



## **Monitor of Chinese OFDI in Latin America and the Caribbean 2020**

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The document briefly presents the main results of the recent outflows of foreign direct investment (OFDI) from the People's Republic of China, China from now on, in Latin America and the Caribbean (LAC) for the period 2000-2019, with emphasis on the most recent years, and especially 2019. The objective of the analysis is to become a part of the punctual review of the information on the Chinese OFDI, that the Academic Network for Latin America and the Caribbean on China (Red ALC-China) makes available to the public and is free of charge on the Network's and Monitor's websites<sup>2</sup>, as well as the various conceptual, methodological and empirical analyzes—with macro, meso, micro and territorial studies—on the specific subject. While it is true that much more information and analysis is required on the topic of Chinese OFDI in LAC, it is also true that in LAC, and specifically in the LAC-China Network, extraordinary efforts have been made with multiple proposals and with the public, private and academic sectors.

The Monitor's main contribution is the timely statistical presentation on the Chinese OFDI until 2019, respecting the regional statistical efforts in LAC of each country, as well as of other institutions such as UNCTAD (United Nations Conference on Trade and Development) and MOFCOM (Ministry of Commerce of China). In addition to the results, the Monitor encourages people to review the abundant and updated information provided by the Network—bibliography, documents, statistical information and multiple analyzes—in order to improve and deepen the analysis of Chinese OFDI in LAC and, in general, the knowledge about China and LAC's relationship with China and each of its countries.

The document is divided into six short sections, in addition to this Introduction. The first section examines the global context of Chinese OFDI in LAC, while the second focuses on methodological differences and the aggregate results obtained in this publication. The other

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<sup>2</sup> The information (the data bank, specialized literature, and news, all of them for each of the LAC countries) is available at: <http://www.redalc-china.org/monitor/>.



sections discuss the annual results considering country of destination, type of transaction, sectors and the main Chinese companies; all this information for the period 2000-2019.

## 1. International and regional context of Chinese OFDI in LAC

OFDI (or outward FDI) flows were significantly affected in the period 2018-2019. The reduced global economic growth of 2.9% and 3.3% for 2019 and 2020—the lowest since the 2009 financial crisis—reflects a significant downward trend in the multiple global macroeconomic aggregates (IMF 2019, 2020), even without integrating the significant effects that the internationalization of the coronavirus (COVID-19) will have in 2020.<sup>3</sup> These analyses highlight a widespread uncertainty, which is mainly a result of the growing differences between the Trump Administration and China—since 2018 known as the “trade war”, but also in multiple other areas (Dussel Peters 2019)—with impacts on trade, production and international investment flows, as well as important social movements in various Latin American countries, among other factors.

International FDI flows have also been affected and have fallen in 2019 for the fourth consecutive year by -1 % (reaching US\$1.39 trillion in 2019), which has been characterized as a “marginal” performance by UNCTAD (2020/a:1), because it is thought that in the last decade these flows have remained practically stable, although they fell for developed countries (-6 %) and remained relatively the same for developing countries: US\$695 billion in 2019. In contrast to the downward trend in receiving FDI in developed countries, LAC stands out, with an increase of 16 % in 2019 and about \$ 170 billion received (and \$ 146 billion in 2018); in the United States and China, FDI reception in 2019 remained practically the same as in 2018 (UNCTAD 2020/a).

Two aspects are significant for understanding the above trends. On the one hand, a topic still little analyzed in academia and other circles has to do with the U.S. tax reform of 2017 (2017 Tax Cuts and Jobs Act) that has generated a substantial impact on OFDI in the United States in 2018 and 2019: if, since 2007, American OFDI had been around US\$300 billion, in 2018 it was negative for the first time since 1970 when UNCTAD recorded OFDI flows for the first time (-US\$63.55 billion), although it is expected to become a positive source of OFDI again in 2019 (UNCTAD 2019/a:7).<sup>4</sup> On the other hand, and from a longer term and structural

<sup>3</sup> UNCTAD (2020/b) estimates that the global coronavirus emergency could reduce international FDI flows in 2020-2021 by -5 % and up to -15 %, and contrary to original estimates of 5 % for 2020.

