

OVERSEAS CONTRACTS

FY2017 Outline of Overseas Construction Contracts

This study covers overseas construction projects (worth 10 million yen or more per contract) contracted for in the fiscal year 2017 (FY2017) by the 50 member companies of the Overseas Construction Association of Japan, Inc. Figures exclude contracts between member companies (including those overseas) and between member companies based in Japan and their overseas subsidiaries (duplicates due to general contracting and subcontracting), and figures for joint-venture projects are reported according to the ratios of equity investments by the participating companies.

Overall Trends in Contracts

The member companies concluded 1,958 overseas construction contracts in FY2017, for a total value of 1.8510 trillion yen. This represents increases of 264 contracts and 304.6 billion yen in value from the previous fiscal year.

The value of contracts concluded with Parent Companies (PC) increased by 418.1 billion yen to 813.3 billion yen. On the other hand, the value of contracts concluded with Overseas Affiliated Companies (OAC) decreased by 113.5 billion yen to 1.0377 trillion yen.

	FY2016		FY2017		Year-on-year change	
	Number	Value (100 million yen) (%)	Number	Value (100 million yen) (%)	Number	Value (100 million yen) (%)
PC	405	3,952 (25.6%)	478	8,133 (43.9%)	73	4,181 (105.8%)
OAC	1,289	11,512 (74.4%)	1,480	10,377 (56.1%)	191	-1,135 (-9.9%)
Total	1,694	15,464 (100.0%)	1,958	18,510 (100.0%)	264 (15.6%)	3,046 (19.7%)

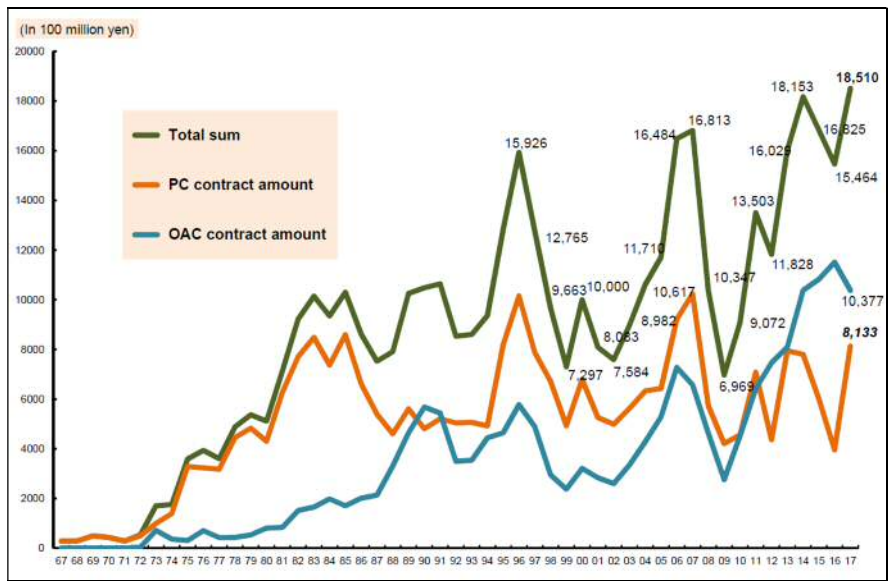
By region, the value of contracts concluded in total was: Asia, 1.1062 trillion yen; Middle East and North Africa, 7.3 billion yen; Africa, 64.5 billion yen; North America, 372.9 billion yen; Central and South America, 41.4 billion yen; Western Europe, 12.7 billion yen; Eastern Europe, 87.3 billion yen; and Oceania, 158.8 billion yen.

By source of funding, self-funded contracts totaled 1.4905 trillion yen in value; contracts funded by grant aid, 46.2 billion yen; and those funded by ordinary yen loans, 291.1 billion yen. Overall contracts funded with ODA loans (total of grant aid and ordinary yen loans) increased to 337.3 billion yen compared to the previous fiscal year (101.5 billion yen).

