# Industrial upgrade helping Bohai area develop

#### **By TIAN YANG** AND LIU XIANG

Hebei province is a key part of the Bohai Bay area that made some real progress in its economic and social development, from 2006 to 2010.

It has a population of more than 700 million, and had a GDP of 2.02 trillion yuan (\$311.59 billion) in 2010 and a per capita GDP of 28,000 yuan, both of these almost double the 2005 figures.

What accounts for the rapid growth? Mainly, major structural changes: There were improvements in traditional industries like steel, machinery, and petrochemicals; and ible 550-percent increase over 2005. The Shijiazhuang new industries, such as electronic information, medicines, and clean energy, were emerging.

Last year, the added value of technology industrial output amounted to 122 billion yuan, or nearly four times the ports expansion. 2005 figure.

The service sector also developed rapidly, with addedvalue output amounting to 685 billion yuan, in 2010, or nearly double 2005's figure.

Transportation has also seen some improvements. There were more than 4,300 kilometers of highways by country's distribution system.

the end of last year, putting the province in third place in the country This year, it is planning on spending 65 billion yuan to

add 400 km more. Hebei also has a 5,300-km railway network, one of the

longest in the country. The aviation industry has really taken off in the past

five years, and it now has four major airports at Qinhuangdao, Chengde, Handan and the provincial capital, Shijiazhuang

They handled 3 million passengers last year, an incredairport alone handled 2.7 million in 2010, up from 1.3 million in 2009.

This year, Hebei will spend 4 billion yuan on local air-

It also plans to spend heavily on its marine transporta-

The Qinhuangdao, Tangshan and Huanghua ports, already have an annual handling capacity of more than 100 million tons each, and are an important part of the

The province handled 600 million tons of cargo last year, about a tenth of the nation's total, and it now ranks fifth among all the provinces. The local government plans to double last year's spend-

ing, to 17.6 billion yuan, on six new berths, which will add 58 percent. 42 million tons in annual handling capacity. Foreign investment in the province has been growing at

an average rate of 14 percent over the past five years, and amounted to \$17 billion for the 2006 to 2010 period. Domestic investors are optimistic about Hebei's eco-

nomic prospects, with telecommunications giants such as low-income families qualify for low-cost government Huawei and ZTE adding facilities there. Hebei's imports and exports were worth \$153 billion

over the past five years. The urbanization rate increased to 45.5 percent, from 2005's 37.7 percent. But while there is a construction boom

in the cities, local governments are keeping an eye on environmental protection. Forest coverage now stands at 26 percent and urban air

quality is favorable, 334 days out of the year. The economy in rural areas is also growing, with last year's total grain output reaching 30 billion kilograms.

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been kept below 4 percent.

housing.

percent growth

percent growth





Caohe aqueduct of the province's South-to-North water diversion project. A cold rolled plate factory of Hebei Iron and Steel Group

# Shifting from labor-intensive to tech-intensive

### By XU XIAO AND LIU XIANG

Hebei province plans to increase per capita incomes of urbanites and farmers over the next five years which are considered a key period for improving the province overall.

Ship loading at Qinhuangdao coal wharf.

It is giving priority to industrialization, urbanization and agricultural

modernization as part of the provincial 12th Five-Year Plan (2011-2015). Hebei is a neighbor of the cities of Beijing and Tianjin and an important part of what is referred to as the "capital economic circle".

This area will be built into an environmentally friendly industrial zone and a vocation developing place with a picturesque landscape, centered on Beijing.



A restored section of the Jinshanling Great Wall in Heibei province.

To increase economic exchanges, the provincial government wants to improve its transportation system to cut travel times to Beijing.

The plan is to expand the province's railway network and have highways connecting all cities, towns, districts, major economic zones, and tourist sites, by the end of 2015.

The aviation industry is also expected to grow, with Hebei Airlines and the Shijiazhuang Airport in the lead. Aviation is expected to be able to handle 200 million passengers annually and more than 200 million tons of cargo, by the end of 2015.

The ports at Qinhuangdao, Tangshan and Huanghua are being expanded and the province estimates that it will handle 800 million tons of cargo annually by the end of 2015.

The development plan calls for local authorities to push scientific development and shift the economic development model from labor intensive to

technology intensive in the five-year period.

This will allow the province to address its environmental issues and lack of innovation, local officials say, and it is expected to create more job opportuni-

ties, increase incomes, and build a more secure society. The plan calls for urbanites' incomes to be more than 24,300 yuan (\$ 3,747) annually, on average, and farmers, more

than 8,200 yuan. Hebei is looking to get a total of 500 billion yuan in investment, and to utilize at least 64 billion yuan in foreign capital, by the end of 2015.

Authorities want to do more to develop the central and southern parts of the province and build more manufacturing bases, modern service centers, modern agricultural areas, and cultural tourism sites.

They are also planning several major industrial parks, to serve more than 80 percent of the province's new projects.

Every city will build three to four such parks around the downtown area and every town will have one or two of them nearby.

There are more than 10,000 housing projects in the planning stage, to be completed by the end of 2015, because the modernization of rural areas is an important part of the Five-Year Plan.

Unemployment has been a major concern for some time and authorities say they will create more jobs and try their best to hold the unemployment rate to below 4.5 percent.

Social security is another area that needs to expand access, so that around 90 percent of urbanites will be covered by medical insurance, and 12.8 million urbanites, and 25.7 million rural people, will fall under an expanded pension system.