<sup>4</sup> BEA (2020) notes that particularly in the first two quarters of 2018, US transnational corporations repatriated capital *en masse* from outside the United States and almost entirely from Bermuda (BEA 2020); the rest of the US OFDI flows remained virtually unchanged. In 2019, with the exception of Ireland—from which more than \$63.8 billion was repatriated and which was highly linked to a small group of companies in the first quarter of 2019—the United States will again become a major source of global OFDI, although presumably still below Japan and China. These transactions have been concentrated exclusively under the heading of non-bank holding



perspective, the same UNCTAD (2019/b) indicates that for at least a decade various trends have been perceived as contrary to a greater global economic integration, considering that the external value added on total trade has continuously decreased since 2008 (with 31%) to 28% at present, and with important effects on current and future flows of international investments.

Four international aspects of OFDI are relevant to the rest of the document. First, UNCTAD (2020:3) estimates that Brazil (with a FDI growth rate of 26% in 2019) is one of the 10 largest FDI recipients with the most positive expectations, in addition to Germany (with an FDI growth of 232%), Singapore (42%) and France (40%), and unlike Hong Kong (-48%); the same source highlights that in 2019 in Latin America FDI would be increasingly concentrated in new greenfield type investment projects (with a growth rate of 32%) and unlike M&A (-44%) (UNCTAD 2020/a:4). Second, Chinese OFDI has become a growing source of employment generation in LAC: of the almost two million net jobs generated by China in LAC during 2000-2017, 15.03% were the result of OFDI; that is, OFDI is a socio-economic activity that goes far beyond business transactions and has a profound impact on the various territorial levels of the respective transactions (Salazar-Xirinachs et. al 2018). Third, China has not made any relevant legislative changes with respect to Chinese OFDI in 2019, i.e. the legal framework is maintained as established in 2016 and 2017 and under the BRI (Song 2019). Finally, at least in the last decade, Chinese OFDI in LAC has unleashed a series of debates on its impact, from social, environmental and economic perspectives, among many others; the respective thematic axes of the LAC-China Network and other institutions (IISCAL 2018) reflect this still unfinished and heterogeneous evidence.

## **2. Main trends in Chinese OFDI in LAC during 2000-2019**

### **2.1. Methodological framework**

The different methodological approaches to measuring and recording OFDI, as highlighted by various efforts of the China OFDI Monitor in LAC in recent years (Ortiz Velasquez 2016/a/b) and the differences in results presented by the various sources are of the utmost relevance (see China OFDI Monitor in LAC 2019). This is why the methodology presented here—based on the transactions actually carried out (not announced) and as a result of the review of each transaction—is a valuable contribution (see Methodological Annex) that has with very significant differences with respect to other aggregate sources such as ECLAC (2019), MOFCOM (2019) and UNCTAD (2019/a).

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companies and appear to have no major real impact, but are limited to intra-company administrative and fiscal movements.



## 2.2. Chinese OFDI and main trends in Chinese OFDI in LAC

Chinese OFDI fell in 2019 by -9.8% (Xinhua 2020), also as a result of the collapse of Chinese OFDI in the United States (Hanemann et. al 2019) and the OFDI/FDI ratio in 2019 represented 85.25%, far below the percentage reached in 2016 (146.70%); the roughly US\$117 billion of Chinese OFDI in 2019 represented 59.65% of the year 2016, the historical maximum of Chinese OFDI so far. Notwithstanding the above, China in 2019 will surely be consolidated as the second source of global OFDI, and only after Japan, considering the above-mentioned particularities of OFDI from the United States during 2018-2019.

The 437 transactions of Chinese OFDI in LAC during 2000-2019 highlight a set of regional aspects (see Table 1):

1. In 2019, Chinese OFDI accounted for 7.57% of total FDI in LAC, as well as 1.21% and 0.24% of gross fixed capital formation (GFCF) and GDP, respectively. With this, Chinese OFDI in LAC, and for the first time since 2016, once again increased its presence in the region.
2. For the period 2017-2019—after the peak reached by Chinese OFDI in 2016—Chinese OFDI in LAC represented about 8% of the region's FDI, 1.2% of GFCF and 0.2% of GDP, respectively.

