



Monitor of Chinese OFDI in Latin America and the Caribbean 2021

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Outbound foreign direct investment (OFDI) flows from the People's Republic of China have become a major global topic in the past few years. In its fifth year of publishing the "Monitor of Chinese OFDI in Latin America and the Caribbean", the *Monitor* has reached a certain level of maturity, both in its analysis as in its statistical presentation. Quantitatively, it has managed to more precisely define adequate sources for confirming information on Chinese OFDI transactions in LAC: although international agencies (Dussel Peters 2020:12) have historically been the main source of statistical information, in this new issue we relied more on the assistance of the Red ALC-China, in particular on its specialized members and the work group created for this publication. The amount and labor generated by each OFDI transaction continues to be an original contribution by the *Monitor* for several coefficients and calculations. Qualitatively, the current issue of the *Monitor* has allowed a greater depth and understanding of the characteristics of Chinese OFDI in LAC, now including new sectoral and geographical aspects of Chinese companies that carry out OFDI transactions in LAC. This allows for greater detail in understanding the overall evolution of Chinese OFDI in the region.

It is still the *Monitor's* priority to respect the various methodological and statistical approaches of sources in LAC, China and other regional and multilateral institutions. As follows from the study below, however, aggregated macroeconomic approaches to Chinese OFDI, without specificity, generate increasing gaps with the efforts made by the *Monitor*. These methodological approaches—especially the clear definition of OFDI itself as opposed to infrastructure projects, for example—have important quantitative effects, as well as effects on economic policy proposals.

In this issue, the *Monitor* is divided into two sections. The first addresses the global context of OFDI in 2020 and the specific case of Chinese OFDI and in LAC, in order to understand a cluster of short, medium and long-term trends. The second section examines the details of Chinese OFDI in LAC during 2000-2020: its methodology framework, main trends by

¹ This document had the valued assistance of Ian Eduardo González Rivas, José Rodrigo Rojas Hernández and Mauricio Daniel Téllez Nava; Leire González Alarcón coordinated these efforts. The author is solely responsible for the content.



destination country, economic activity, type of ownership, the geographical origin of the Chinese company and the main Chinese companies performing OFDI in LAC.

1. International and regional context of Chinese OFDI in LAC

Due to the COVID-19 pandemic in 2020, the year was quite complex from multiple perspectives: trade, GDP, trends in segments of specific global value chains, etc., but most prominent is the case of investment flows, besides the social and individual tragedy of millions of deaths. Several topics are relevant. During the last five years (2015-2019) 57.66% of global FDI went to industrialized countries and 39.57% to developing countries; in this period total FDI dropped continuously and, in 2019, it was 75.42% of the amount in 2015. In 2020, however, developing countries concentrated around 70% of global FDI, with significant regional differences. The source of FDI—or OFDI—showed changes at least as relevant during 2015-2019: OFDI in 2019 accounted for 76.92% of 2015; developed countries decreased their market share during said period from 74.68% to 69.67% and the United States from 15.48% to 9.51%. Conversely, Asia, especially Japan and China, increased their participation: in 2019 Japan, the United States and China were the main sources of OFDI² (UNCTAD 2020/a/b).

However, in the face of the socio-economic ravages of the pandemic in 2020, initial estimates reflect an abrupt change in global FDI flows in 2020, with -42% and even up to -30% compared to 2009 after the global financial crisis. These trends in 2020 reflect a considerable drop in FDI even among developed countries (of -69%), but it is lower for developing countries, of -12% in general and of -37% for LAC (UNCTAD 2020/b).

Recent analyses for 2020 indicate a group of relevant results, due to a high degree of uncertainty in the face of the pandemic and the expected socio-economic recovery.

First. The pandemic has generated a cluster of contrasting sectoral trends: while FDI in certain sectors such as lithium and mining industries (UNCTAD 2020/b/d) linked to electric car batteries remains a relevant point of interest, other sectors such as automotive, electronics, food and beverage, and real estate have plummeted (UNCTAD 2020/b).

Second. FDI in developing countries fell, particularly under new investment (*greenfield* type), by -46% in total and by -51% in LAC (UNCTAD 2020/b). Initial expectations even indicated that FDI in LAC could fall by half in sectors such as *commodities*, tourism, and transportation (UNCTAD 2020/c).