Those families with an average housing area of less than 15 square meters per person will qualify for government aid



hebeispecial

Musical fountain at Tangshan's South Lake Park adds a refreshing, relaxing touch to the locals' summer outings.

The lion dance, a tradition in Chinese culture, often used for festive celebrations



Xibaipo, about 90 km from the provincial capital, Shijiazhuang, is where the Central Committee of the Communist Party of China had its headquarters before liberation in 1949.

## Restructuring means growth in creative business

#### By ZHANG ZHAO and LIU XIANG

Movies are big business in Hebei province, and many of its moviemakers and cinemas have been in the restructuring process, along with various publishers and artists.

The movie After Shock, based on the Tangshan earthquake in Hebei, in 1976, was a big box-office hit last year, pulling in nearly 700 million yuan (\$107.7 million) in receipts, while setting a benchmark for the province's culture business.

And the restructuring has paid off: Profits of the Hebei Publishing Media Group were up more than 40 percent last year, while revenues of provincial art troupes increased 32 percent.

The Hebei Daily Newspaper Group made 600 million yuan, up 16.5 percent from 2009.

The province counts the Great Wall, Taihang Mountains, and Bohai Bay among its most important symbols and its movies, TV series, folk dramas and books have done quite well.

The novel "Soldiers Sortie", and a TV adaptation of the same name, caused quite a sensation, with nearly 280,000 copies being sold nationwide, bringing in 9 million yuan. "Last year, Hebei's culture industry

produced the largest quantity of fine works, with the greatest influence and largest profits," said a provincial culture official.

The Quyang Hongzhou Marble Arts Co Ltd, a handicrafts manufacturer, has seen annual sales grow to more than 100 million yuan.

The county of Yixian has an inkstone manufacturing chain with nearly 20,000 employees and an annual output value of around 200 million yuan.

The county of Wuqiang has more New Year's painting industry, with

annual sales amounting to 350 mil-

It is also a major musical instrument

producer, employing more than 4,000 people and assets worth 200 million The provincial government is plan-

ning some major cultural projects, with at least 100 billion yuan in backing, and a number of which started last vear. For its 12th Five-Year Plan (2011-

2015), it plans to build more museums and libraries, and encourage more culture business reforms. It also wants to do more to protect

heritage sites, such as the Chengde summer resort and its outlying temples, which are recognized as a UNESCO World Heritage site. The province also has plans for key

projects in next-generation radio and TV networks, a national animation center in the city of Baoding, and a ski and tourism base in Chongli county

The culture industry thinks it can contribute more than 5 percent to an average growth rate of more than 20 percent in the next five years.

Culture is also being promoted in the countryside, where more than 12,000 libraries have been built, and many government offices and companies have donated around 5 million books

An additional 10,000 libraries are planned for the near future.

Provincial offices have organized drama, music, and other art performances for the countryside. Langfang's Dachang Song and Dance Group is now a national model of grassroots work, and, last year, gave 210 performances and generated 8 million yuan in profits.

The folk handicrafts business is also being encouraged, such the stone carvings of Quyang county, paper-cuts of Weixian county, elaborate painting than 5,000 people engaged in the of Ningjin county, and the paintings of Hengshui city — where pictures are put inside semitransparent glass or crystal objects so they are visible from outside.



provincial GDP by 2015, and have Acrobatic show staged by local performers.



People promote a rich and diversified cultural life in Hebei



### By CHEN JIALU

lion yuan.

Hebei province considers itself to be one of the birthplaces of Chinese civilization. so it is planning on using its cultural resources to improve its position.

Specifically, it wants to brand five distinct aspects of interest, improving its guides' its heritage: Taihang Moun- functions, developing larger tain, the Great Wall, the culture bases, and focusing kingdoms of Yan and Zhao, the capital city area, and the Bohai Sea.

Taihang Mountain is a revolutionary symbol for Hebei and contains many important spots that are significant to recent Chinese tory and culture, and of the history.

These include Xibaipo, an early Communist Party of together with its patriotic China (CPC) Central Com- spirit. mittee site; the Eighth Route

Army's 129th division HQ; the Nanzhuang military region HQ; site of Nan Yu Anti-Japanese College; and Langya Moutain.

The province will reinforce its Taihang Mountain cultural connection by emphasizing places of revolutionary on the 90th anniversary of the founding of the CPC and the 65th anniversary of the

People's Republic of China. The Great Wall is an important symbol of Chinese civilization and its long hisnation's hard work, courage, perseverance, and wisdom,

wall is the longest, best preserved section with the most representative buildings and stretches for more than 2,000 kilometers.

Popular spots include Shanhai Pass in Qinhuangdao. The Funing county section is known as a "natural Great Wall museum" and forms the main part of the Ming Great Wal

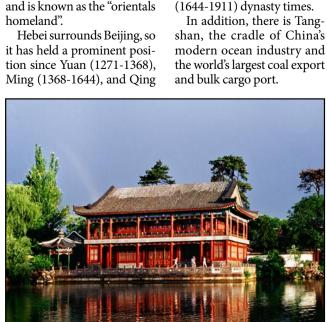
The Zhangjiakou Gate is its most unique gate. Recent years have seen the

completion of Great Wall renovation and expansion projects The Hebei Great Wall

Museum shows the history, culture, structure, and building of the wall.

Nihewan, in Zhangjiakou, is the location of the old The Hebei section of the kingdoms of Yan and Zhao

homeland" Hebei surrounds Beijing, so



Chengde Imperial Summer Resort is listed as a world cultural heritage.