional Investors

In March 2008, the Shanghai and Hong Kong Stock Exchanges (China Railway Construction Corporation n.d.) listed the CRCC. Its ten most significant shareholders are in the *Mutual Funds*³ category, and the three most meaningful are: 1) *Value Partners High-Dividend Stocks Fund* “is an open-end unit trust incorporated in Hong Kong. It aims to provide capital appreciation to unitholders by investing primarily in a portfolio of relatively higher-yielding debt and equity securities in the Asian region.” (Bloomberg, n.d.a), with 0.93% shares and 0.79% assets. This fund invests mainly in derivatives and emerging markets, expanding its investment portfolio due to the volatility represented by emerging markets. However, it is the fund with the most significant investment regarding other CRCC asset owners. 2) *Essence Quality Enterprise 3-Year Mixed Fund*, with 0.76% shares and 3.13% assets. 3) *Zhongtai Xingcheng Value One Year Balanced Fund* is a “closed-ended long-term investment fund with strict risk management established in China” (Bloomberg, n.d.b), with a 0.76% share and 4.25% assets.

Listed below are the three largest *Institutional Investors* that top the CRCC list by ownership percentage: 1) *Essence Fund Co. Ltd.*, has an equity ownership percentage of 0.83% and 0.18% of assets; 2) In second place is the insurance and securities management company, *Zhongtai Securities Shanghai Assets*, with a 0.76% shareholding and 1.13% in assets. Its importance lies in investment banking activities,

³ Mutual funds are "a portfolio of bonds and/or other income vehicles dedicated to a specific investment strategy or asset class." (BlackRock, n.d.).

sales trading and brokerage business, asset management business, investment business, and global market business. It is a consortium “formerly known as Qilu Securities Co., Ltd., is an investment bank with a full license under the China Securities Regulatory Commission. [...] is the controlling shareholders of Luzheng Futures Co., Ltd., Luzheng Venture Capital Co., Ltd., Zhongtai Financial International Limited, Zhongtai Securities (Shanghai) Asset Management Co., Ltd and Zhongtai Venture Capital Co., Ltd. The Company is a shareholder of Wanjia Asset Management Co., Ltd., Qilu Equity Exchange Center, China Securities Credit Investment Co., Ltd. and E-Capital Transfer Co., Ltd.” (AFCA n.d.) 3) *Allianz Global Investors Asia Pacific Ltd.* is a global investment manager that participates with 0.25% in shares and participation in assets of 0.89% (Table No. 2).

The *China Railway Construction Corporation* has diverse shareholders with a crucial role in its operation. Their shares and the percentage of their participation in the whole corporation at a global level are listed below. We will start with Mutual Funds.

First, there is the *Value Partners High Dividend Stocks Fund*, leading the group of mutual funds owning 19,376,500 shares, equivalent to 0.79% of the company's total assets. This participation, although modest compared to the value of the total assets, reflects a diversification strategy in the investment portfolio, transcending beyond specific stocks. Furthermore, 0.93% of the company's shares in circulation are from this shareholders group, evidencing a 4,656,000 shares decrease compared to the previous period.

The *Essence Quality Enterprise 3-Year Mixed Fund* group is in second place by owning 15,761,500 shares, equivalent to 0.76% of the company's total shares. Its solid commitment to stock assets stands out, representing 3.13% of the company's total and showing a strategy focused on stock investments, denoting substantial confidence in this particular segment of the company's portfolio, as the increase of 15,761,500 shares becomes notable, indicating additional support and growing interest in this area.

Third, and no less important, is the *Zhongtai Xingcheng Value One-Year Balanced Fund*, which holds 15,694,000 shares in its portfolio until the end of 2021. This set of shares represents 4.25% of CRCC's total assets, evidencing a significant increase of 2,655,500 shares acquired. This increase represents 0.76% of CRCC's active shares in the market. *Zhongtai Xingcheng Value One-Year Balanced Fund's* participation signals substantial interest in the company's investments, consolidating its key position in CRCC's equity landscape.

