



The coastal city of Zhanjiang is on track for rapid and healthy growth with a number of infrastructure and industrial projects completed or under construction. PHOTOS PROVIDED TO CHINA DAILY

Zhanjiang speeds up development

Coastal city aims to balance economic growth and environmental protection, **Lyu Chang** reports.

Zhanjiang, a coastal city in the southwest of Guangdong province, is speeding up efforts to shift from an agriculture-based economy into one driven by clusters of major industries, such as shipbuilding, petrochemicals and steelmaking.

Liu Xiaohua, Party chief of the city, said that Zhanjiang, known as the city of shrimps, has already rolled out measures and preferential policies to attract large State-owned enterprises to develop operations in the city.

"The development of a city mostly relies on the level of industrialization," Liu said. "If you don't have core industries, where is the local tax coming from and if there is no tax,

how can you build a welfare society?"

Zhanjiang is a big agricultural city, which produces seafood, tropical fruits and vegetables but the development of agriculture alone no longer meets the demand for local economic growth, the Party chief said.

He said the government puts people at the heart of social and economic development plans, which is why they should put more focus on manufacturing industries to generate more wealth for the local people.

"The main driver for the city's economy will be mass entrepreneurship and innovation oriented to update manufacturing industries," Liu said.

However, the transformation is no easy task especially as many cities in China have slipped into production overcapacity amid slowing economic growth.

To achieve its goal, Zhanjiang, as a strategic city along the 21st Century Maritime Silk Road, will explore more opportunities through the Belt and Road Initiative, integrating itself into the big picture, the Party chief said.

The Belt and Road Initiative refers to the Silk Road Economic Belt and 21st Century Maritime Silk Road, aimed at promoting economic and cultural ties with neighboring countries.

Strategic location

Situated on the Leizhou Peninsula in southwest Guangdong province, Zhanjiang has an important strategic location, as it provides a main channel to connect China with Southeast Asia.

"The city has huge potential for developing its maritime industries, so we should take full advantage of the maritime resources to develop port and shipbuilding industries in the first place," Liu said.

Centering on the bay area of Zhanjiang, the city will use new advancements in science and technology to develop maritime industries and help China in its goal to become a stronger maritime power, he said.

Measures such as lower tax and construction of supporting facilities and industries are provided to domestic and multinational companies to promote industrial clusters as a new engine for economic growth, Liu said.

"We plan to develop some leading industries including steelmaking, petrochemicals and papermaking, using our advantage of being a coastal city, and then build more industrial clusters in the region," he said.

Last year, with investment of 12.4 billion yuan (\$2 billion), construction on about 40 projects was completed. When operational, the projects are expected to generate annual revenue of 19 billion yuan. Liu said that construction on another 50 industrial projects has started with planned investment of 8.3 billion yuan.



"Zhanjiang is a beautiful coastal city and we can't develop our economy at the expense of our environment."

Liu Xiaohua, Party chief of Zhanjiang

Liu noted that in the past, the lack of transportation infrastructure and logistics hindered the efforts of the local government in regards to development.

"The poor condition of the transport network has hindered local economic growth," Liu said.

"If you look at those more developed cities and regions such as the Pearl River Delta and Yangtze River Delta, they have very good transport systems, so we should seize the opportunities under the Belt and Road Initiative to break the bottleneck," he said.

Transport network

To strengthen connectivity and deepen cooperation, Zhanjiang has stepped up efforts to improve its transport network, including roads, high-speed railways, airports, shipping waterways and ports.

More than 9 billion yuan will be spent on the transport infrastructure this year, an increase of 73.6 percent year-on-year, which will further boost connections both inland and outland.

Liu said that more high-

speed highway and railway routes will be extended to the port city, which will significantly shorten travel time from Zhanjiang to major cities in Guangdong and around the nation, such as Guangzhou, Shanghai and Beijing.

The Zhanjiang airport relocation project, which was recently approved by the Civil Aviation Administration of China, will serve a broader area in western Guangdong to facilitate the area's development. The existing Zhanjiang airport already has an international route linking the city and Singapore. The construction of the new airport will offer more direct routes to connect with Southeast Asia.

In addition, a bonded logistics center has been authorized by the central government to be established in Zhanjiang, which will boost the development of the local logistics industry.

Large projects

The iron and steel and petrochemical industries play a key role in driving the city's development.

Zhanjiang has attracted several giant projects in recent years, such as the Baosteel project developed by the country's largest steel producer and the Sinopec project, Asia's largest petroleum refining facility.

The Baosteel facility in Zhanjiang, with investment of about 50 billion yuan, is expected to be operational in September and should boost the city's GDP growth and create tens of thousands of new jobs.

The throughput capacity of Zhanjiang Port exceeded 200 million metric tons in 2014 and Liu said that capacity would



Amid industrialization, the city has put equal emphasis on environmental protection to ensure the quality of life for locals.

rise to 300 million tons and go into the top 10 ports in China in the next three or four years.

Liu also said that Zhanjiang plans to develop five "new" industries including new marine industry, new energy, new materials, new electronics and new biomedicines to drive local industry transformation.

However, the Party chief said that the government will strive to create a balance between economic development and environmental protection.

"Zhanjiang is a beautiful coastal city and we can't develop our economy at the expense of our environment especially our maritime ecological environment," he said.

Baosteel is spending 12 percent of the project's total investment on energy saving and environmental protection and has adopted 116 energy-saving and environmental protection technologies during the construction process.

Sinopec's project is expected to adopt advanced pollution control technologies that are up to international environmental protection standards.

"We will always keep an eye on ecological and urban environment improvement and make Zhanjiang a better place to live," Liu said.

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FACTS

Location: South China's Guangdong province

Size: 13,200 sq km

Population: 7.85 million

Coastline: 2,040 km

City's mega-projects:

- Iron and steel project

Investment: 50 billion yuan (\$8.05 billion)

Capacity: 8.75 million tons of steel annually in the first phase

Planned time for completion of first phase: 2015

- Petrochemicals project

Planned time for completion: crude oil project by 2016, ethylene project by 2017

Capacity: 15 million tons of crude oil annually, 800,000 tons of ethylene annually



Techeng Island resort is a major tourist attraction in Zhanjiang and an example of the local government's efforts in environmental protection.