Table two reflects some of the main trends in Chinese OFDI in LAC, in particular:

- a. While the number of transactions fell significantly in 2019, to just 19, the amount of Chinese OFDI in LAC increased by 16.5% or US\$12.876 billion. As employment generation by Chinese OFDI fell -42.9%, the ratios of OFDI per transaction and OFDI per employment more than doubled, i.e., 2019 was characterized by large Chinese transactions with lower employment generation than in previous years.
- b. Another important general feature of Chinese OFDI has been the consolidation of mergers and acquisitions (unlike the above-mentioned predominance of new investments in LAC in 2019): in 2019 they represented 65.16% and 86.69% of the value and employment of Chinese OFDI and significantly above the levels reached in previous periods.
- c. New Chinese investments in LAC during 2019 reflected a high ratio of OFDI per employment—over one \$US one million per job—and therefore a very high capital intensity.

**Table 1**  
Latin America and the Caribbean: relevance of Chinese OFDI (2000-2019) (percentage over respective variable)

	Chinese OFDI / regional FDI	Gross fixed capital formation	GDP
2010	12.85	1.96	0.40
2011	2.75	0.45	0.09
2012	0.57	0.09	0.02
2013	5.88	0.83	0.18
2014	7.85	0.99	0.21
2015	6.54	0.90	0.19
2016	11.81	1.63	0.32
2017	8.55	1.33	0.24
2018	7.53	1.05	0.21
2019/e	7.57	1.21	0.24
2000-2005	1.19	0.19	0.04
2006-2010	6.33	0.86	0.18
2011-2019/e	6.03	0.87	0.18
2017-2019/e	7.88	1.20	0.23
2000-2019/e	5.27	0.77	0.15

/e Preliminary.  
Source: own elaboration based on UNCTAD (2020/a), MOFCOM (2020) y Xinhua (2020).

Table 2  
LAC: Chinese OFDI and employment (2000-2019)

	Transaction (number)	OFDI amount (\$US millions)	Employment (number of employees)	OFDI amount / transaction	OFDI amount / employment	Employment / transaction
<b>Total Chinese OFDI</b>						
2000-2005	18	4,742	13,995	263	0.34	778
2006-2009	58	15,825	33,023	273	0.48	569
2010-2019	361	114,203	333,760	316	0.34	925
2000-2019	437	134,770	380,778	308	0.35	871
2017-2019	136	37,214	151,385	274	0.25	1,113
2015	36	10,194	29,624	283	0.34	823
2016	39	15,979	49,127	410	0.33	1,260
2017	61	13,285	71,505	218	0.19	1,172
2018	56	11,052	50,832	197	0.22	908
2019	19	12,876	29,048	678	0.44	1,529
<b>Mergers and acquisitions (M&amp;A)</b>						
2000-2005	3	570	6,008	190	0.09	2,003
2006-2009	23	4,686	17,503	204	0.27	761
2010-2019	138	79,214	213,926	574	0.37	1,550
2000-2019	164	84,470	237,437	515	0.36	1,448
2017-2019	66	25,717	108,061	390	0.24	1,637
2015	8	7,759	17,845	970	0.43	2,231
2016	18	14,383	40,062	799	0.36	2,226
2017	28	8,931	52,789	319	0.17	1,885
2018	27	8,395	30,089	311	0.28	1,114
2019	11	8,391	25,183	763	0.33	2,289
<b>New investments (greenfield)</b>						
2000-2005	15	4,172	7,987	278	0.52	532
2006-2009	35	11,140	15,520	318	0.72	443
2010-2019	222	34,949	119,634	157	0.29	539
2000-2019	272	50,260	143,141	185	0.35	526
2017-2019	69	11,457	43,124	166	0.27	625
2015	28	2,435	11,779	87	0.21	421
2016	21	1,596	9,065	76	0.18	432
2017	33	4,354	18,716	132	0.23	567
2018	28	2,617	20,543	93	0.13	734
2019	8	4,486	3,865	561	1.16	483
<b>Mergers and acquisitions (percentage, total = 100)</b>						
2000-2005	16.67	12.02	42.93	72.13	28.00	257.58
2006-2009	39.66	29.61	53.00	74.67	55.87	133.66
2010-2019	38.23	69.36	64.10	181.45	108.22	167.67
2000-2019	37.53	62.68	62.36	167.01	100.52	166.16
2017-2019	48.53	69.11	71.38	142.40	96.81	147.09
2015	22.22	76.11	60.24	342.50	126.35	271.07
2016	46.15	90.01	81.55	195.03	110.38	176.69
2017	45.90	67.23	73.83	146.46	91.06	160.83
2018	48.21	75.96	59.19	157.54	128.32	122.77
2019	57.89	65.16	86.69	112.56	75.16	149.74

