



Develops infrastructure for the long term

Chinese businessman learns to deal with political instability

By LIAOXUE

Thirty years ago, Liu Daiwen helped build roads, railways and bridges around China. Now he builds infrastructure in Africa. Liu, 57, chairman of China Hyway Group Ltd, a company that has businesses spanning several industries such as construction, mining, manufacturing, furniture and steel in Mozambique, Angola, Guinea and South Sudan, said the construction business in Africa will continue developing for the next 10 to 20 years.



CHINESE HYWAY GROUP LTD

Year the first company in Africa established: 2008
Number of local workers: 20,000 at the busiest time
Business in Africa: Construction, mining, manufacturing, furniture and steel
Annual output: \$1.4 billion, with 80 percent produced in Africa
Headquarters in Africa: Mozambique and Angola

ZHONGAN LEIJUN CONSTRUCTION CO
Established: 2008
Employees: 800
Headquarters: Luanda
Phone number: 244 929411477

ETHIOPIA
Established: 2009
Employees: 400
Headquarters: Addis Ababa
Address: House No 5325, Bole Sub-City, Kebele 02, Addis Ababa, Ethiopia
Phone: 251 927356606

THE REPUBLIC OF SOUTH SUDAN
Established: 2012
Employees: 100
Headquarters: Juba
Address: Chinese Street, No 6 Jaraf Road, Juba
Phone: 211 92746782

PARENT COMPANY
Established: 2008
Headquarters: Suzhou, Jiangsu province
Employees: over 3,000
Address: 11th floor, Cailian Building, Xiangcheng district, Suzhou, Jiangsu
Phone: 86 512 69228891
Web: www.hyway-china.com

Liu, a former branch head at China Railway Construction Corp Ltd, a well-known state enterprise, said the construction market in Africa is full of potential amid some challenges.

"It took 20 years for China to become developed in infrastructure after China's reform and opening-up policy was implemented, and I believe it's the same for Africa," Liu said.

Liu said the current challenge for building infrastructure in Africa is the political instability. "Once, equipment worth 100 million yuan (\$16.48 million) was on its way to South Sudan for an infrastructure project, but because of unrest at the site we had to move it," Liu said.

"But I believe the situation will become better, and infrastructure will still need to get developed anyway."

Entering the African market in 2008, Hyway Group has completed the Mocamedes Railway project, one of the three main railway lines in Angola, which begins at Namibe Harbor in the Atlantic and reaches Menongue in the east, with a length of 1,003 kilometers and 56 stations.

It also has completed road construction projects in Ethiopia, such as the Gedo-Neke-mt (130 km), Mekenajo-Ayra (53 km) and Chanka-Dembidolo (63 km).

Jose Eduardo dos Santos, president of Angola, said the design of the Mocamedes Railway is artistic and practical, the quality is good, and the project's functional facility is complete.

"Liu and his company have really done something that improves the development of the country and people's lives," Santos said. "They finished the project on time, and we were impressed with the hard-working spirit of the Chinese people."

In addition, Hyway Group has built nine bridges and more than 20 houses in Angola.

Liu's business has employed up to 20,000 African workers. With 80 percent of Hyway's business in Africa, the enterprises have an annual output of \$1.4 billion.

"Our next plan is to build up more manufacturing factories in Africa," Liu said developing Africa's manufacturing industry is a must, as it will make Africans less dependent on exports.

Liu owns several manufacturing factories in the fields of furniture, steel, brick and coating in Angola and Mozambique. He said these are not only used for Hyway's construction projects, but also for Africa's domestic market.

Agricultural development in some parts of Africa would help develop the continent's economy, Liu said.

For example, he said Angola used to be a

big agricultural export country before it was colonized by Portugal.

"Our next plan is to develop an agricultural business in Angola and Mozambique, as it can provide food for the local people and also develop into an export industry that brings benefits to the local people."

Liu's company is also keen on doing resource exploitation in Africa. In Guinea, the company is working on an iron mining zone that covers 3,000 square kilometers.

"Africa is full of resources," Liu said. "If these resources can be explored and developed properly, it could not only bring economic benefit to the local people but also help develop the local economy."

Before establishing Hyway Group, Liu worked at China Railway Construction for almost 30 years, eventually becoming director of a bureau. It was around that time that he began looking for new challenges. In 2007, he established Hyway with some of his friends.

"The enterprise was established during a time when the Chinese government encouraged enterprises to go abroad and develop themselves," Liu said. "A lot of SOEs went abroad with the support of the government and banks, but for medium and small-sized companies, there were a lot of challenges and difficulties ahead."

Liu plans to help these medium and small-sized enterprises by using the networks he established while working at the CRCC. Hyway has developed into a company that covers fields including infrastructure, trade, logistics, real estate, ecological agriculture, investment and financing in Africa, the Middle East, Europe and Southeast Asia.

Apart from maintaining stable growth in Angola, Ethiopia and Mozambique, Liu plans to explore the manufacturing and resource markets in South Sudan, Namibia and Guinea.

Liu said having a business in Africa has brought commercial benefits and, most importantly, connected him with the local people. He still remembers the hugs he received from locals after the Mocamedes Railways was completed.

"You can feel the sincere thanks from the African people, as they know you have done something that really helped them," Liu said.

During visits to African countries, he not only looks for business opportunities, but also enjoys the environment. In his spare time, he grows plants and vegetables at his factories in Africa. "Africans have a strong connection with nature," Liu said.

"I guess now what I am doing is fulfilling my dream," Liu said. "Previously I built infrastructure for China, now I am doing this for Africa."

LIU DAIWEN



Chairman, Chinese Hyway Group Ltd
Born: 1956

Career

- Chairman and general manager, Chinese Hyway Group Ltd (2008-present)
- Vice Manager, China Railway 20 Bureau Group Corp (2004-08)
- Chairman and General Manager, China Railway 20 Bureau Group Corp, the first branch company (2002-03)
- Director, China Railway 20 Bureau Group Corp, the first engineering (2001-02)
- Vice Director, China Railway 20 Bureau Group Corp, the first engineering (1996-99)
- Assistant Director, China Railway 20 Bureau Group Corp, the first engineering (1995)