Fourth, the *Essence Value Return 3-Year Holding Return Hybrid Fund* owns 8,984,500 shares in total. This participation represents 1.30% of all CRCC assets and stands out for a notable increase of 5,360,500 shares acquired. In relative terms, this growth is equivalent to 0.43% of the issued shares by the CRCC and available on the market for purchase, suggesting a dynamic and strategic interest in the development and long-term performance of the company.

Fifth, *Value Partners China Greenchip Fund Ltd.*, the holder of 8,192,500 shares, constitutes 0.40% of the total issued by CRCC. This amount reflects 3.30% of the company's total assets until June 2022. The participation of Value Partners China Greenchip Fund Ltd. underlines its specific interest in CRCC shares, contributing to the company's diversification and investment strategy.

Sixth, *Artemis SmartGARP Global Equity Fund* has 6,012,500 shares, constituting 0.58% of its total investments. This specific holding represents 0.29% of CRCC assets, based on information available as of November 30, 2022. The presence of Artemis SmartGARP Global Equity Fund in the CRCC equity landscape underlines the diversity of the shareholders and the globality of the interests at stake.

Seventh, *Harvest Core Blue Chip Mixed Fund* participates with 5,000,000 shares, equivalent to 0.24% of the total issued by the CRCC. In terms of investments, this participation represents 2.03% of China

Railway's total assets, according to data available until mid-2022. *Harvest Core Blue Chip Mixed Fund*'s presence in the CRCC shareholding structure is because they are stable and good-quality assets, contributing significantly to the company's investment profile.

In eighth place stands out the participation of *Essence New Normal Shanghai HK Shenzhen Core Equity Fund*, holder of 4,022,500 shares; that is, 0.19% of the total issued shares and 2.14% of assets.

Ninth, *Fullgoal China Small & Medium Caps (HK-Listed) Balanced Fund* holds 3,670,500 shares, thus representing 0.37% of assets and 0.18% of the total shares issued by CRCC.

Tenth, *BEA Union Inv. Capital Growth Fd. - Hong Kong Growth Fund* has 3,520,500 shares. This figure constitutes 0.66% of total assets and represents 0.17% of the total shares issued by the CRCC.

Institutional Investors are listed below by shares and percentages in the CRCC.

In first place is the *Essence Fund Co. Ltd.*, which has a total of 17,238,000 shares, which represents 0.83% of the shares issued by CRCC. This fund has increased its participation by acquiring 8,194,000 shares in June 2022, thus raising the representation of this company to 0.18% of total assets.

In second place is *Grantham, Mayo, Van Otterloo & Co. LLC*, owner of 15,768,700 shares, representing 0.76% of the total issued by the company. Despite this, unlike *Essence Fund Co. Ltd.*, *Grantham, Mayo, Van Otterloo & Co. LLC* did not register changes in the acquisition of shares until August 2022, thus keeping its participation for this period intact.

Third is *Zhongtai Securities Shanghai Assets Management Co. Ltd.*, with 15,694,000 shares, equivalent to approximately 0.76% and similar to the stake of the company mentioned above. However, a 1.13% increase in share acquisition stands out for the company's total assets. This change demonstrates the dynamics and commitment of *Zhongtai Securities Shanghai Assets Management Co. Ltd.* in strengthening its position in the market.

Fourth, *Nordea Investment Management AB (Denmark)*, with a total of 9,589,500 shares, representing 0.73% of CRCC's total assets, and although there was no increase or deficit in terms of the purchase of shares, its current amount represents 0.46% of the total shares issued by the CRCC.

Fifth, the *Canada Pension Plan Investment Board* owns 7,260,000 shares, equivalent to 0.35% of those issued by the CRCC. At the end of March 2022, this holding represented 0.02% of the total assets held by the institutional fund within CRCC.