Source: own elaboration.

### 3. Chinese OFDI by country of destination

Since 2017, Chinese OFDI in LAC continues to diversify according to the country of destination; Table 3 indicates the deepening of this process: if for the entire 2000-2019 period only Argentina and Brazil represented 50.22% of the amount of OFDI and 56.06% of the employment generated in LAC, respectively, since 2017 there has been a growing dynamism from Chile, Mexico and Peru, among others. These three countries represented 69.60% of Chinese OFDI in 2019; the case of Peru stands out, with a Chinese OFDI of US\$4.89 billion

dollars in only two transactions; the Mexican case, on the contrary, with six transactions, represents a much lower OFDI ratio per transaction (of US\$142 million) (see Table 3). Chile has become the most relevant destination for Chinese OFDI during 2017-2019 (with 31.10% of regional OFDI), followed by Peru (21.60%), Brazil (17.94%) and Mexico (11.59%).

**Table 3**  
LAC: Chinese OFDI by main countries (2000-2019)

	2000-2005	2006-2009	2010-2019	2000-2019	2017-2019	2015	2016	2017	2018	2019
<b>Argentina</b>										
Number of transactions	0	1	30	31	15	0	3	5	7	3
Amount (\$US million)	0	4	12,880	12,884	2,297	0	215	1,413	538	347
Employment	0	200	17,266	17,466	10,130	0	670	4,824	4,136	1,170
<b>Brazil</b>										
Number of transactions	6	9	114	129	37	19	16	17	17	3
Amount (\$US million)	3,565	667	44,469	48,701	6,677	5,319	13,903	3,703	2,047	927
Employment	6,303	6,407	169,835	182,545	77,787	13,950	37,163	31,750	28,273	17,764
<b>Chile</b>										
Number of transactions	0	4	27	31	13	1	3	4	6	3
Amount (\$US million)	0	2,489	12,411	14,900	11,573	286	215	2,764	5,590	3,219
Employment	0	328	20,074	20,402	15,372	175	4,284	5,691	6,941	2,740
<b>Mexico</b>										
Number of transactions	4	10	76	90	40	9	5	23	11	6
Amount (\$US million)	563	525	6,836	7,924	4,312	1,001	181	2,733	726	853
Employment	6,354	6,166	36,278	48,798	25,207	4,915	1,955	18,099	3,338	3,770
<b>Peru</b>										
Number of transactions	0	12	27	39	8	1	1	3	3	2
Amount (\$US million)	0	4,639	20,019	24,658	8,037	2,500	6	1,635	1,512	4,890
Employment	0	10,031	32,388	42,419	16,434	3,000	195	8,300	5,905	2,229
<b>TOTAL LAC</b>										
Number of transactions	18	58	361	437	136	36	39	61	56	19
Amount (\$US million)	4,742	15,825	114,203	134,770	37,214	10,194	15,979	13,285	11,052	12,876
Employment	13,995	33,023	333,760	380,778	151,385	29,624	49,127	71,505	50,832	29,048

Source: own elaboration.