Third. The People's Republic of China—as one of the leading global economies—continues to have relatively high manufacturing levels relative to GDP, at 26% in 2020, and specific measures to maintain these levels in the short and medium term (Batson 2021). It is of the utmost relevance to understand China's specific industrial policy measures and FDI attraction during 1978-2020, as well as other FDI outbound policies (or OFDI) in order to enable

² In 2019 China participated with 8.91% of OFDI and Hong Kong with 4.51%; the sum of both would surpass the United States (with 9.51%) (UNCTAD 2020/a).



technological scaling processes and/or access to raw materials, among others (Naughton 2021; see previous issues of the *Monitor*). Recent regulations, the Strip and Route Initiative, as well as the Regional Comprehensive Economic Partnership (RCEP) signed in 2020 will have effects on Chinese FDI and OFDI flows (Carrai 2020).

Fourth. In the face of rising tensions between the United States and China, at least since 2017—with multiple trade and technology measures against Chinese companies (Wang 2020)—China has sought increasing import substitution and self-sufficiency, particularly in high-tech products. The debate around the *decoupling* between the United States and China will be substantive in the coming decades; as a result, there are strong incentives for companies in both countries to continue in their respective activities, with estimated losses of up to 124 billion dollars and more than 100,000 jobs in the semiconductor industry in the United States alone (Rosen and Gloudeman 2021).

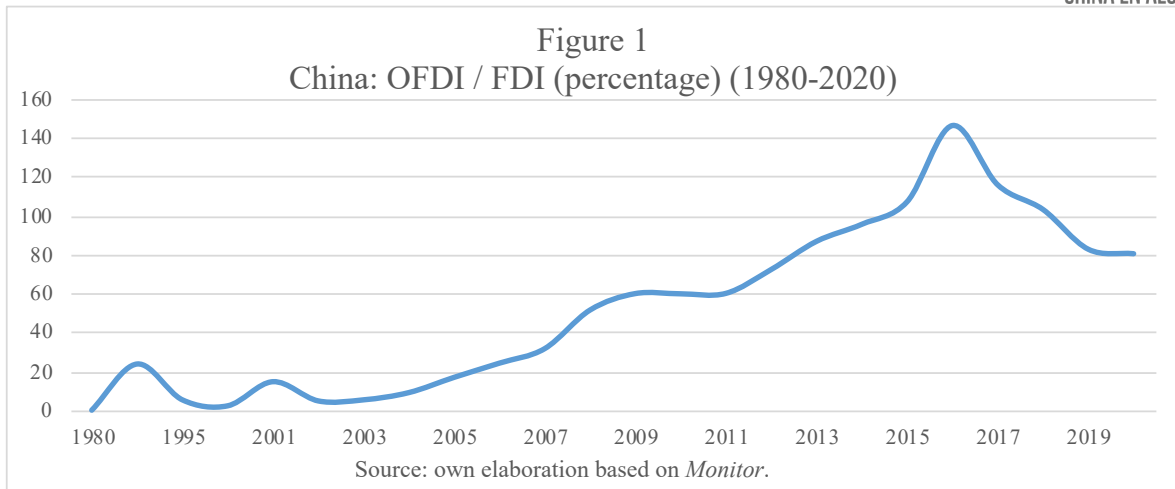
2. Main trends of Chinese OFDI in LAC during 2000-2020

The following are the main results regarding Chinese OFDI in LAC. Of special relevance for the following sections is the definition of OFDI, specifically how it differs from infrastructure projects; the criteria for investment property and a service (in the case of infrastructure projects) are crucial (see previous issues of the *Monitor*).

2.1. Chinese OFDI in LAC: General Trends

Up to 2019, Chinese OFDI had accumulated \$2.2 trillion in 188 countries: 70% is concentrated in four sectors (leasing and business services, manufacturing, financial, and retail and wholesale) and 70% in services; in 2019 it contributed with 56 billion dollars in taxes and generated 2.27 million jobs (60.5% were non-Chinese workers) in the respective countries (Yang 2020). Chinese participation among the main transnational corporations has also increased dramatically in recent decades: among the top 100 non-financial transnational corporations from both global and from developing countries, numbers 8 and 45 were Chinese in 2019, respectively (UNCTAD 2020/a).

In 2020 China's FDI and OFDI increased 2.2% and -0.4%, respectively, a considerable performance against the widespread global socio-economic paralysis, with which the OFDI/FDI ratio was 80.64% in 2020 (figure 1). The issue, beyond the current situation, is of the greatest relevance: Chinese OFDI reached its maximum in absolute terms in 2016, representing 12.71% of global OFDI, and has since declined in absolute terms and in its global share; in 2016 the OFDI/FDI ratio was 146.70% and only during 2015-2018 did OFDI exceed FDI (figure 1). However, OFDI's share of Chinese GDP has remained relatively stable in relation to GDP at around 1% since 2008, peaking in 2016 at 1.76% and falling slightly below 1% in 2020.



