

Expo to fuel marine economy

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As the new host of the China Marine Economy Expo, Zhanjiang aims to make it another engine in China's rising maritime power, a senior official said.

Zhuang Xiaodong, deputy mayor of the city, told China Daily the expo will be a win-down on the world's latest developments in marine business.

"We hope to build the expo into a global brand of marine economic fairs," he said, adding the city is now applying to become the permanent host for the expo.

"If we are successful, the expo will raise Zhanjiang's profile like what Canton Fair and China Hi-tech Fair mean to Guangzhou and Shenzhen."

The 2nd China Marine Economy Expo scheduled in late November will divide its exhibition area into different marine industries.

"Enterprises and professional associations will play a leading role in the event. We focus

on promoting maritime trade and the role of the market," Zhuang said. "Practicality and timeliness" are two requirements for a fruitful economic and trade fair, he said.

"The expo aims at gathering manufacturers, buyers and scientific research institutions — a complete chain in the marine industry — so that they are able to learn about the latest achievements in a certain area every two years," Zhuang said.

The expo will cover 10 marine industries including resources, shipbuilding, equipment manufacturing, biotechnology and tourism.

It also includes trade talks and forums covering topics such as technology, market analysis and regional cooperation.

"One of the highlights is to display real objects — yachts, warships and construction machinery equipment — on the vast bay outdoors," Zhuang said.

"Visitors will be more interested in learning about the marine industry and overwhelmed by the sense of

national pride."

The public's enthusiasm about the navy was proved at last year's Ocean Carnival held in Zhanjiang, the headquarters of the South Sea Fleet.

More than 3,000 visitors rushed for a tour onboard the warships every day from Sep 29 to Oct 5.

"We will strengthen our communication with the South Sea Fleet to win their support for the coming marine economy expo.

"We hope that they can open warships to the public again to improve awareness about sea-going military," Zhuang said.

The expo's main venue is the Zhanjiang Olympic Sports Center scheduled to be completed in late March.

The seaside stadium will also be the main venue for the 14th Guangdong Games in 2015.

The "maritime power" strategy was outlined for the first time by the key report at the 18th National Congress of the Communist Party of China held in November, 2012.

At a study session with members of the Political Bureau of



Zhuang Xiaodong,
deputy mayor of Zhanjiang

the CPC Central Committee on July 30, 2013, Chinese President Xi Jinping championed efforts to build China into a maritime power.

He said in the 21st century, oceans play an increasingly important role in a country's economic development and opening-up.

"China's maritime cause has generally entered the best period of development after years of efforts," Xi said at the study session.

As one of the country's three pilot provinces for developing the marine economy, Guang-



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Cargo and containers crowd the waterfront at the vibrant Port of Zhanjiang on a typical day.

dong has plans to increase the volume of its marine economy to 1.5 trillion yuan (\$248 billion) in 2015, almost one-fourth of the province's GDP.

"Boasting its rich marine resources, location and a solid foundation for marine industries, Zhanjiang is one of the cities with the biggest potential in the sector," Zhuang said.

The coastline of Zhanjiang stretches 1,243 kilometers, the longest in the province.

Located in the transition region between tropical and subtropical climate zones, Zhanjiang has three major marine eco-systems — mangroves, coral reefs and under-sea grasslands.

"Zhanjiang is famous for its

fisheries, but it has potential in more areas of the marine economy," Zhuang said.

Located on Guangdong's borders with the Guangxi Zhuang autonomous region and Hainan province, Zhanjiang is also at the center of the China-ASEAN Free Trade Area and a bridgehead of South China Sea development.

City aims for total health coverage in rural areas

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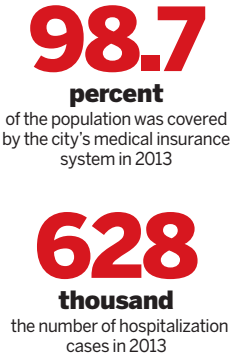
Zhanjiang, a trial area for medical insurance reform, is stressing healthcare aid and treatment of critical illness this year, said Chen Yun, the city's deputy mayor in charge of social security.

In the countryside, it is never easy to see a doctor, and costs can be high. Headlines are full of heartrending stories about rural families unable to afford their high medical bills.