#### 4. Chinese OFDI according to economic activity of destination

The increasing diversification of Chinese OFDI in LAC—highlighted in previous versions of the Monitor and according country for 2017-2019 (see 3.—is also one of the most significant changes in Chinese OFDI (see Table 4): for this most recent period, transactions geared towards services and respective domestic markets accounted for 34%, 65% and 45.83% of the amount of OFDI and employment generated, respectively, and have become, along with manufacturing-oriented transactions (also as an export platform), the most dynamic items of Chinese OFDI in LAC (Hiratuka 2019). Notwithstanding the above, the presence of Chinese OFDI in raw materials continues to prevail (with a strong downward trend): in 2019 and 2017-2019 it represented 52.19% and 42.60% of Chinese OFDI in LAC.



Table 4  
LAC: Chinese OFDI by sector of destinations (2000-2019)

	2000-2005	2006-2009	2010-2019	2000-2019	2017-2019	2015	2016	2017	2018	2019
<b>Raw materials</b>										
Transactions	7	39	84	130	27	4	9	9	11	7
Amount (\$US million)	3,795	15,097	56,324	75,217	15,853	6,953	4,505	3,107	6,027	6,720
Employment	7,106	23,815	125,705	156,626	46,038	4,498	13,215	13,981	12,285	19,772
Amount / transaction (in \$US million)	542.20	387.11	670.52	578.59	587.15	1738.18	500.51	345.20	547.86	959.97
Amount / employment (in \$US million)	0.53	0.63	0.45	0.48	0.34	1.55	0.34	0.22	0.49	0.34
Employment / transaction	1015.14	610.64	1496.49	1204.82	1705.11	1124.50	1468.33	1553.44	1116.82	2824.57
<b>Manufacturing</b>										
Transactions	4	11	130	145	47	17	15	31	12	4
Amount (\$US million)	118	540	11,371	12,029	6,416	2,012	584	5,483	507	426
Employment	954	6,576	80,209	87,739	30,679	22,000	7,507	21,265	5,644	3,770
Amount / transaction (in \$US million)	29.55	49.08	87.47	82.96	136.51	118.36	38.93	176.88	42.27	106.42
Amount / employment (in \$US million)	0.12	0.08	0.14	0.14	0.21	0.09	0.08	0.26	0.09	0.11
Employment / transaction	238.50	597.82	616.99	605.10	652.74	1294.12	500.47	685.97	470.33	942.50
<b>Services and domestic market</b>										
Transactions	7	8	135	150	53	12	15	19	27	7
Amount (\$US million)	828	188	44,387	45,403	12,895	1,158	10,890	4,441	2,823	5,631
Employment	5,935	2,632	121,808	130,375	69,380	2,376	28,405	34,584	29,410	5,386
Amount / transaction (in \$US million)	118.29	23.50	328.79	302.69	243.30	96.48	726.03	233.75	104.56	804.42
Amount / employment (in \$US million)	0.14	0.07	0.36	0.35	0.19	0.49	0.38	0.13	0.10	1.05
Employment / transaction	847.86	329.00	902.28	869.17	1309.06	198.00	1893.67	1820.21	1089.26	769.43
<b>Purchase of technology</b>										
Transactions	0	0	12	12	9	3	0	2	6	1
Amount (\$US million)	0	0	2,121	2,121	2,050	71	0	254	1,696	100
Employment	0	0	6,038	6,038	5,288	750	0	1,675	3,493	120
Amount / transaction (in \$US million)	--	--	176.76	176.76	227.76	23.75	--	127.18	282.58	100.00
Amount / employment (in \$US million)	--	--	0.35	0.35	0.39	0.10	--	0.15	0.49	0.83
Employment / transaction	--	--	503.17	503.17	587.56	250.00	--	837.50	582.17	120.00

Source: own elaboration.

## 5. Chinese OFDI in LAC according to type of ownership

The “omnipresence of the public sector” (Dussel Peters 2015) is again evident in the flow of Chinese OFDI to LAC in 2019: public sector transactions accounted for 86.91% and 83.7% of the amount and employment of OFDI, respectively (see Table 5); historically, Chinese OFDI transactions in LAC by the public sector have been characterized by significantly higher ratios of both amount per transaction and employment per transaction. Notwithstanding the above, the most recent period (2017-2019) reflects a growing diversification, in this case the type of ownership: for the period, privately owned Chinese OFDI transactions in LAC participated with 33.82%, well above the levels below 15% in the first decade of the 21st century.



