

CLIENTS

Chinese developer to invest £2bn in UK infrastructure and housing

28 OCTOBER, 2015 | BY ROBYN WILSON

Chinese developer ABP will use a £2bn war chest to invest in UK property and infrastructure projects, *Construction News* can reveal.

ABP chief operating officer John Miu said the company would look to plough the cash into a range of schemes over the next 10 years, alongside its investment partner Citic Construction.

The Chinese firm recently joined forces with [ABP for its £1.7bn Royal Albert Dock development](#) in east London.

As first revealed by *Construction News*, Citic was named main contractor on the scheme on condition that the Chinese firm partner with at least one of three UK contractors – Brookfield Multiplex, Laing O’Rourke and Mace – shortlisted to build the first phase of the office-led project.

ABP and Citic will now invest a further £2bn in projects through a newly created investment platform, Citic-ABP.

Mr Miu said the company would look to enter sectors where Citic has the most expertise, such as road, bridge and tunnel projects, as well as housing.

Citic will be involved in the construction of all ABP’s current and future schemes, he confirmed.

Mr Miu said the company is eyeing “a few sites” beyond Royal Albert Dock.

But he added: “Because of the scale of schemes we like to do, it does take time before we can commit.

“There are certain locations that are of interest but if you look at Royal Albert Dock, we started this in 2008, so it does take a number of years.

“We are not building one building; we are creating new districts.”

Mr Miu said Citic-ABP was also looking for another investor to join the company within the next 12 months, with both overseas and domestic players as possible partners.

“We’re open [to either],” he added. “What’s important is that it is an investor that brings value to the investment platform.”

Separately, Citic Capital senior managing director Stanley Ching confirmed the group had joined forces with a UK developer on a London residential scheme, but declined to confirm its identity.

Chinese president Xi Jinping concluded a five-day trade visit to the UK, during which the government claimed nearly £40bn of Anglo-Chinese deals had been agreed.

They included the long-awaited funding of Hinkley Point C, the UK's first nuclear plant in a generation which the European Commission estimates will cost almost £25bn over its lifetime.

EDF has agreed to partner China General Nuclear Corporation on the multi-billion-pound nuclear project, with CGN taking a 33.5 per cent stake as well as a stake in two further plants at Sizewell and Bradwell.

Further Anglo-Chinese deals have since been announced, the most recent of which saw a Manchester-based contractor join forces with a Chinese developer to bid for housing projects.

Manchester & Cheshire Construction and the Chongqing Jinstar Real Estate Development Company will bid for residential development sites under a new joint venture, called the Anglo-Chinese Alliance.

Available to read the full story at:

<http://www.cnplus.co.uk/clients/chinese-developer-plots-fresh-2bn-investment-in-uk-infrastructure/8691088.article>