

CHINA



Editor's note: China has seen tremendous changes nationwide, from economic growth to environmental protection, from social improvement to cultural progress. In this series, China Daily maps the changes and tells the stories of the people who lived through them.



From left: Customers choose commodities in a duty-free shopping center in Haikou, Hainan province, in May. Traders display ham from Spain at the second China International Consumer Products Expo in Haikou, on July 25. Containers wait to be shipped at the Yangpu Port in Hainan. PHOTOS BY GUO CHENG / XINHUA

Hainan realizing prosperity with free port

Pilot project attracts overseas enterprises, places island at forefront of opening-up efforts

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The second China International Consumer Products Expo, which ended on July 30 in Haikou, Hainan province, attracted more than 280,000 visitors and about 2,800 brands from home and abroad.

Like the first expo, the second successfully highlighted China's consumption power on the global stage and laid out fresh opportunities to diversify domestic market channels.

It also further encouraged global luxury groups to continue exploiting opportunities presented by the Hainan Free Trade Port, which is helping develop not only the region, but also the rest of the world, organizers and experts said.

The tropical island of Hainan, China's southernmost province, has been at the forefront of the country's opening-up drive, especially since the launch of the Hainan FTP in June 2020, when China unveiled a master plan to develop the island into a free trade port with Chinese characteristics and global influence by the middle of the century.

"Looking back at the past 10 years, the main theme behind Hainan's development has been comprehensively deepening reform and opening-up, and the primary highlight is the construction of the Hainan Free Trade Port," Shen Xiaoming, secretary of the Hainan Provincial Committee of the Communist Party of China, said at a recent news conference in Haikou, the provincial capital, while discussing the province's socioeconomic achievements.

Building the Hainan FTP is a major national strategy that has been planned, deployed and promoted by President Xi Jinping, with the goals of making Hainan a paradigm of reform and opening-up in the new era of China's development and building a community with a shared future for humankind, government officials said.

Hainan, a node connecting China with Southeast Asia, is hastening to ensure high-quality development and make the Hainan FTP a model for China's reform and opening-up policy in the new era, said Shen, the top provincial official.

He said the implementation of the Hainan Free Trade Port Law and more than 180 policies since 2018 have together established a free trade port system that is characterized by "zero tariffs, a low tax rate and a simple tax system" and promotes the free and convenient flow of trade, investment, cross-border capital and personnel, as well as the safe and orderly flow of data.

Hainan has completed 123 institutional integration innovations in fields such as commercial registration, foreign investment management and trade supervision. The significant headway made has facilitated a more open, convenient and efficient business environment for traders and investors, local officials said.

Last year, the policy incentives and institutional innovations prompted Hainan's economy to grow by 11.2 percent year-on-year, the highest growth rate among all provincial regions in China, while its annual GDP rose from 285.5 billion (\$42.3 billion) in 2012 to 647.5 billion, according to data from the provincial government. By June, registered business entities had jumped to 1.98 million, from 420,000 in 2012, the data showed.

Shen Danyang, executive vice-governor of Hainan, said that the Hainan FTP has become a strong magnet for foreign investment as the province accelerates its opening-up against the backdrop of the global economic slowdown caused by the COVID-19 pandemic. He said 1,936 foreign-invested enterprises were established last year in Hainan, an increase of 92.64 percent over the previous year.

Its foreign trade has more than doubled from 70.28 billion yuan in 2017 to 147.68 billion yuan last year. Foreign direct investment has hit \$8.81 billion over the past four years, with an average annual growth rate of 79.4 percent.

A growing number of foreign companies are settling in Hainan, including electric automaker Tesla and Tapestry Group from the United States, German tourism service provider TUI Group and Canadian candy maker Green Chocolate Works.

Lured by the new offshore duty-free policies updated by the central authorities in 2020, about 30 overseas luxury and beauty brands selling goods such as clothing, jewelry and makeup

have opened boutiques so far this year in Hainan, which is building itself into an international tourism consumption destination, local authorities said.

Industry experts estimate that the market value of offshore duty-free products in Hainan is likely to exceed 160 billion yuan in 2025, making the island the largest offshore duty-free shopping market in the world.

Erik Juul-Mortensen, president of the Tax Free World Association, said in a video speech during the Haikou expo last month that at a time full of challenges for businesses, Hainan is the "lighthouse" for the global tax-free and travel retail industry.

Michael Straub, associate partner with McKinsey, said the upcoming major policy changes in the Hainan FTP will keep the island "a competitive travel and duty-free destination".