Table 5  
LAC: Chinese OFDI by type of property (2000-2019)

	2000-2005	2006-2009	2010-2019	2000-2019	2017-2019	2015	2016	2017	2018	2019
<b>TOTAL</b>										
Transactions	18	58	361	437	136	36	39	61	56	19
Amount (\$US million)	4,742	15,825	114,203	134,770	37,214	10,194	15,979	13,285	11,052	12,876
Employment	13,995	33,023	333,760	380,778	151,385	29,624	49,127	71,505	50,832	29,048
Amount / transaction (in \$US million)	263.42	272.85	316.35	308.40	273.63	283.16	409.72	217.79	197.36	677.71
Amount / employment (in \$US million)	0.34	0.48	0.34	0.35	0.25	0.34	0.33	0.19	0.22	0.44
Employment / transaction	777.50	569.36	924.54	871.35	1,113.13	822.89	1,259.67	1,172.21	907.71	1,528.84
<b>Public firms</b>										
Transactions	10	34	144	188	44	9	19	17	18	9
Amount (\$US million)	3,929	13,886	85,215	103,030	24,627	4,974	15,064	8,396	5,040	11,191
Employment	7,920	20,073	197,525	225,518	85,442	7,239	40,812	32,097	29,027	24,318
Amount / transaction (in \$US million)	392.86	408.42	591.77	548.03	559.69	552.68	792.83	493.86	279.99	1243.45
Amount / employment (in \$US million)	0.50	0.69	0.43	0.46	0.29	0.69	0.37	0.26	0.17	0.46
Employment / transaction	792.00	590.38	1,371.70	1,199.56	1,941.86	804.33	2,148.00	1,888.06	1,612.61	2,702.00
<b>Private firms</b>										
Transactions	8	24	217	249	92	27	20	44	38	10
Amount (\$US million)	813	1,939	28,988	31,740	12,588	5,220	915	4,890	6,012	1,685
Employment	6,075	12,950	136,235	155,260	65,943	22,385	8,315	39,408	21,805	4,730
Amount / transaction (in \$US million)	101.63	80.80	133.59	127.47	136.82	193.32	45.76	111.13	158.22	168.54
Amount / employment (in \$US million)	0.13	0.15	0.21	0.20	0.19	0.23	0.11	0.12	0.28	0.36
Employment / transaction	759.38	539.58	627.81	623.53	716.77	829.07	415.75	895.64	573.82	473.00
	PERCENTAGE (TOTAL = 100)									
<b>Public firms</b>										
Transactions	55.56	58.62	39.89	43.02	32.35	25.00	48.72	27.87	32.14	47.37
Amount (in \$US million)	82.85	87.75	74.62	76.45	66.18	48.80	94.27	63.19	45.60	86.91
Employment	56.59	60.78	59.18	59.23	56.44	24.44	83.07	44.89	57.10	83.72

Source: own elaboration.

## 6. Main Chinese companies that carried out OFDI in LAC

The information publicly available on the Monitor portal allows for a significant group of analyses, including at company level, which could be joined by academics and business organizations from LAC and China, with a huge potential of specific information at company and policy level oriented towards Chinese companies in specific global value chains. Table 6, for example, shows that only the top 5 job-generating enterprises of Chinese OFDI during 2000-2019 created more than new 94,000 jobs, led by CNPC and State Grid; only in 2019 Yongmei Group created more than 17,000 jobs through its transactions in LAC.

