

## Sayari Master Class Mapping Chinese State Owned Enterprises: the case of the Xinjiang Production and Construction Corps (XPCC)

### China Analyst Questions

#### **Are companies majority-owned by the XPCC SASAC (or other subordinate investment vehicles) legally blocked per the OFAC 50% Rule?**

This question is best directed to OFAC. We're not lawyers, so we can't advise on the technicalities of sanctions law.

From an analyst's perspective, Chinese [definitions of ownership and control](#) indicate that XPCC subordinates are ultimately owned by the XPCC. This includes entities owned through any of the XPCC's investment vehicles, such as the XPCC SASAC and XPCC Division SASACs.

#### **Are there certain industries in which XPCC owned or affiliated entities are most active?**

The XPCC's largest industry is agriculture, which doesn't come as a surprise, given the XPCC's origins in agricultural development and colonization in Xinjiang. We also found companies operating in mining, oil, and unspecified "manufacturing."

In addition, we found a number of companies involved in hospitality, which lines up with the Chinese government's broader goals to develop Xinjiang as a tourist destination.

#### **How can I access your XPCC high risk entity dataset?**

You can [request the dataset on our website](#). You can also check out our [written analysis of the dataset here](#).

#### **To what extent are corporate records published by the Chinese government reliable?**

We have found Chinese corporate records to be generally reliable. It's important to remember that these records aren't just used for purposes of outside investigators and due diligence. They serve general business functions that require disclosures to be accurate, such as attracting investors, applying for credit, and applying for contracts.

That said, we have seen a couple of situations where sensitive corporate data mysteriously disappeared from the registry. In 2017, the Chinese government announced that they were closing all North Korean companies and representative offices in China to comply with a UN Security Council Resolution. After the announcement, these North Korean companies disappeared from SAIC (China's predecessor to NECIPS) entirely, making it difficult to determine

whether the entities had closed or not.

It's always important to try to corroborate information from NECIPS or other Chinese corporate records. For example, some jurisdictions within China, such as Shenzhen, have their own corporate registries that are managed by a different set of government offices than NECIPS. China's Ministry of Commerce maintains a couple of databases with ownership/control data, as well as identifying information. Sources like this can be used for corroboration ([and can be found in Sayari Graph](#)).

#### **Do NECIPS records provide shareholding percentages?**

NECIPS provides share capital and registered capital for legal entities with shareholders. However, NECIPS is effectively a central government aggregator of local governments' business registration bureau data, and each of these bureaus vary in their requirements for shareholding reporting.

#### **The NECIPS database is slow and difficult to use. Do you have suggestions for other ways to access Chinese corporate records or other open data that support this type of research?**

There are two types of sources you can look to for Chinese corporate data as alternatives to NECIPS: third-party data aggregators and non-NECIPS government sources.

Third-party data aggregators like Tianyancha, Qichacha, and Qixin use an automated data collection process to feed their data from NECIPS and other official Chinese sources. In our experience, these aggregators are reliable sources of official data and have relatively infrequent technical issues, compared to government sources. However, these sources aren't updated as often as NECIPS.

There are also other government sources that provide similar information to NECIPS. Provinces and increasingly cities, such as Shenzhen, have their own company databases. The Ministry of Commerce also provides fairly accessible data on Chinese entities with foreign investors and Chinese entities with subsidiaries or branches abroad.

While you can access all of these sources on the open internet, we primarily [access them through Graph](#), which is more reliable, more secure, and certainly more efficient.

### **Sayari Graph Platform Questions**

#### **What data does Sayari Graph include?**

Sayari Graph currently holds over 626 million records from 188 different sources across the globe, including from traditionally hard-target jurisdictions such as China, Russia, and Iran.

**What language support does Sayari Graph offer?**

Sayari Graph offers [multiple translation and transliteration functions](#) to help you explore records in foreign languages. This is everything from on-demand translation of record text to translating your search terms and results. We use a combination of Google Translate, translations and transliterations we generated ourselves based on internal deep learning models, and translations native to the original documents (for example, when Chinese companies disclose their names in English).

**Are the ownership details of Chinese companies in Sayari Graph based only on NECIPS filings?**

In addition to NECIPS filings, Sayari Graph also [pulls ownership data from other official sources](#), including the Ministry of Commerce Overseas Investment Database and the Ministry of Commerce Foreign Investment Database.