



MIPIM UK 2015: ABP teams up with CITIC on Royal Albert Dock

By James Buckley - Wednesday, October 21, 2015 12:42

The developer behind the transformation of Royal Albert Dock, ABP has announced it is joining forces with CITIC Group.

To ensure the project will go forward, CITIC Construction, the subsidiary of CITIC Group, will be the general contractor for the project. It will mean that with the background and expertise of CITIC Construction and ABP, the Royal Albert Dock project will be guaranteed to be delivered on time and to a high quality.

The General Contractor Agreement was signed and witnessed by President Xi Jinping of China, alongside UK Prime Minister David Cameron at London's Mansion House during the official State Visit. The signatories were Chang Zhenming, Chairman of CITIC Group, and Xu Weiping, Chairman of ABP Global.

Situated in London's only Enterprise Zone and enjoying a range of tax benefits, the 4.7m sq ft development is London's flagship regeneration project. It will cost £1.7bn to transform Royal Albert Dock into London's next business district, up to 30,000 new jobs will be created and it will be worth of £6bn to the UK economy.

On the same day, Chang Zhenming, Chairman of CITIC Group, Liang Wengen, Chairman of Sany Group and Xu Weiping, Chairman of ABP Global signed the Investment Cooperation Agreement on Equipment Leasing Company, the three parties will jointly set up an equipment leasing company for the Royal Albert dock project and other projects to provide equipment leasing for the smooth implementation of the project.

In a further move, ABP and CITIC Construction Ltd will form an investment company as a vehicle to deliver major infrastructure and housing projects across the UK. And they have ambition beyond the Royal Albert Dock project to develop other projects in UK, especially in London.

CITIC-ABP Investment limited - the new joint company will invest and hold 25% shares of Advanced Business Park (London) Investment Holding Ltd. ABP will remain the main shareholder of the Royal Albert Dock project.

The deal will make the project the biggest real estate development delivered in the UK by a Chinese construction company. This is the also first UK project by CITIC Construction, which has extensive experience in bidding for, designing, constructing and managing large scale engineering projects, both inside and outside China.

The Mayor of London, Boris Johnson MP, said: "This landmark agreement represents significant progress as we work towards transforming Royal Albert Dock into a thriving new centre of trade and

investment. This exciting development will act as a beacon for eastern investors looking west, bringing with it tens of thousands of jobs and billions of pounds of investment for the UK economy.”

Their relationship is seen as an effective example of London projects attracting foreign investment and creating prosperity for local communities, and strengthening economic and trade relation between the UK and China.

Chairman of CITIC Group, Chang Zhenming said, “The signing marks the fact that CITIC Construction will become the founding partners of ABP Royal Albert Dock together with ABP. CITIC Construction will also be the general contractor of this project. This will showcase CITIC Construction’s expertise in large scale project management and implementation, and building material and machinery procurement, as well as ABP’s expertise in the development of a Headquarters Economy and operational management.

“This collaboration will further promote the economic and cultural exchange between the east and west, especially strengthening the economy and trade between the two nations.

“We are keen to work closely with ABP to help propel the development of the Asian business district, and contribute to UK China collaboration.”

Chairman of ABP Global Holdings, Xu Weiping said: “As the Sino-UK relationship has entered the ‘golden era’, the bilateral exchanges have never been stronger, and this cooperation between ABP and CITIC is a perfect example of this ‘golden era’.

“The collaboration between our two companies means the resources and expertise of state-owned and private-owned companies will be shared, competitiveness will be increased, and it will strengthen the trade between UK and China and the exchange between enterprises from the two countries.

“The Royal Albert Dock project will build a bridge for Asia and Europe economic collaboration and the integration of east and west culture. ABP has a track record of developing large scale business districts in China. CITIC Construction has been planning to develop into the European market for the past 5 years, and the company has extensive successful experience across the globe. The company is market oriented with financial advantages.”

jbuckley@costar.co.uk

<http://www.costar.co.uk/en/assets/news/2015/October/ABP-teams-up-with-CITIC-on-Royal-Albert-Dock/>