

“New Infrastructure”: Emerging Trends in Chinese Foreign Direct Investment in Latin America and the Caribbean

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Methodological Note

Author analysis was primarily based on Dealogic accounts of Chinese (including Hong Kong) mergers and acquisitions and FdiMarkets data on announcements of greenfield investments by Chinese companies in the LAC region. Dealogic and FdiMarkets raw data was downloaded in September 2023 and included 1,102 M&A and greenfield FDI deals from January 2003 until July 2023. We analyzed each transaction and assigned both NAICS and our own industry classifications (“tags”) to each. Based on assigned “tags,” we grouped deal types into the below categories, which are referenced throughout the report’s figures and text.

The categories featured in Figures 3, 10, and 12 comprised the following deal “tags.” In Figure 14, which documents China’s FDI in Mexico over time, renewable energy is included as “Other.”

Category	Tag
Agriculture	"Agriculture (Chemicals)", "Agriculture (Equipments)", "Agriculture (Food)"
Extractives	"Energy (Traditional)", "Critical Minerals (Bauxite)", "Critical Minerals (Copper)", "Critical Minerals (Gold)", "Critical Minerals (Lithium)", "Critical Minerals (Multiple)", "Critical Minerals (Niobium)", "Critical Minerals (Zinc and Germanium)", "Mining (Equipments)", "Mining (Iron Ore)", "Mining (Other)", "Logging and Manufacturing"
ICT	"ICT (Computing)", "ICT (Consumer Electronics)", "ICT (Display/LED)", "ICT (Equipment)", "ICT (Fintech)", "ICT (OEM)", "ICT (Satellite)", "ICT (Services)", "ICT (Software)", "ICT (Telecom Provider)", "ICT (Technology Research)"
Infrastructure	"Infrastructure (General)", "Infrastructure (Metro)", "Infrastructure (Port)"
Manufacturing	"Manufacturing (Appliances)", "Manufacturing (Auto)", "Manufacturing (Battery)", "Manufacturing (Construction)", "Manufacturing (Machinery)", "Manufacturing (Medical)", "Manufacturing (Metals)", "Manufacturing (Other)", "Manufacturing (Plastic)", "Manufacturing (Textiles)", "Manufacturing (EV)"
Renewable Energy	"Manufacturing (Biofuels)", "Energy (Hydroelectric)", "Energy (Renewable Multiple)", "Energy (Solar)", "Energy (Wind)"
Utilities	"Utilities", "Electricity Transmission", "Electricity Transmission (UHV)", "Electricity Provider"
Other	"Insurance", "Logistics", "Media", "Real Estate", "Real Estate (Tourism)", "Recycling", "Retail", "Services (Business)", "Services (Engineering)", "Sports (Facilities and Services)", "Finance"

Our analysis of China’s ICT projects in LAC was based on the following classifications.

Category	Tag
Connectivity services	"ICT (Satellite)", "ICT (Telecom Provider)"
Equipments and devices	"ICT (Display/LED)", "ICT (Consumer Electronics)", "ICT (Equipment)", "ICT (OEM)"
Computing and Data Services	"ICT (Computing)", "ICT (Technology Research)"
Other Services	"ICT (Fintech)", "ICT (Services)", "ICT (Software)"

For our purposes, “new infrastructure,” is defined as comprising the following categories and “tags,” which based on China’ own definition of the term and the types of deals most evident in the LAC region.

Category	Tag
EV	"Manufacturing (Battery)", "Manufacturing (EV)"
High-end Manufacturing	"Manufacturing (Medical)", "Manufacturing (Machinery)"

ICT	"ICT (Computing)", "ICT (Consumer Electronics)", "ICT (Display/LED)", "ICT (Equipment)", "ICT (Fintech)", "ICT (OEM)", "ICT (Satellite)", "ICT (Services)", "ICT (Software)", "ICT (Telecom Provider)", "ICT (Technology Research)"
Renewable Energy	"Energy (Hydroelectric)", "Energy (Renewable Multiple)", "Energy (Solar)", "Energy (Wind)", "Manufacturing (Biofuels)"
Urban Infrastructure	"Infrastructure (Metro)", "Electricity Transmission (UHV)"