Based on the *Monitor's* methodology, 480 Chinese OFDI transactions were established in LAC by 2020. The database (table 1) highlights a group of aggregated features:

1. In 2020 Chinese OFDI fell in its amount -33.8% compared to 2019 and below its level of 2011; the differences in dynamism with financing and trade are significant (Ray, Albright and Wang 2021).
2. In 2020, Chinese OFDI accounted for 9.77% of LAC FDI, with a clear upward trend for the period 2000-2020 and for the proposed sub-periods (see table 1). The issue is of the greatest relevance, given that in the face of the analyzed tensions between the United States and China, China's presence in the specific field of FDI tends to be overstated: the European Union, the United States and other countries still have a significant gap with respect to China (ECLAC 2020). Also, with regard to gross fixed capital formation and GDP, the Chinese OFDI continues to represent reduced levels for LAC, of 0.20% with respect to GDP in 2020.

Table 1
Latin America and the Caribbean: Relevance of China's OFDI (2000-2020) (percentage over respective variable)

	Regional FDI	Gross formation of fixed capital	GDP
2010	13.69	2.08	0.43
2011	5.10	0.84	0.17
2012	0.77	0.12	0.03
2013	5.30	0.76	0.16
2014	6.59	0.84	0.17
2015	6.30	0.88	0.19
2016	4.69	0.67	0.13
2017	9.37	1.41	0.26
2018	8.92	1.32	0.25
2019	10.78	1.73	0.27
2020/e	9.77	--	0.20
2000-2004	1.44	0.24	0.04
2005-2009	3.24	0.43	0.09
2010-2014	5.98	0.89	0.18
2015-2020	7.99	1.18	0.22
2000-2020/e	5.74	0.88	0.16

/e Preliminary.
Source: own elaboration based on UNCTAD (2020/a), MOFCOM (2020) and Xinhua (2021/a).

Table 2 reveals a group of additional general characteristics of Chinese OFDI in LAC. On the one hand, the spectacular increase in employment generated by Chinese OFDI, despite the reduction in its amount: Chinese OFDI generated more than 173,000 jobs in 2020, an increase of 357.7% compared to 2019; the coefficient of the amount of OFDI/employment fell almost seven times. The drastic increase in the employment ratio per transaction--from 1,401 to 11,544 jobs in 2019 and 2020—may well herald a major structural change of Chinese OFDI in terms of its greater public and social perception.³

Table 2 also indicates the various new characteristics of Chinese OFDI (*greenfield type*) vs. mergers and acquisitions: while mergers and acquisitions accounted for 95.95% of the amount of Chinese OFDI in LAC in 2020—and 73.79% during 2015-2020—new Chinese investments generated 53.33% of transactions and 95.19% of employment in 2020. From a long-term perspective (2000-2020) it is clear that the market share of new investments in relation to the total is falling (from 88.14% of the total in 2000-2004 to 26.21% in 2015-2020), as well as the increase in the share of new investments in employment generation during the respective sub-periods.

³ The trend is closely associated with Didi's employment generation in specific countries in 2020 (see analysis in 2.6.). The same trend, however, is also present in infrastructure projects—other than OFDI—in LAC in 2020 (Dussel Peters 2021). The issue could well have a significant impact on the greater "perception" (Armony and Velasquez 2015) of China in LAC.

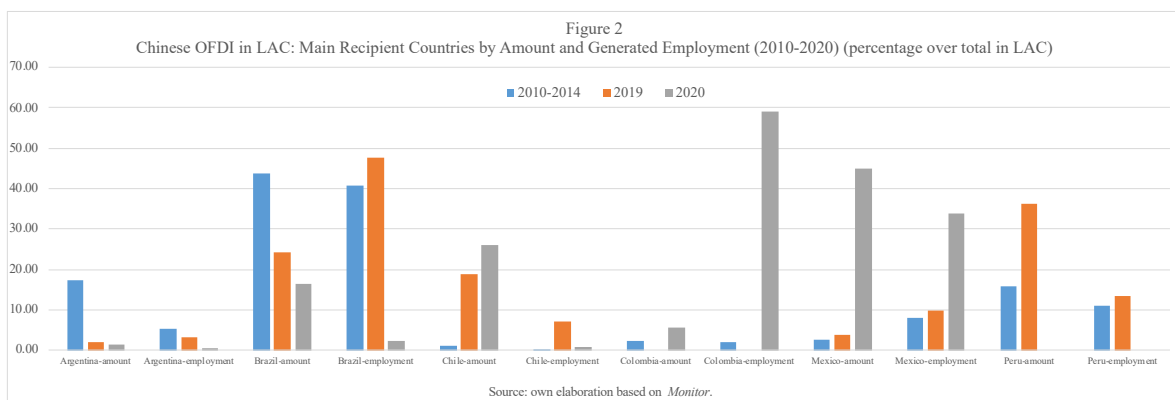
Table 2
LAC: Chinese OFDI, Main Aggregated Characteristics (2000-2020)