Moreover, contracts funded by JBIC and other (PPP) contracts totaled 23.2 billion yen in value, compared to no contracts in the previous fiscal year. There were no contracts funded either by the World Bank or the Asian Development Bank after no contracts in the previous fiscal year.

By type of client, contracts with public-sector clients totaled 713.6 billion yen in value and those with private-sector clients 1.1374 trillion yen.

By type of contract, construction contracts totaled 1.0490 trillion yen in value; design-build contracts, 797.1 billion yen; PM/CM contracts, 3 billion yen; technical advice contracts, 200 million yen; and other contracts, 1.8 billion yen. There were no turnkey contracts for this fiscal year.



Changes in Overseas Construction Contracts (from FY1967 to FY2017)

PC and OAC Trends

A review of overall contracts from a PC/OAC point of view finds that contracts concluded with the PC totaled 478 in number and 813.3 billion yen in value, reflecting increases of 73 in number and 418.1 billion yen in value from the previous fiscal year.

By region, the value of contracts concluded with the PC totaled: Asia, 648.2 billion yen; the Middle East and North Africa, 7.3 billion yen; Africa, 64.5 billion yen; North America, 7.7 billion yen; Central and South America, 32.2 billion yen; Western Europe, 1.3 billion yen; Eastern Europe, 21.2 billion yen; and Oceania, 30.9 billion yen.

On the other hand, contracts concluded with an OAC totaled 1,480 in number and 1.0377 trillion yen in value, chalking up an increase of 191 in number but a decrease of 113.5 billion yen in value from the previous fiscal year.

By region, the value of contracts concluded with an OAC totaled: Asia, 458 billion yen; North America, 365.2 billion yen; Central and South America, 9.1 billion yen; Western Europe, 11.4 billion yen; Eastern Europe, 66.1 billion yen; and Oceania, 127.9 billion yen. No contracts were concluded with an OAC in the Middle East and North Africa or in Africa in this fiscal year.

Accordingly, a comparison between the values of contracts with the PC and those with an OAC showed a ratio of 44:56, reflecting an increase in the share of PC contracts and a decrease in the share of OAC contracts from the previous fiscal year (26:74).

Regional Trends

Asia

A review of overall contracts by region indicated that those in Asia totaled 1,417 in number and 1.1062 trillion yen in value, representing increases of 209 in number and 399.8 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in Asia increased by 351.8 billion yen to 502.3 billion yen, and those with private-sector clients in the region also increased, registering an increase of 48 billion yen to 603.9 billion yen.

Middle East and North Africa (MENA)

Contracts in the Middle East and North Africa totaled 17 in number and 7.3 billion yen in value, representing decreases of 1 in number and 7.4 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in the Middle East and North Africa declined by 5.4 billion yen to 5.8 billion yen, and those with private-sector clients in the region decreased by 2 billion yen to 1.5 billion yen.

Sub-Saharan Africa

Contracts in Sub-Saharan Africa totaled 16 in number and 64.5 billion yen in value, representing a decrease of 1 in number, but an increase of 38.3 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in the region increased by 38.6 billion yen to 64.4 billion yen, while those with private-sector clients decreased by 0.3 billion yen to 0.06 billion yen.

North America

Contracts in North America totaled 196 in number and 372.9 billion yen in value, representing an increase of 4 in number, but a decrease of 275.5 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in North America decreased by 39.6 billion yen to 97.3 billion yen, and those with private-sector clients in the region decreased by 235.9 billion yen to 275.6 billion yen.

Region	FY2016		FY2017		Year-on-year change
	Number	Value (100 million yen) (%)	Number	Value (100 million yen) (%)	Value (100 million yen) (%)
Asia	1,208	7,064 (45.7%)	1,417	11,062 (59.7%)	3,998 (56.6%)
Middle East & N. Africa	18	148 (1.0%)	17	73 (0.4%)	-75 (-50.7%)
Sub-Saharan Africa	17	262 (1.7%)	16	645 (3.5%)	383 (146.0%)
N. America	192	6,484 (41.9%)	196	3,729 (20.1%)	-2,755 (-42.5%)
C./S. America	116	339 (2.2%)	150	414 (2.2%)	75 (22.1%)
W. Europe	33	86 (0.6%)	25	127 (0.7%)	41 (47.7%)
E. Europe	52	391 (2.5%)	52	873 (4.7%)	482 (123.1%)
Oceania	58	690 (4.5%)	85	1,587 (8.6%)	897 (130.0%)
Total	1,694	15,464 (100.0%)	1,958	18,510 (100.0%)	3,046 (19.7%)