Meanwhile, exchanges in international energy, shipping, commodities and carbon trading have been established in the free trade port, which will be the largest in the world when construction is completed.

For a province that used to rely heavily on the real estate sector, Hainan has highlighted the implementation of the new development philosophy as the fundamental catalyst for growth, especially the promotion of a modern industrial system that focuses on the development of tourism, service, high-tech sectors and high-efficiency tropical agriculture, local officials said.

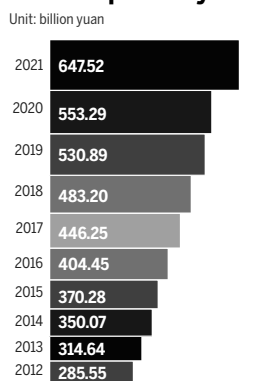
Feng Fei, governor of Hainan, said the province is making full preparations to launch island-wide customs clearance operations by 2025 as part of broader measures to promote trade and investment liberalization and facilitation, and to better integrate itself into the country's new development paradigm of domestic and international economic circulation, or "dual circulation".

Solid efforts have been made to promote the development of Hainan as a national ecological civilization pilot zone and ensure its unique environment is well-preserved.

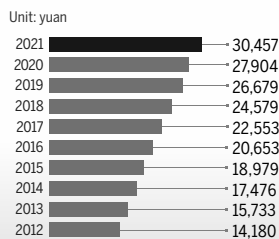
Its air, water and soil quality remain excellent, while the annual average concentration of PM2.5 dropped to 13 micrograms per cubic meter last year, from 25 about 10 years ago, Feng said.



Hainan's annual GDP over the past 10 years



Hainan's per capita disposable income for urban and rural residents



Source: Hainan Provincial Bureau of Statistics
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A panoramic view of the Century Bridge spanning the sea in Haikou, Hainan.
ZHANG MAO / FOR CHINA DAILY

Watermelon expert revered for dedication

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Wu Mingzhu works at the Hainan Sanya Breeding Center.

China produced more than 79 million metric tons of watermelons in 2018, becoming the largest producer and consumer of the fruit in the world, according to data from the Food and Agriculture Organization of the United Nations.

Ninety-two-year-old Wu Mingzhu, a native of Wuhan, Hubei province, is the unsung hero who has helped make this possible. She was admitted to Southwest Agricultural College in Chongqing in the late 1940s, majoring in horticulture and a fellow alumnus of late Yuan Longping, the "father of hybrid rice".

"It's no exaggeration to say that about 80 percent of the watermelons and sweet melons served at people's dining tables every day are the result of painstaking efforts made by Wu and her team over more than 60 years," said Zhang Wenjun, a colleague of Wu's and director of the Hainan Sanya Breeding Center at the Xinjiang Academy of Agricultural Sciences.

Yang Xia, Wu's son, said she was dedicated to her work.

"After two years of application setbacks, my mom succeeded in realizing her dream of starting her career in the Xinjiang Uygur autonomous region in 1955," he said. "She left Beijing, and for more than half a century, she devoted herself to breeding sweet melons for the people."

Helping others had long been a dream of hers. "The most beautiful thing in life is that everything you create can serve the people," Wu wrote at age 21, penning what would become her lifelong ambition.

Wu's efforts to grow quality melons began paying off in 1973, when she set up an off-season breeding base in tropical Hainan. The island province is now developing bases that are regarded as China's Silicon Valley of seed breeding.

Wu shuttled between Xinjiang and Hainan annually for many years to work. She is one of the 8,000 agricultural scientists who have come to the island from across the country over the past 60 years and have cultivated more than 20,000 of China's new seed varieties through off-season breeding.

Resorting to innovative measures such as radiation mutation breeding, double haploid breeding and distant hybridization breeding, Wu and her team developed new germplasm resources, from which they cultivated more than 30 watermelon and muskmelon varieties with better adaptability and stronger disease resistance, said Yi Hongping, former director of the Xinjiang Muskmelon Research Center.

The new melon varieties have been promoted to more than 1.86 million hectares of fields from north to south. Some of these varieties have been promoted overseas, as far as California. Wu's work has garnered her a number of accolades. The "queen of melons", as growers affectionately call her, became an academician with the Chinese Academy of Engineering in 1999 and an honorary citizen of Sanya in 2004.

Now dealing with Alzheimer's disease, Wu is often unable to recognize her former colleagues or even her family members who live by her side. But having toiled day and night cultivating new varieties since the 1950s, the memory of her melon work remains in her mind.