	Transactions (number)	OFDI Amount (\$US millions)	Employment (number of employees)	OFDI Amount / Transactions	OFDI Amount / Employment	Employment / Transactions
Total Chinese OFDI						
2015	38	11,151	29,634	293	0.38	780
2016	37	7,899	30,426	213	0.26	822
2017	67	16,370	73,326	244	0.22	1,094
2018	63	15,595	58,489	248	0.27	928
2019	27	17,328	37,829	642	0.46	1,401
2020	15	11,464	173,154	764	0.07	11,544
2000-2004	15	4,639	13,104	309	0.35	874
2005-2009	62	15,958	34,264	257	0.47	553
2010-2014	156	59,382	115,574	381	0.51	741
2015-2020	247	79,807	402,858	323	0.20	1,631
2000-2020	480	159,786	565,800	333	0.28	1,179
Mergers and acquisitions (M&A)						
2015	9	7,784	17,845	865	0.44	1,983
2016	17	6,416	21,483	377	0.30	1,264
2017	29	11,181	52,990	386	0.21	1,827
2018	31	11,505	34,401	371	0.33	1,110
2019	15	11,004	28,589	734	0.38	1,906
2020	7	11,000	8,330	1,571	1.32	1,190
2000-2004	2	550	5,950	275	0.09	2,975
2005-2009	25	4,736	17,911	189	0.26	716
2010-2014	51	39,439	54,622	773	0.72	1,071
2015-2020	108	58,890	163,638	545	0.36	1,515
2000-2020	186	103,615	242,121	557	0.43	1,302
New investments (greenfield)						
2015	29	3,367	11,789	116	0.29	407
2016	20	1,483	8,943	74	0.17	447
2017	38	5,189	20,336	137	0.26	535
2018	32	4,090	24,088	128	0.17	753
2019	12	6,325	9,240	527	0.68	770
2020	8	464	164,824	58	0.00	20,603
2000-2004	13	4,089	7,154	315	0.57	550
2005-2009	37	11,223	16,353	303	0.69	442
2010-2014	105	19,943	60,952	190	0.33	580
2015-2020	139	20,917	239,220	150	0.09	1,721
2000-2020	294	56,172	323,679	191	0.17	1,101
New investments (percentage over respective annual total = 100)						
2015	76.32	30.20	39.78	39.57	75.90	52.13
2016	54.05	18.77	29.39	34.73	63.86	54.38
2017	56.72	31.70	27.73	55.89	114.29	48.90
2018	50.79	26.23	41.18	51.64	63.69	81.08
2019	44.44	36.50	24.43	82.12	149.43	54.96
2020	53.33	4.05	95.19	7.59	4.25	178.48
2000-2004	86.67	88.14	54.59	101.70	161.45	62.99
2005-2009	59.68	70.32	47.73	117.84	147.35	79.97
2010-2014	67.31	33.58	52.74	49.90	63.68	78.35
2015-2020	56.28	26.21	59.38	46.57	44.14	105.52
2000-2020	61.25	35.15	57.21	57.39	61.45	93.40

Source: own elaboration based on *Monitor*.

2.2. Chinese OFDI by destination country

The aggregate diversification examined above is widened in analyzing Chinese OFDI by country: if for the period 2010-2014 Argentina and Brazil represented 61.17% of the amount of Chinese OFDI in LAC, as well as 46.02% of the employment generated by the OFDI itself, this fell for both countries to 17.61% and 3.01% in 2020. Since 2017, Chile, Colombia, Mexico and Peru have become the main recipients of Chinese OFDI. In 2020 Chile, Colombia and Mexico—with a minimum participation if considered historically—accounted for 76.85% and 93.97% of the amount of OFDI and employment generated in 2020 (figure 2).



2.3. Chinese OFDI by destination of economic activity

The information prepared by the *Monitor* in the current version allows the presentation of sectoral destination in two versions.