Central and South America

Contracts in Central and South America totaled 150 in number and 41.4 billion yen in value, representing increases of 34 in number and 7.5 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in Central and South America totaled 7.5 billion yen after nil in the previous fiscal year, while those with private-sector clients in the region totaled 33.9 billion yen, the same value as the previous fiscal year.

Western Europe

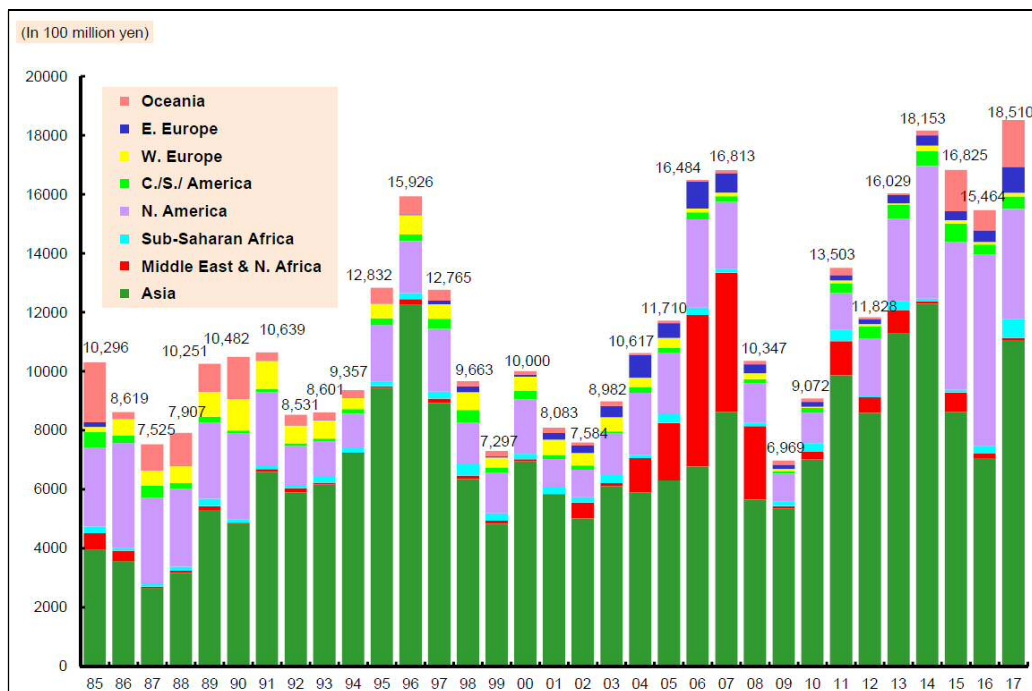
Contracts in Western Europe totaled 25 in number and 12.7 billion yen in value, representing a decrease of 8 in number, but an increase of 4.1 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in Western Europe were nil, while those with private-sector clients in the region increased by 4.2 billion yen to 12.7 billion yen.

Eastern Europe

Contracts in Eastern Europe totaled 52 in number and 87.3 billion yen in value, representing no change in number, but an increase of 48.2 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in Eastern Europe totaled 20.8 billion yen after nil in the previous fiscal year, while those with private-sector clients in the region increased by 27.4 billion yen to 66.5 billion yen.

Oceania

Contracts in Oceania totaled 85 in number and 158.8 billion yen in value, representing increases of 27 in number and 89.8 billion yen in value from the previous fiscal year. By type of client, contracts with public-sector clients in the region decreased by 4.4 billion yen to 15.7 billion yen, while those with private-sector clients increased by 94.1 billion yen to 143.1 billion yen.



Changes in Overseas Construction Contracts by Region (from FY1985 to FY2017)