

# Ocean expo sees smooth sailing

Event offers an opportunity for enterprises to better connect with international market

By ZHOU MO  
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Domestic and overseas enterprises and organizations in the marine industries that strive to expand their market and customer base were looking to the 2016 China Marine Economy Expo for opportunities, believing the event would help them to better connect with international markets.

At the Thailand Pavilion, Kornpreeyanut Kanphacharakan, managing director of Chiangmai-based Prempracha Transport Co Ltd, was promoting her company's products to visitors.

"We extended our business from mainly transportation to tourism last year. However, we are facing difficulties in stepping into the Chinese market because of language and market barriers," she said.

"The expo offers an opportunity. Through our exhibition at the expo, tourists from Zhanjiang and other parts of China will gain more knowledge of our company and services, facilitating our expansion in the market."

The expo was held in the coastal city of Zhanjiang in Guangdong province from Nov 24 to 27. The annual event, with its first session held in 2012, is a platform for enterprises, organizations and industry insiders from all over the world to showcase their latest achievements, make exchanges and seek cooperation opportunities.

More than 2,300 exhibitors from 53 countries and regions attended this year's event, including 329 overseas enterprises and organizations. Thailand, as the guest of honor of this year's expo, brought a delegation of over 40 enterprises and associations. More than 20 enterprises from Malaysia also took part in the event.

Zhanjiang Mayor Wang Zhongbing said the expo plays an important role in promoting marine economic trade, marine science and technology, marine equipment, marine culture and tourism.

He said the city will further increase investment in Association of Southeast Asian Nations member countries and promote economic cooperation in industries such as fishing, aquaculture and architecture.

Ruzlisham Bin Mat Diah, investment consul of the Malaysian Investment Development Authority, a government body with the aim of promoting investment between Malaysia and China, said there are great business opportunities that can be explored between Zhanjiang and Malaysia. For example, Zhanjiang is known for its



A foreign business rep introduces items to a visitor at the 2016 China Marine Economy Expo. QIN DANYAN / FOR CHINA DAILY



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marine products and Malaysia has a number of food processing enterprises.

"We hope to take advantage of the expo to attract more Chinese marine businesses, hoping to invest in Malaysia in the aquaculture sector. We can offer a lot of land for Chinese enterprises to do business there," he said.

He added that two local enterprises in Zhanjiang have shown interest in investing in Malaysia, and that they are in the process of negotiations.

Economic cooperation between Zhanjiang and other countries has seen considerable growth over recent years, especially with ASEAN countries. According to official statistics, bilateral trade between Zhanjiang and ASEAN countries reached nearly \$800 million in 2015, almost doubling the figure for 2011.

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Apart from foreign enterprises, a number of domestic firms also placed high expectations on the expo, saying the event could facilitate the implementation of their "going out" strategy.

One of them is the Metallurgical Corp of China Ltd, or MCC, a large State-owned enterprise focusing on iron and steel construction. The company is the contractor for Singapore's Universal Studios and Shanghai's Disneyland Resort.

Hao Tingyu, an official at MCC's central research institute of building and construction, said MCC's growth strategy centers around developing overseas markets.

"Attending the expo would help us to better know market demand while making our company better known to the public," he said.

According to organizers, 2,033 domestic firms and organizations took part in the expo this year, a 32 percent increase from last year. Among them, 22 are in the Fortune Global 500 or are large SOEs, and 52 are listed companies, including Baosteel Group, China National Petroleum Corp and China Southern Airlines.

With an exhibition area of more than 100,000 square meters, the expo has a number of pavilions, including those for domestic and international exhibitors and others for equipment manufacturers. In addition to the exhibition, the four-day event also featured several forums on maritime economies, a project roadshow for maritime equipment makers and the debut of the new China Ocean Economic Development Index.

## New development index unveiled at marine show

By ZHOU MO

The State Oceanic Administration published a new economic index at the opening ceremony of 2016 China Marine Economy Expo on Thursday in a move to better examine the state of the country's marine economy and promote its future growth.

The China Ocean Economic Development Index, which consists of three parts —

development level, development efficiency and development potential — provides a concrete measurement of how China's marine economy is growing and a projection of its future progress.

The index is based on 29 indicators, taking 2010 as the year of baseline. The basic index is 100.

The index for 2015 was 119.9, 2.8 percent higher than that of a year earlier. The

average annual growth rate of the index for the 12th Five-Year Plan period (2011-15) was 3.7 percent.