In the first case—from an aggregated functional perspective, and from the perspective of industrial organization and economic development—Chinese OFDI envisions substantive changes: if during the 2005-2009 period Chinese OFDI in transactions linked to raw materials accounted for 94.73% and 69.67% of the amount of OFDI and employment, then by 2015-2020 it fell to 58.89% and 30.84%. While technology purchase transactions were smaller and started in 2015 and remained relatively constant in manufacturing, the main change was in services and domestic-oriented transactions: from 1.30% and 8.27% of the amount and employment, respectively, during 2005-2009 to 25.77% and 62.58% in 2015-2020 (table 3).

Table 3
China's OFDI in LAC by Sector of Destination (2000-2020) (percentage over respective total)

	Raw Materials			Manufacturing			Services and Domestic Market			Technology Purchase		
	Number of Transactions	OFDI Amount	Employment	Number of Transactions	OFDI amount	Employment	Number of Transactions	OFDI Amount	Employment	Number of Transactions	OFDI Amount	Employment
2000-2004	40.00	81.39	53.79	20.00	1.19	2.45	40.00	17.42	43.77	0.00	0.00	0.00
2005-2009	64.52	94.73	69.67	20.97	3.97	22.06	14.52	1.30	8.27	0.00	0.00	0.00
2010-2014	28.85	57.54	58.19	34.62	8.88	18.71	36.54	33.59	23.10	0.00	0.00	0.00
2015-2020	22.67	51.43	18.95	35.22	17.93	16.65	35.63	25.77	62.58	6.48	4.87	1.82
2000-2020	30.63	58.89	30.84	32.71	12.68	17.07	33.33	25.99	50.79	3.33	2.43	1.30

Source: own elaboration based on *Monitor*.

From a sectoral perspective, table 4 provides further details on OFDI in LAC during 2000-2020: if in 2000-2004 only two sectors—metals, minerals and mining, as well as transportation (especially ports)—accounted for 91.09% and 95.76% of the amount of OFDI and employment, they reduced their shares in 2015-2020 to 28.72% and 65.46%, respectively; in the case of 2015-2020, activities such as Didi's transport activities, which did not exist in the first decade of the twenty-first century, stand out. Conversely, during said period new activities such as energy, telecommunications, automotive parts and electronics have gained significant dynamism and even surpassed metals, minerals and mining. During 2015-2020, for example, energy, metals, minerals and mining, and automotive parts were the main destination of Chinese OFDI in LAC, as per their amount, with a share in total Chinese OFDI of 45.46%, 25.26% and 6.26% (table 4).

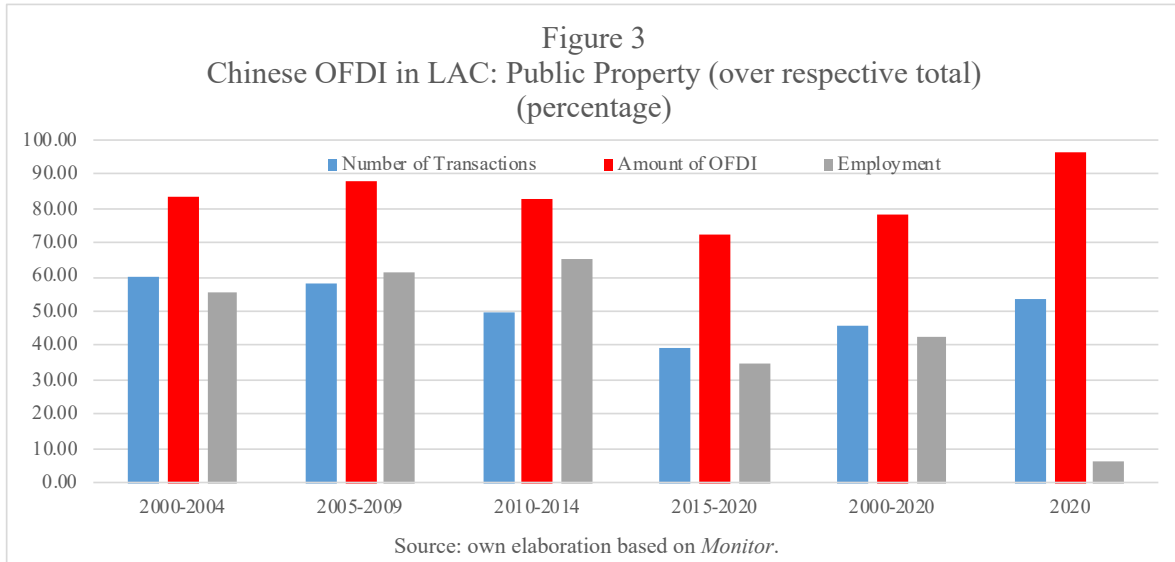
	2000-2004	2005-2009	2010-2014	2015-2020	2000-2020
Metals, minerals and mining-OFDI	81.39	89.25	31.83	25.26	35.72
Metals, minerals and mining-employment	53.79	50.01	20.02	14.93	19.00
Energy-OFDI	0.00	2.01	37.09	45.46	36.69
Energy-employment	0.00	0.55	32.54	3.92	9.47
Telecommunications-OFDI	7.55	0.31	2.87	2.18	2.41
Telecommunications-employment	2.31	0.95	7.71	2.91	3.76
Electronics-OFDI	0.00	0.83	3.74	1.96	2.45
Electronics-employment	0.00	9.32	3.06	4.17	4.16
Autoparts and automobiles-OFDI	0.00	1.57	2.16	6.26	4.09
Autoparts and automobiles-employment	0.00	3.22	5.73	5.93	5.59
Transportation-OFDI	9.70	0.00	0.49	3.46	2.19
Transportation-empleo	41.97	0.00	4.87	50.53	37.94