Table 2
China Railway Construction Corporation
Main Shareholders

<i>Type of holder</i>	<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>
Mutual Funds	Value Partners High Dividend Stocks Fund	19,376,500	0,93%	-4,656,000	0,79%	12/31/20
	Essence Quality Enterprise 3 Year Mixed Fund	15,761,500	0,76%	15,761,500	3,13%	06/30/22
	Zhongtai Xingcheng Value One Year Balanced Fund	15,694,000	0,76%	2,655,500	4,25%	12/31/21
	Essence Value Return 3 Year Holding Return Hybrid Fund	8,984,500	0,43%	5,360,500	1,30%	06/30/22
	Value Partners China Greenchip Fund Ltd.	8,192,500	0,40%	8,192,500	3,30%	06/30/22
	Artemis SmartGARP Global Equity Fund	6,012,500	0,29%	6,012,500	0,58%	11/30/22
	Harvest Core Blue Chip Mixed Fund	5,000,000	0,24%	5,000,000	2,03%	06/30/22
	Essence New Normal Shanghai HK Shenzhen Core Equity Fund	4,022,500	0,19%	4,022,500	2,14%	06/30/22
	Fullgoal China Small & Medium Caps (HK-Listed) Balanced Fund	3,670,500	0,18%	3,670,500	0,37%	12/31/21
	BEA Union Invt. Capital Growth Fd. - Hong Kong Growth Fund	3,520,500	0,17%	3,520,500	0,66%	06/30/22
Institutions	Essence Fund Co., Ltd.	17,238,000	0,83%	8,194,000	0,18%	06/30/22
	Grantham, Mayo, Van Otterloo & Co. LLC	15,768,700	0,76%	0	0,05%	08/31/22
	Zhongtai Securities Shanghai Assets Management Co., Ltd.	15,694,000	0,76%	15,694,000	1,13%	12/31/21
	Nordea Investment Management AB (Denmark)	9,589,500	0,46%	0	0,73%	08/31/22
	Canada Pension Plan Investment Board	7,260,000	0,35%	0	0,02%	03/31/22
	Baring Asset Management (Asia) Ltd	6,270,500	0,30%	0	0,18%	10/31/22
	Artemis Investment Management LLP	6,115,500	0,30%	-8,448,000	0,12%	11/30/22
	Harvest Fund Management Co., Ltd	5,600,000	0,27%	5,600,000	0,06%	06/30/22
	Allianz Global Investors Asia Pacific Ltd	5,170,000	0,25%	0	0,89%	03/31/22
Polunin Capital Partners Ltd.	4,871,710	0,24%	0	0,23%	12/31/22	

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

Sixth, *Baring Asset Management (Asia) Ltd.* owned 6,270,500 shares at the end of 2022. These shares represent 0.18% of CRCC's total assets; the diversification of its portfolio stands out. Its

participation in CRCC represents 0.30% of the total shares issued by the company. The presence of *Baring Asset Management (Asia) Ltd.* in CRCC's shareholding contributes to the complexity and solidity of its investment portfolio, even though it decided not to increase or decrease its shares for that period.

Seventh, *Artemis Investment Management LLP.* owns 6,115,500 CRCC shares, equivalent to 0.30% of its shares offered on the market. The shares represent 0.12% of CRCC assets held by the institutional fund.

Eighth, *Harvest Fund Management Co. Ltd.*, with 5,600,000 shares, represents 0.27% of the total offered by the CRCC; these shares remained in the company's possession at least until July 2022.

Ninth, *Allianz Global Investors Asia Pacific Ltd.* has 5,170,000 CRCC shares, representing 0.25% of the total and 0.89% of this company's total assets.

Tenth, *Polunin Capital Partners Ltd.* holds 4,871,710 CRCC shares, unchanged until the end of 2022, thus representing 0.23% of CRCC assets.

The latter frames the most relevant shareholders of China Railway Construction Corporation and their participation in it through the increase or decrease of their share acquisition.