Because Zhanjiang has a large population reliant on subsistence agriculture and a relatively small tax base, it is a challenge for the government to cover basic medical fees for each citizen.

The government has developed an innovative and effective solution to this problem. The Zhanjiang model is to provide universal and comprehensive medical insurance across the city.

In 2009, the government integrated the new rural cooperative medical system



and urban residents' basic medical insurance.

Every year, the city government collects 80 yuan (\$13) from each rural resident and 120 yuan from each urban resident for unified distribution, Chen said.

"Whether urban or rural, residents covered in the same medical insurance system can enjoy the same level of insurance benefits," Chen said.

By 2013, the system had been expanded to cover 98.7 percent of the city's population, according to a statement from Zhanjiang's Human

Resources and Social Security Bureau.

Meanwhile, the government allocates part of the fund to hire a commercial insurance company to manage the basic medical insurance services, which is quite a bold step, and Zhanjiang is the first city in the country to adopt this measure.

Chen said that the measure was very highly debated at the beginning and was not approved by the State Council until 2011.

"We've proven that bringing a commercial insurance company into the management can reduce cost and promote the transformation of the government's functions," Chen said.

The hired commercial insurance company has sent a team of more than 140 professionals to help manage the fund, saving labor at the human resources and social security bureau.

"And the professionals from the commercial insurance company increase the work efficiency," Chen added.

Wang Yang, vice-premier of the State Council, spoke highly of Zhanjiang's medical insurance system and called on other cities in Guangdong to learn from the Zhanjiang model at a provincial conference in 2011 when he was Guangdong's Party chief.

He pointed out that using a commercial insurance mechanism to manage basic medical insurance was a new and worth-trying way for less-developed areas.

In January 2012, Zhanjiang government established critical illness insurance.

The government pays 2 yuan per beneficiary in the medical insurance system every year to the commercial insurance company and the company uses the money to subsidize beneficiaries when their medical fees are more than 20,000 yuan per person.

If the individual's medical fee is between 20,000 yuan and 50,000 yuan, the insurance company will pay 50 percent of the amount in excess. If it is above 100,000 yuan, the insurance will cover 80 per-



Chen Yun, deputy mayor of
Zhanjiang

cent of the exceeding part, which is the highest percentage, said Chen.

The number of hospitalization cases rose from 216,000 in 2008 to 628,000 in 2013. The average percentage that the insurance covers of the total medical fees also increased from 38.1 percent in 2008 to 64.6 percent in 2013, according to the statement.

Chen said that the government will supplement medical insurance with civil aid, offering extra financial help to those with critical illnesses who cannot afford healthcare.

"The situation now is that people need to apply for civil aid after they pay the medical fees by bringing a lot of documents to the civil affairs department. We hope that by bridging the two systems, patients are able to receive medical insurance payment

“We've proven that bringing a commercial insurance company into the management can reduce cost and promote the transformation of the government's functions.”

CHEN YUN
ZHANJIANG DEPUTY MAYOR

and medical aid at the same time," said Chen.

Zhanjiang government will also increase the number of designated hospitals outside the city where Zhanjiang residents can still get part of their medical fees reimbursed.

Chen noted that there are currently three Guangzhou-based hospitals where beneficiaries in Zhanjiang's medical insurance are able to get reimbursed the moment they are discharged from the hospital.

"We hope to establish a partnership with more hospitals in Guangdong this year and explore the possibility of cooperation with hospitals in neighboring Guangxi Zhuang autonomous region and Hainan province."

National prawn base strategizes to increase its exports

By ZHENG CAIXIONG
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Known as "prawn city," Zhanjiang is expanding production and improving product quality in its aquatic agricultural bases.

The city government will introduce more preferential policies in the coming months to offer support to the city's prawn industry and other forms of aquaculture as companies work to build domestic brands for export.

Prawn farms in the city are adopting new technologies and equipment to ensure the quality of exported aquatic products.

The coastal city in the western part of Guangdong province will establish a special expert group to help monitor the quality of prawns and other aquatic products that will be sold abroad and help handle any dispute involving Zhanjiang's prawn cultivation and trade, local officials say.

Last year, Zhanjiang exported \$830 million worth of aquatic products abroad, up 30.8 percent annually and accounting for 57 percent of Guangdong's total and about 30 percent of the country's total.

With a prawn cultivation area of more than 69,355 hectares, Zhanjiang is also the largest prawn base on the Chinese mainland.