Source: own elaboration based on *Monitor*.

2.4. Chinese OFDI in LAC by property type

As highlighted in previous issues of the *Monitor*, one of the main characteristics of Chinese OFDI in general and in LAC is the relevance of public sector ownership (Dussel Peters 2015). Figure 3 shows that for 2000-2020 period the public ownership of Chinese companies performing OFDI in LAC accounted for 78.17% and 42.87% of the amount of OFDI and employment, respectively. During the period, the presence of public property has fallen drastically, especially in 2020 with regard to employment generation: if during 2005-2009 the participation of public companies in the generation of employment was 61.45%, in 2020 it fell to 6.21%, also as a result of the aforementioned case of Didi. Thus, one of the most recent trends of Chinese OFDI in LAC indicates the growing rate of employment generated

per transaction, of 1,748 jobs for the total OFDI during 2015-2020 and of 23,201 in 2020 for Chinese privately-owned companies and of 1,343 for public companies.



2.5. Chinese OFDI in LAC according to its geographical origin

The characteristics of Chinese OFDI in LAC according to the geographical location of the parent company of the respective companies are hereby presented as the main contribution of the *Monitor* in 2021. The results are of the greatest relevance and will allow in the future more detailed examinations based on the information offered. At least two aspects are significant.

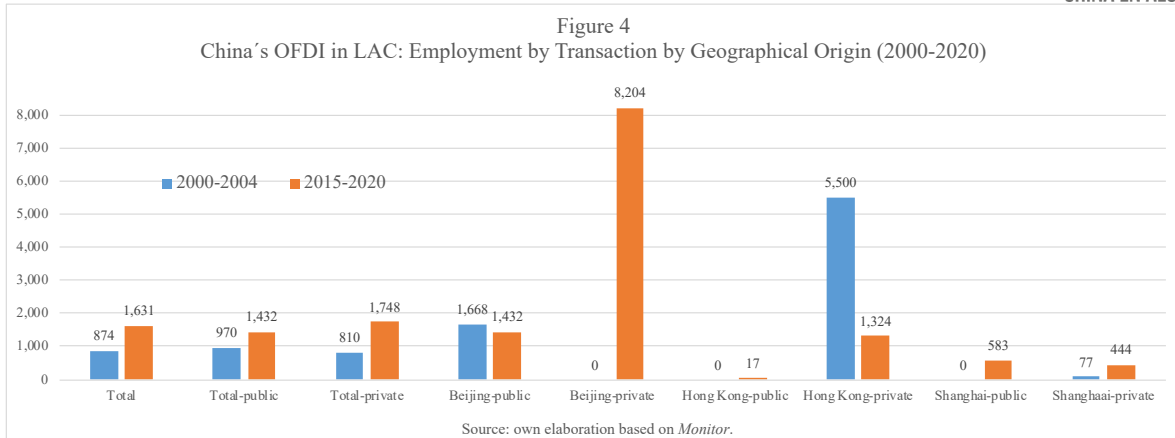
On the one hand, the preponderance of Chinese companies established in the capital of the People's Republic of China which participate with 63.70% and 53.01% of the amount of OFDI and employment generated in LAC during 2000-2020. Table 5, however, indicates that companies with their headquarters in Beijing have maintained their presence during the period in their share of the amount of OFDI—accumulating 101.7 billion dollars—but with a downward trend in their share of employment generation with 34.08% in 2019 and an increase to 93.84% in 2020 with Didi transactions. As a counterpart, especially cities and provinces such as Guangdong, Hong Kong and Shanghai have increased their presence as the headquarters of Chinese companies that carry out OFDI: during 2015-2020, 42.46% of the amount of Chinese OFDI in LAC originated in provinces and cities outside Beijing, increasing their presence significantly with respect to 2010-2014.

