



Prescription for 'going out'

Doctor switches careers, leads construction company to success



HU LIJIAN



General manager, Zhongding International Construction Group Co
Born: 1960

Education
Tangshan Coal Medical College, now North China Coal Medical University (1983)

Career

- General manager of Zhongding International Engineering Co Ltd (2006)
- Put in charge of the company's foreign contracting business (2001)
- Returned to China from Cameroon and became assistant to the general manager of AIC (2000)
- Chosen by the Pingxiang Mining Bureau to join a delegation to Cameroon to investigate markets in healthcare projects, geological drilling and forestry and invested the construction of the Sino-Cameroon joint venture hospital in which he served as the president and a surgeon in the hospital for about four years (1996)
- Works at the Worker's General Hospital of Pingxiang Mining Bureau (1983)

AFRICAN OPERATIONS
AFRICA BRANCH (ALGERIA) OF ZHONGDING INTERNATIONAL CONSTRUCTION GROUP CORP
Industry: Engineering construction and contracting
Established: 1990

PARENT COMPANY IN CHINA
ZHONGDING INTERNATIONAL CONSTRUCTION GROUP CO
Industry: International engineering contracting and overseas resource investment
Founded: 2011

Headquarters: Nanchang, Jiangxi province
Overseas operation: Algeria, Botswana, Cameroon, Nepal, UAE, Malaysia, Thailand, Indonesia, India
Employees: 8,485
Ranking: The ENR Top 225 International Contractors
Address: No 18 Gaoxiner Road, Nanchang, Jiangxi province
Phone: 86 791 88119703
Website: www.ziec.com.cn

By **LIU HONGJIE**

Hu Lijian, a doctor turned general manager of a Chinese construction and investment company deeply involved in Africa, has his own perspective on China's "going out" strategy. China's small- and medium-sized enterprises, he says, also should go into business abroad.

Hu is the general manager of Zhongding International Construction Group Co, based in his hometown of Pingxiang in eastern China's Jiangxi province.

He says while working as a doctor, his unexpected decision to investigate opportunities in Cameroon introduced him to Africa and changed his life.

The journey started in 1978, two years after China resumed college entrance examinations after the "cultural revolution" (1966-76). Hu entered college at age 18, and in 1983, graduated from Tangshan Coal Medical College, now North China Coal Medical University.

He was assigned to the Worker's General Hospital of Pingxiang Mining Bureau. PMB was set up in 1950 and was the predecessor of ZICG.

In 1996, he was unexpectedly chosen by the Pingxiang Mining Bureau to join a delegation to Cameroon to investigate markets in healthcare projects, geological drilling and forestry. The trip led to the construction of the first Sino-Cameroon joint venture hospital in Douala, the largest city in Cameroon. Hu served as the president and a surgeon in the hospital for about four years. Since then his life has been tightly bonded with Africa.

"ZICG and I personally both have a deep 'African complex,'" Hu says. His youth has been dedicated to Africa "since my first step on the beautiful continent in 1996. Africa was, is and will always be our main market and the second hometown in the past, present and future," he says.

As early as 1990, to implement China's development strategy of reform and to alleviate poverty, PMB became a subcontractor of a large farm irrigation project

in Algeria, the company's first step abroad. In 1999, PMB was transformed into Pingxiang Mining Group, which later participated in the formation of Anyuan Industrial Co Ltd.

In 2000, he returned to China from Cameroon and became assistant to the general manager of AIC. A year later, Hu was put in charge of the company's foreign contracting business. Hu and his team made rapid progress. To further explore the foreign market, PMG established Zhongding International Engineering Co Ltd and, in 2006, it named Hu general manager. That company was restructured into ZICG in 2011.

Hu says the business development in Africa of ZICG and its predecessors has undergone two phases.

The first was from the 1990s to 2002, when China formally put the national "going out" strategy into practice. That was the phase in which the company took on the farm subcontract in Algeria and the Cameroonian joint venture hospital, which was approved by the Chinese Ministry of Foreign Trade and Economic Cooperation, now the Ministry of Commerce.

"Due to the lack of clear strategic planning and an efficient executive team, ZIEC didn't make much progress in Africa during this period. It was not until 2002 that the company ended its history as a middleman or wage earner, when it won the bid for the Algeria Biskra Province's farmland irrigation and water conserva-

tion project in the company's own name," Hu says.

The second phase came in 2003, when ZIEC won a bid for a centralized sewage project in Oran, Algeria. From then on, the company began to build its own brand.

With the world financial crisis hitting businesses late in the decade, the company kept moving forward and took on the construction of housing for low-income families in Algeria. The company began working with the Algerian Ministry of Housing in 2009 and since has won numerous bids for Algerian housing projects, covering a total of 25,120 houses for low-income families, with 3,500 delivered and 21,620 under construction.

The company has more than 2,800 employees in Algeria, including about 1,400 Algerians, 400 Vietnamese and the remainder from China. "In Algeria alone, there are still 31 projects under construction, covering 12 provinces with the total contract value of nearly \$1.4 billion," says Hu.

In Botswana, ZICG worked on a multifunctional youth activity center, an important Chinese foreign aid project. Construction of the center, which can be used for educational, sports, entertainment and other activities, has been completed as well as checked and accepted by Botswana's government.

"Because of the outstanding performance in that project, ZICG was assigned by the Chinese Ministry of Commerce to form an expert team to check and accept the Chinese-supported projects of a Zimbabwe orphan school, a Sino-African primary school in Ethiopia and a Comoros hospital, on behalf of the Chinese government," says Hu. "ZICG has now begun to explore the construction contracting market in Botswana. During this year, ZICG got the construction contract of an office building and the supporting facilities in Gaborone, capital of Botswana."

In Ghana, ZICG won a bid to upgrade a municipal sewage pipe network in the capital Accra in July.

"For those Chinese enterprises that are willing to go out, the best construction contract projects and the best foreign investment markets are in Africa, and the best African market is in Algeria," says Hu.

ZICG entered the Algerian market fairly early. It has developed a northern Africa construction base there, with plans to expand throughout the continent.

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Hu Lijian
general manager of
Zhongding International
Construction Group Co