The city government has also joined hands with Zhanjiang-based Guangdong Ocean University to establish 10 special labs to expand research and development for the city's prawn industry. A State-level quality inspection and examination center has also been set up to help ensure the quality of the city's prawns.

Bordering the Guangxi Zhuang autonomous region and facing Hainan province across the Qiongzhou Strait, the city has 225 registered prawn farms, 500 prawn nurseries and another 252 prawn processing companies, which altogether employ more than 1 million people.

Last year, prawn and related industries generated more than 20 billion yuan (\$3.25 billion).

In addition to the United States, Canada, Europe, Japan, South Korea, Taiwan, Hong Kong and Macao, the city's prawn industry also expanded markets to Africa, Russia and South America in 2013.

Local company sees white gold in sugar production

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Guangdong Jinling Sugar Industry Group Co is tasting sweet success in its industry now that it has become the second-largest refiner of soft white sugar from raw sugar.

It is also the third largest producer of granulated sugar processed from sugar cane in Zhanjiang, one of the country's four sugar-production bases.

The group produced 600,000 tons of soft white sugar, accounting for 30 percent of the national output, and 80,000 tons of granulated sugar last year.

It is investing more than 1 billion yuan (\$165 million) in facilities to produce caster sugar, a superfine sugar that can be used in the pharmaceutical industry, said group chairman Lin Shuixi, adding that this particular type of sugar is only available in China by import at

the moment.

With a capacity of producing 300,000 to 500,000 tons of caster sugar, the facilities will go into operation in the third quarter of next year. This will be a significant step toward meeting domestic market demand of about 1 million tons, Lin said.

"We are upgrading and transforming. As the competition intensifies, the profit margin for mass-market products is set to decline. And the living standard is rising, so we need to upgrade our products."

Jinling generated revenue of 3 billion yuan from its sugar business last year and with the caster sugar production, output is expected to top 6 billion in 2015.

The group has built up a completed industrial chain of import, export and bonded logistics, which allows it to move in a flexible way in both domestic and foreign markets, Lin said.



Lin Shuixi, chairman of
Guangdong Jinling Sugar
Industry Group Co

The group imports raw sugar from Brazil and Australia and exports more than 10,000 tons sugar products every year.

It owns warehouses capable of storing 700,000 tons of sugar products, part of which are allocated for national sugar reserves.

In addition to sugar, Jinling has even bigger ambitions to facilitate the distribution of agricultural products in Zhan-

“As the competition intensifies, the profit margin for mass-market products is set to decline. And the living standard is rising, so we need to upgrade our products.”

LIN SHUIXI
GUANGDONG JINLING SUGAR
INDUSTRY GROUP CO

jiang, Lin said.

Zhanjiang ships 6 million tons of vegetables to the country's northern areas every year, accounting for more than one-third of south-to-north vegetable shipments, he said.

Jinling is investing 2.6 billion yuan in Guangdong Beibu Bay

Agricultural Product Distribution Zone in the city's Suixi county. The zone is designed to aid transactions of 3 million tons of agricultural products and to serve the Chinese and the Southeast Asian markets, Lin said.

The construction of the zone is expected to be wrapped up this year.

It went into trial operation in June last year, with cold chain facilities, bonded area and e-commerce facilities completed, and facilitated transactions worth 2 billion yuan completed last year.

The group is also building two agricultural product wholesale zones in Xuwen and Mazhang in Zhanjiang, which will be completed this year.

It has set up three distribution centers in Suixi, Xuwen and Leizhou for collecting agricultural products from farmers.

The facilities in the centers will provide testing services

and help guide farmers in standardized farming, said Lin.

Lin noted that Zhanjiang is strong in agriculture but lacks a massive logistics system. More than 1,600 companies in Zhanjiang are engaged in agricultural product distribution business, with their network extending to more than 140 cities in the country.

As a delegate to the National People's Congress, Lin plans to submit a proposal on agricultural product safety, regulated agricultural product trades in zones and improvement in third-party testing of agricultural products at the coming annual meeting of NPC.

Members of Zhanjiang Agricultural Produce Distribution Association had their first meeting in December last year. Guangdong Beibu Bay Agricultural Produce Wholesale Center Co, a subsidiary of Jinling, is one of the founding parties of the association.