Table 5
Latin America and the Caribbean: Chinese OFDI by Geographic Origin (2000-2020)

	2015	2016	2017	2018	2019	2020	2000-2004	2005-2009	2010-2014	2015-2020	2000-2020
							(promedio, porcentaje)				
Total											
Number of Transactions	38	37	67	63	27	15	100.00	100.00	100.00	100.00	100.00
OFDI Amount	11,151	7,899	16,370	15,595	17,328	11,464	100.00	100.00	100.00	100.00	100.00
Employment	29,634	30,426	73,326	58,489	37,829	173,154	100.00	100.00	100.00	100.00	100.00
Beijing											
Number of Transactions	7	8	13	25	11	7	26.67	37.10	38.46	28.74	32.92
OFDI Amount	4,486	4,656	6,180	9,810	10,895	9,898	79.60	56.25	72.73	57.54	63.70
Employment	1,068	10,212	18,741	23,305	12,894	162,480	50.91	26.07	48.11	56.77	53.01
Guangdong											
Number of Transactions	4	7	12	9	3	0	33.33	6.45	10.90	14.17	12.71
OFDI Amount	609	136	1,538	278	1,875	0	7.61	3.65	2.39	5.56	4.25
Employment	950	3,827	3,673	4,660	367	0	2.69	1.63	7.80	3.35	4.14
Hong Kong											
Number of Transactions	3	5	5	2	0	0	6.67	16.13	10.26	6.07	8.75
OFDI Amount	396	89	1,024	19	0	0	9.70	3.97	9.30	1.91	5.09
Employment	575	1,349	16,332	300	0	0	41.97	25.24	16.43	4.61	9.14
Shanghai											
Number of Transactions	5	8	13	7	1	0	13.33	3.23	6.41	13.77	10.00
OFDI Amount	500	740	2,342	630	1,300	0	1.25	0.48	1.00	6.91	3.91
Employment	525	3,010	8,983	2,610	1,500	0	1.17	1.63	2.58	4.13	3.59
Rest											
Number of Transactions	19	9	24	20	12	8	20.00	37.10	33.97	37.25	35.63
OFDI Amount	5,160	2,278	5,286	4,859	3,258	1,566	1.83	35.65	14.58	28.08	23.06
Employment	26,516	12,028	25,597	27,614	23,068	10,674	3.26	45.44	25.07	31.15	30.13

Source: own elaboration based on *Monitor*.

Likewise, the information, will allow in the future a detailed analysis for linking the variables offered by the *Monitor*. Figure 4, for example, associates Chinese OFDI in LAC based on the geographical origin of the Chinese company's headquarters with its property. On the one hand, Beijing has been the core of Chinese OFDI transactions in LAC during 2000-2020 with 158 out of 480, or 32.92%. It is worth noting that it participates with 75.74% of the amount of public OFDI and 50.34% of the employment generated by public OFDI; the rate of employment per transaction of public OFDI for the period is 1,009 jobs. At the other end is Hong Kong, with 42 OFDI transactions in LAC during 2000-2020: the private ownership of companies performing OFDI in LAC from Hong Kong participated with 80.95%, 53.64% and 80.69% of Hong Kong transactions, OFDI amount and the corresponding amount of employment generated during 2000-2020. Thus, Chinese OFDI transactions in LAC reflect a slow increase in private OFDI in the last five years associated with the origin of the Chinese company's headquarters outside Beijing. This performance is significant for the attraction of Chinese OFDI from a Latin American perspective based on segments of global value chains in specific geographical areas: Beijing's private companies seem to generate quite a few jobs, rather than a higher capital intensity from their public companies. On the other hand, Chinese companies with their headquarters outside Beijing—and especially private ones—appeared to be very dynamic during the 2015-2020 period.



2.6. Top Chinese companies that carried out OFDI in LAC

The information from the *Monitor* database allows for company-level examinations of Chinese OFDI in LAC. Two examples.

