

The Telegraph

New San Francisco bridge built in China to be shipped to US

First, China made cut-price clothes and knick-knacks. Then it learned how to make mobile phones and iPads. Now it is making a 2,050ft-long bridge spanning the San Francisco bay.

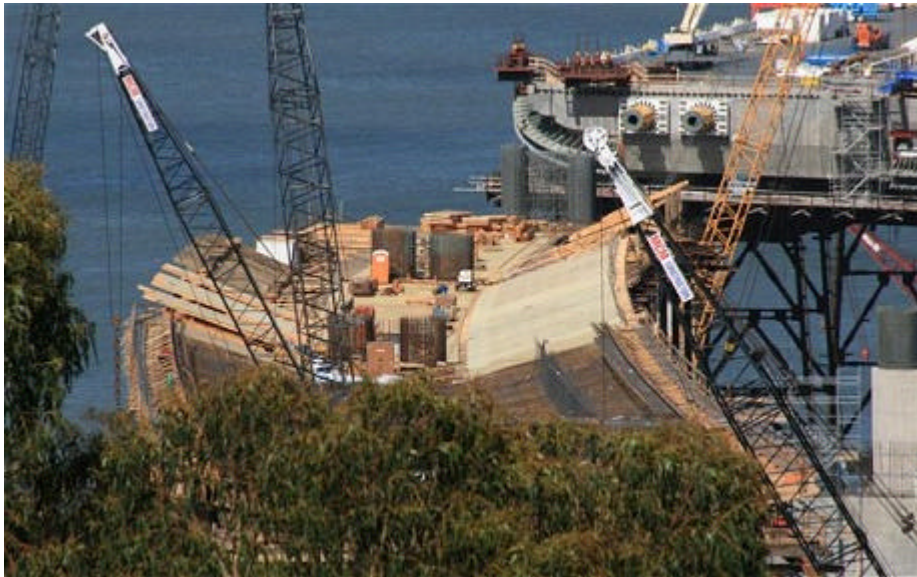


Image 2 of 2

The eastern span of the San Francisco-Oakland Bay Bridge Photo: Wikipedia



By [Malcolm Moore](#), Shanghai

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Next month, four enormous steel skeletons, the last of the 12 segments of the bridge, will be shipped 6,500 miles from Shanghai to San Francisco before being assembled on site.

The bridge, which will connect San Francisco to Oakland on the other side of the bay, is a sign of how [China](#) has moved on from building roads and ports in Africa and the developing world and is now aggressively bidding for, and winning, major construction and engineering projects in the United States and Europe.

After building forests of skyscrapers in Beijing and Shanghai, showpiece buildings like the Bird's Nest stadium and the Guangzhou Opera House, and a high-speed rail network that is the envy of the world, Chinese construction companies are flush with cash and confidence. This week, Wen Jiabao, the Chinese premier, lobbied David

Cameron to give the contract for the UK's new high speed rail link to a Chinese company.

According to Engineering News Record, five of the world's top 10 contractors, in terms of revenue, are now Chinese, with likes of China State Construction Engineering Group (CSCEC) overtaking established American giants like Bechtel.

CSCEC has already built seven schools in the US, apartment blocks in Washington DC and New York and is in the middle of building a 4,000-room casino in Atlantic City. In New York, it has won contracts to renovate the subway system, build a new metro platform near Yankee stadium, and refurbish the Alexander Hamilton Bridge over the Harlem river.

In Europe, meanwhile, China has signed deals with Serbia for a bridge over the river Danube and a connecting road to Belgrade. A £215 million deal will see Chinese firms refurbishing and upgrading a Serbian coal-fired power plant, while China is building a new mobile phone network in Hungary and wants to sell Bulgaria a nuclear power plant, built from a French design.

"The European construction market is huge and the Chinese are very interested in it," said Werner Buelen at the European Federation of Building and Woodworkers, an umbrella organisation for Europe's construction trade unions. "At the moment, they seem to be running a pilot programme to decide whether to access the market directly by bidding on contracts or whether to buy European construction companies and then use those to access the market," he added.

"They have a very clever mechanism, with several advantages. The first is financing, which they have better access to because Chinese companies are mostly state-owned. It is getting more and more difficult for European contractors to access financing, and you need to have a lot of finance in the construction industry," he said.

"Then they have managed to transfer Chinese workers, who are cheaper.

They can also use construction machinery they have built in China.

Finally, because they can generate still profit despite their low bids, they use that money to hire famous architects and demonstrate they can deliver a project above the normal standard".

However, earlier this month, China was fired from its first major prestige project in Europe, the new A2 motorway in Poland for the Euro 2012 football championships. After bidding 44 per cent lower than the Polish government had budgeted for the road, a Chinese state-owned building company found it was unable to pay its workers to finish the job.

"It is difficult for Chinese companies," said Wang Shouqing, a professor at the International Engineering research department at the elite Tsinghua university. "They are not familiar with Western culture, law or standards. What happened in Poland was a very bad example for other Chinese companies. It could take another decade or even 20 years to put our footprint on Europe and the US." The embarrassment in Poland

led China's State Council to publish a notice on Monday warning the heads of China's state-owned companies that they would be "punished" if their companies negligently lost money on overseas projects.

Norman Haste OBE, an engineer whose projects include the second Severn crossing and the design of Heathrow's Terminal 5, said he had encountered Chinese firms bidding aggressively in the Middle East and that he had a "high regard for what they have done in recent years".

He said: "Their capabilities are second to none, and they are able to finance projects. There is a big demand for new investment in Eastern Europe and similarly in the United States and they will do well there." But he added that the history of protectionism in the French, German and UK markets might be harder to break.