Conclusion

The concentration and centralization in big corporations such as CRCC demonstrates the Big Government and Big Bank China's policy inside and outside of its frontiers. Financial Capital and Money Manager Capitalism explains China's economic and global development path around the world. China is changing the face of African development by being inserted in the "global supply chains for high-technology sectors like automobiles, mobile telephones, renewable energy, and health care. It has an abundance of critical minerals needed for high-tech and green products and home to a young, tech-savvy population, an adaptable workforce, and a burgeoning middle class" (UNCTAD, 2023). The African Continental Free Trade Area will have greater integration in a place with abundant resources, a growing population, and a hunger for new investments, trying to stop being a commodity producer to give added value to its export products.

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Annex

Annex 1 China Railway Construction Corporation Total Investment by Region and Country 2005-2022

<i>Region</i>	<i>Country</i>	<i>Total amount (Billions of Dollar)</i>	<i>Sector</i>	<i>Period/ Years</i>
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
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
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
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
West Asia	Rwanda	0.15	Real estate	2017
	Uganda	0.15	Transport	2020
	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	

Note: Total global investment of CRCC is composed of individual investments and joint investments with other companies.

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

Annex 2
China Railway Construction Corporation
Projects by Country in Sub-Saharan Africa

<i>Country</i>	<i>Sector</i>	<i>Amount (Millions of Dollar)</i>	<i>Type of transaction</i>	<i>Year</i>
Angola	Transport: Rail	1,830	Construction	2007
	Other: Textiles	120	Construction	2016
	Transport: Rail	190	Construction	2016
Chad	Transport: Autos	5,630	Construction	2011
Democratic Republic of the Congo	Transport: Rail*	220	Investment	2015
Djibouti	Utilities	510	Construction	2012
	Real estate: Construction	600	Construction	2015
Ethiopia	Transport: Autos*	2,460	Construction	2013
	Utilities	100	Construction	2016
	Transport: Aviation	250	Construction	2016
	Transport: Autos	140	Construction	2018
	Transport: Rail*	240	Construction	2018
	Logistics	160	Construction	2021
	Transport: Rail	110	Construction	2021
Ghana	Transport: Shipping	500	Construction	2019
	Transport: Aviation	100	Construction	2022
Guinea	Transport: Rail*	1,100	Construction	2020
Kenya	Other: Industry	300	Construction	2018
Mali	Transport: Rail	1,460	Construction	2015
Nigeria	Metals: Steel	820	Construction	2008
	Transport: Rail*	190	Investment**	2010
	Transport: Rail	870	Construction	2011
	Transport: Rail	940	Construction	2012
	Transport: Aviation	1,210	Construction	2014
	Transport: Aviation	680	Construction	2014
	Transport: Rail	1,470	Construction	2017
	Real estate: Construction	1,530	Construction	2017
	Transport: Autos	250	Investment**	2019
	Transport: Rail	390	Investment**	2019
	Metals: Aluminum	1,660	Construction	2019
	Transport: Rail	990	Construction	2020
	Transport: Autos	400	Construction	2020
Transport: Autos	1,690	Construction	2021	
Transport: Aviation	210	Construction	2022	
Rwanda	Utilities	150	Construction	2017
Senegal	Other: Industry	1,260	Construction	2015
Sierra Leone	Real estate: Property	260	Investment	2010
Tanzania	Transport: Rail	230	Construction	2018
	Transport: Autos	150	Construction	2018
	Transport: Autos	160	Construction	2018
	Transport: Rail	270	Construction	2019
	Transport: Rail*	100	Construction	2020
	Other: Industry	1,320	Construction	2021
Uganda	Transport: Rail	150	Construction	2020
Zambia	Transport: Rail	150	Construction	2012
	Transport: Autos	830	Construction	2020
Zimbabwe	Metals: Copper	1,930	Construction	2015

Notes:

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