A dramatic surge in spending among Chinese Super League clubs in the international transfer market hit the headlines during China’s 2016 winter transfer window, which ran from 1 January to 26 February 2016, with high-profile signings of overseas stars such as Colombian striker Jackson Martínez, signed by Guangzhou Evergrande from Atlético Madrid for £31m; Brazilian midfielder Alex Teixeira, bought by Jiangsu Suning from Shakhtar Donetsk for £38.4m; and Chelsea midfielder Ramires, also signed by Suning for £25m (transfer fee data above from media reports, not FIFA TMS).

Yet recruiting high-quality foreign players to the Chinese Super League forms just one element of the long-term plans to boost football in China. In April the Chinese Football Association published a strategy designed to ensure the country becomes a “first-class football superpower” by 2050. The plans centre around achieving consistent national team success, with a key short-term term aim qualification for the next FIFA World Cup in 2018 – China has only qualified once, in 2002.

Long-term targets include having 50 million children and adults playing the game by 2020, and at least 20,000 football training centres and 70,000 pitches in place by 2020, with one football pitch for every 10,000 people by 2030. Football has already become a compulsory part of the national curriculum.

Analysis from FIFA TMS, gathered through individual transaction data inputted into the International Transfer Matching System (ITMS), helps illustrate the long-term nature of China’s plans, and the priority given to national team success.

For instance, it shows that while foreign stars such as Martínez, Teixeira and Ramires grabbed the headlines in the 2016 winter window, the top nationality among all the
Guangzhou Evergrande

The remarkable success of the Chinese Super League club Guangzhou Evergrande has helped attract a growing number of wealthy investors to clubs in China’s top flight. In 2010 Guangzhou Evergrande was languishing in the second division before the Evergrande Real Estate group took the club over and secured promotion to the Chinese Super League. Since then it has won five successive top flight titles.

The total amount spent on international transfers by Guangzhou Evergrande continues to increase, lifting from USD23m in 2014 to USD50m in 2015 and USD54m in 2016. Emre Ersen, the FIFA TMS Data and Reports Manager, explains that while a growing number of Chinese businesses have purchased stakes in foreign clubs, in countries such as the Czech Republic, France and Spain, several other property businesses have seen what Evergrande has achieved, and invested heavily in domestic Chinese clubs, providing a major boost to football in China.

Guangzhou Evergrande’s neighbouring club Guangzhou R&F, as well as Henan Jianye, Shijiazhuang Ever Bright, Changchun Yatai and several others, are now owned by property development companies. China is expanding its football business network in its domestic market as well as abroad,” says Ersen. “The ultimate dream is for clubs to produce teams entirely made up of players who have come through their academies.”

“...This shows that as well as signing high-quality foreign players, Chinese clubs want to heavily recruit back their own talent that has been abroad and bring those players back into the Chinese domestic league, where it can help them improve...”

incoming international transfers by Chinese clubs was in fact China itself, with the number of Chinese players returning from foreign clubs back to China up from six in the 2015 winter window to 24 in 2016. After China, the second top incoming nationality was Brazil with 19 players, followed by Australia with 7.

“This shows that as well as signing high-quality foreign players, Chinese clubs want to heavily recruit back their own talent that has been abroad and bring those players back into the Chinese domestic league, where it can help them improve,” says Emre Ersen, the FIFA TMS Data and Reports Manager. “The hope is that this can also help translate into the Chinese national team becoming successful at the next World Cup.”

The FIFA TMS data also reveals that the most common transfer stream for incoming international signings made by Chinese clubs in 2016 was from Portugal to China, with 18 players moving in that direction, while the most common transfer stream for outgoing transfers was in the other direction, from China to Portugal, with 12 players.

Ersen notes that a high proportion of the players transferred from Portugal to China in 2016 were Chinese nationalities, while the majority of the outgoing transfers from China to Portugal were also of Chinese nationalities. He explains that this is due to the recent partnership deal struck between the Shenzhen-based LED display, lighting and components company Ledman Optoelectronic and the Portuguese Professional Football League (LPFP), through which the Chinese company is sponsoring a development programme for Chinese players in the LPFP.

The data also shows that while the Chinese Super League may have become synonymous with foreign players nearing the end of their careers, the average age of incoming international players in the 2016 winter window was 26 years and 1 month. This compares with a worldwide average of 24 years and 9 months, and an average for signings made by clubs in the Big 5 countries (England, France, Germany, Italy and Spain) of 23 years and 9 months.

“While the Big 5 are dealing with younger talents, Chinese clubs are engaging in players who have established careers, making them more expensive as they are in their prime," says Ersen, who explains that among all the different age brackets worldwide, the average transfer fee for players aged 26-29 is the highest at USD3.2m.

The data from FIFA TMS also reveals that far from being a recent development, China has actually been consistently active in the global transfer market over the past five years. According to the FIFA TMS data, in 2012 Chinese clubs signed 96 foreign players, with only slightly more – 103 – signed in the 2016 winter window, when they were the biggest spenders worldwide.

What did change in the 2016 winter window was the amount of money being spent by Chinese clubs on international transfers. China’s total spend on foreign players increased from USD86m in the 2015 winter window to USD929m in 2016, according to FIFA TMS, making it easily the biggest spending country in the global transfer market, with England the next biggest spenders with USD181m. France, Germany, Italy and Spain combined spent USD173m.

The FIFA TMS figures reveal that while in 2012 transfer fees were paid for 29% of the foreign players signed by Chinese clubs, in the 2016 winter window the percentage was 50%. The average transfer fee paid by Chinese clubs was USD 5.8m, more than double the average transfer fee worldwide of USD2.6m, and also significantly higher than the Big 5 average of USD 2.7m (although the average transfer fee paid by English clubs alone was closer to that of China, at USD 4.2m).
The FIFA TMS data shows that the salaries being paid by Chinese clubs to their new foreign signings are also now higher than elsewhere. The average yearly salary committed to incoming players in the 2016 winter window in China was USD1.4m, compared with a worldwide average of USD381,000, and a Big 5 average of USD1.2m.

The determination among Chinese clubs to recruit top international players is also highlighted by the types of transfers made during the 2016 winter window. According to FIFA TMS, 48% of international transfers made by Chinese clubs were of players in a contract at another club (or ‘permanent’ signings), compared with just 11% of transfers worldwide, and 21% of players signed by clubs in the Big 5.

“The reason for this is once again that Chinese clubs want to aim for the top talent... If you go after the leading players it’s rare that those players will be out of contract.”

The FIFA TMS data shows that to the Big 5 clubs, where it was 24%. “This could be because the Chinese market is developing and not yet at the level of Europe, so over the next two years we may see more players move on loan to China,” says Ersen.

He adds that a key factor behind the increase in spending by Chinese clubs has been the Chinese Super League’s ‘4+1’ rule, which states that a club squad must contain a maximum of five foreign players – four from anywhere in the world and one additional player from a country in the Asian Football Confederation (AFC) region, such as Japan or Australia. On the pitch this is reduced to 3+1. The rule was first introduced in 2009 in order to boost the performance of Chinese teams in the AFC Champions League.

“The rule means that the few foreign players clubs can sign have to be of top quality – meaning higher transfer fees and salaries,” says Ersen. “The rule is also designed to ensure local players play in the Chinese Super League, so they can develop and contribute to the success of the national team.”

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