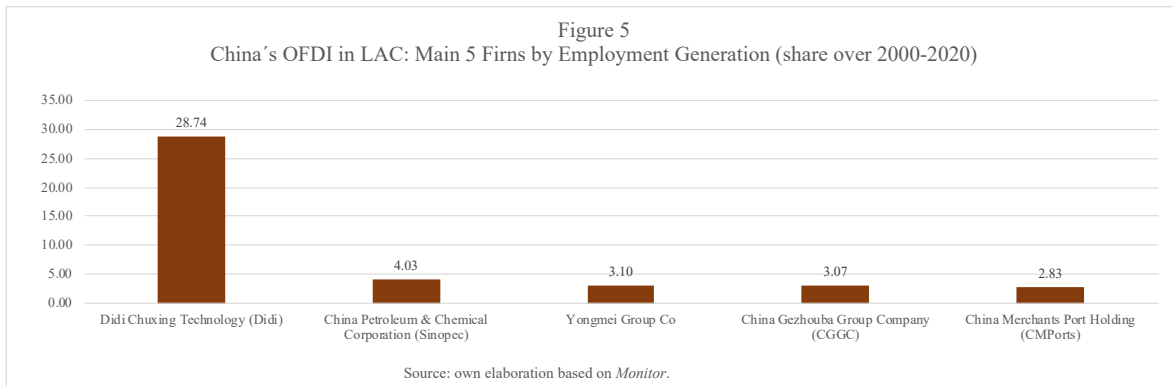
On the one hand and based on the amount of Chinese OFDI during 2000-2020, table 6 reflects some characteristics of the top 5 companies: with only 39 transactions these 5 companies—all public—accounted for 36.88% of the amount of Chinese OFDI in LAC and 10.28% of the employment generated. All five cases are large public transnational Chinese companies from the energy sector (oil and nuclear), with processes that are highly capital-intensive: in the case of Sinopec, for example, each of the eleven transactions were 1.7 billion dollars on average, and with a high rate of OFDI-related employment of 0.77 million dollars (and a difference of 0.28 for the total Chinese OFDI during 2000-2020).

	Absolute Values	Total = 100
China Petroleum & Chemical Corporation (Sinopec)		
Number of Transactions (1)	6	1.25
OFDI Amount (millions of \$US) (2)	16,220	10.15
Employment (Number of Employees) (3)	11,740	2.07
OFDI Amount / Transaction (2) / (1)	2,703	812.08
OFDI Amount / Employment (2) / (3)	1.38	489.22
Employment / Transaction (3) / (1)	1,957	166.00
State Grid Corporation of China (SGCC)		
Number of Transactions (1)	7	1.46
OFDI Amount (millions of \$US) (2)	12,787	8.00
Employment (Number of Employees) (3)	7,493	1.32
OFDI Amount / Transaction (2) / (1)	1,827	548.75
OFDI Amount / Employment (2) / (3)	1.71	604.28
Employment / Transaction (3) / (1)	1,070	90.81
China Three Gorges Corporation (CTG)		
Number of Transactions (1)	8	1.67
OFDI Amount (millions of \$US) (2)	12,660	7.92
Employment (Number of Employees) (3)	13,505	2.39
OFDI Amount / Transaction (2) / (1)	1,583	475.38
OFDI Amount / Employment (2) / (3)	0.94	331.94
Employment / Transaction (3) / (1)	1,688	143.21
State Power Investment Corp (SPIC)		
Number of Transactions (1)	1	0.21
OFDI Amount (millions of \$US) (2)	5,000	3.13
Employment (Number of Employees) (3)	200	0.04
OFDI Amount / Transaction (2) / (1)	5,000	1,502.00
OFDI Amount / Employment (2) / (3)	25.00	8,852.44
Employment / Transaction (3) / (1)	200	16.97
China National Petroleum Corporation (CNPC)		
Number of Transactions (1)	5	1.04
OFDI Amount (millions of \$US) (2)	4,470	2.80
Employment (Number of Employees) (3)	850	0.15
OFDI Amount / Transaction (2) / (1)	894	268.57
OFDI Amount / Employment (2) / (3)	5.26	1,862.22
Employment / Transaction (3) / (1)	170	14.42

Source: own elaboration based on *Monitor*.

Another company-level analysis—according to the criterion of employment generation during 2000-2020—reflects that these five companies alone concentrated 41.89% of the employment generated by Chinese OFDI in LAC (figure 5); Didi alone represented 28.74% with five transactions during 2018-2020 and 90.79% with two transactions in 2020. Didi's

case—it specializes in the transportation of people and goods—could change the perception of Chinese OFDI in LAC given its massive impact on employment by generating 162,600 jobs in LAC and on the quality of the employment generated by Chinese OFDI in the region (Salazar-Xirinachs, Dussel Peters and Armony 2018).



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