Table 6  
LAC: main Chinese firms generating employment through OFDI (2000-2019)

Firm	2000-2019			
	Employment	percentage	OFDI	percentage
China National Petroleum Corporation (CNPC)	23,064	6.1	5,629	4.2
State Grid	20,867	5.5	15,523	11.5
Yongmei Group Co	17,568	4.6	152	0.1
China Gezhouba Group Company	17,393	4.6	433	0.3
China Merchants Port Holding (CMPorts)	16,000	4.2	925	0.7
<b>TOTAL</b>	<b>380,778</b>	<b>100.0</b>	<b>134,742</b>	<b>100.0</b>
Firm	2018			
China Gezhouba Group Company	13,672	26.8	200	1.7
China Communications Construction Company	5,000	9.8	125	1.0
Aluminium Corp of China	5,000	9.8	1,300	10.9
Tianqi Lithium Corp	4,902	9.6	4,066	34.1
Ant Small & Micro Financial Services Group Co Ltd	3,000	5.9	100	0.8
<b>TOTAL</b>	<b>50,944</b>	<b>100.0</b>	<b>11,932</b>	<b>100.0</b>
Firm	2019			
Yongmei Group Co	17,568	60.5	152	1.2
Zhongtong Bus Holding Co Ltd	2,800	9.6	326	2.5
Joyvio Agriculture Development	2,120	7.3	889	6.9
COSCO	1,500	5.2	1,300	10.1
Xinjiang TBEA Group	1,075	3.7	2,390	18.6
<b>TOTAL</b>	<b>29,048</b>	<b>100.0</b>	<b>12,849</b>	<b>100.0</b>

Source: own elaboration.

From an OFDI perspective, Table 7 highlights the importance of a small group of Chinese companies that have concentrated significant amounts of OFDI and respective employment: State Grid and China Three Gorges Corporation, for example, have carried out OFDI for more than US\$26 billion during 2000-2019 in LAC, and the transactions of these two companies alone represented almost 20% of total Chinese OFDI in LAC for the period.

Table 7  
LAC: main Chinese firms generating OFDI (2000-2019)

Firm	2000-2019			
	OFDI	percentage	Employment	percentage
State Grid	15,523	11.5	20,867	5.5
China Three Gorges Corporation	11,020	8.2	10,210	2.7
Sinopec	10,887	8.1	28,282	7.4
China National Petroleum Corporation (CNPC)	5,629	4.2	23,064	6.1
China National Offshore Oil Corporation (CNOOC)	4,455	3.3	4,510	1.2
<b>TOTAL</b>	<b>134,742</b>	<b>100.0</b>	<b>380,778</b>	<b>100.0</b>
Firm	2018			
Tianqi Lithium Corp	4,066	34.1	4,902	9.6
Aluminium Corp of China	1,300	10.9	5,000	9.8
State Grid	1,300	10.9	538	1.1
China National Petroleum Corporation	993	8.3	150	0.3
Sinohydro Corporation Limited	350	2.9	280	0.5
<b>TOTAL</b>	<b>11,932</b>	<b>100.0</b>	<b>50,944</b>	<b>100.0</b>
Firm	2019			
China Three Gorges	3,590	27.9	729	2.5
Xinjiang TBEA Group	2,390	18.6	1,075	3.7
State Grid International Development Limited (SGID)	2,230	17.4	500	1.7
COSCO	1,300	10.1	1,500	5.2
Joyvio Agriculture Development	889	6.9	2,120	7.3
<b>TOTAL</b>	<b>12,849</b>	<b>100.0</b>	<b>29,048</b>	<b>100.0</b>

Source: own elaboration.

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## Methodological Annex

The development of the OFDI China Monitor data bank in LAC was carried out in two stages. In the first stage, a databank of Chinese OFDI companies in LAC for the period 2000-2019 was integrated.

The primary sources of information were Thomson-Reuters, Bloomberg, Capital IQ, China Global Investment Tracker (CGIT) and investment announcements from the trade press. From these hundreds of transactions, and after a review of each of the transactions, the database was formed. The team followed up on news from the specialized press, company level reports, reports from various public and private institutions in LAC, investment announcements, among others.

*Individuals are strongly encouraged to improve the quantity and quality of information by contacting: [FDICHINA@UNAM.MX](mailto:FDICHINA@UNAM.MX) / <http://www.redalc-china.org/monitor/>*