"It suggests that the marine economy is developing healthily," said He Guangshun, director of SOA's Marine Information Center.

The launch of the index comes at a time when marine industries are playing an increasingly important role in China's economy. Wang

Hong, director-general of SOA, said marine industries have become a new driving force behind the country's growth.

Last year, GDP created by marine and related industries in China reached 6.47 trillion yuan (\$938 billion), growing 7 percent from a year earlier and accounting for 9.6 percent of the country's total.

He Guangshun noted that

achievements from marine science and technology have been growing at a fast pace and the number of high-tech professionals in the industry has been increasing.

"At present, the marine economy has entered a critical period of transforming into one of higher quality and efficiency. Deepening reform and promoting innovation will inject new vitality into the industry," he said.

## Zhanjiang's companies to expand overseas operations

By LI WENFANG

Zhanjiang-based Guangdong Yuehai Feed Group, one of the largest aquatic feed producers in the country, plans to invest in Vietnam and India to tap into those markets.

Preliminary work is under way for a plant in Vietnam designed to produce 50,000 to 80,000 tons of shrimp and fish

feed annually, said Han Shulin, vice-president of the group.

The group will invest more than \$10 million in the wholly-owned project.

For the plant in India, the group intends to work with a local partner. The first phase is expected to support an annual capacity of up to 60,000 tons of shrimp feed, Han said.

As the largest fish feed pro-

ducer and one of the top three shrimp feed producers in the country, Guangdong Yuehai has positioned its marketing, research and development systems well for expansion beyond the border, he said.

The company's current plants produce about 400,000 tons of fish feed and 300,000 tons of shrimp feed per year.

As the country pursues a

more sustainable development path, the domestic feed industry is investing massively in R&D, making such changes as lifting the proportions of vegetable protein versus animal protein in their feed products.

Another major Zhanjiang-based aquaculture firm, Evergreen Group, has also invested in feed plants in Vietnam. Earlier this year, it invested in a

feed company in Indonesia, pledging an investment of \$654,500.

Dubbed China's "capital of shrimps," Zhanjiang supplies about 15 percent of the world's shrimp market and 67 percent of the domestic market, also taking a significant position in tilapia production and offering a wide range of other aquatic products.



Bedding products made in Laos are popular among senior citizens visiting the expo. PROVIDED TO CHINA DAILY

## City plans to boost port throughput

By LI WENFANG  
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Although Zhanjiang people have always taken pride in their deep-water port, the port can only ever realize its potential through the development of related industries to lift the city's economy to a higher level, said the city's mayor Wang Zhongbing.

Technologically advanced steel and papermaking complexes and refineries, mostly located on the city's Donghai Island, form the vanguard of transforming Zhanjiang into a central city in Beibu Bay with an advanced manufacturing industry, he said in a media interview last week.

Although the steel sector is burdened with excessive capacity in general in China at present, Baosteel Zhanjiang Steel Co has been built in an aim to eliminate obsolete capacity in Guangdong province and Shanghai.

The complex mainly supplies steel for automobile and home appliance manufacturing, ship building and oil production sectors.

Baosteel Zhanjiang Steel Co, with its first blast furnace going into operation in September of last year and its second this July, is meeting market demand, Wang said.

The projects are meant to serve mainly South China and Southeast Asian markets with high-quality steel sheets, said Xia Zhengda, director of the corporate culture department at Baosteel Zhanjiang. The company has also exported pipe products to India.

The shorter distance to the market is complimented by cost slashed by shorter shipping distance between Zhanjiang port and Australia and Brazil, where iron ore comes from, he said.

Production at the plant is controlled by Baosteel Group, a Shanghai-based supplier of steel sheets for about half of vehicles made in the country.

With its second blast furnace going into operation only in July, the company is expected to reach an annual capacity of 8 million metric tons of steel products next year.

Every one yuan (\$0.15) invested in a steel plant is estimated to result in 5 yuan invested in other related sectors, according to Xia.

"The steel industry in China needs to actively cut capacity. Baosteel Zhanjiang has been a result of phasing out obsolete capacity in Guangdong and adjusting the capacity in Shanghai," Xia said.

"The steel base in Zhanjiang will play an important

role in decreasing regional capacity, optimizing the country's steel industrial layout and promoting structural adjustments," he added.

Besides, Wang said Baosteel Zhanjiang is fulfilling all its environmental commitments. "I have confidence that it will stand as an ecologically friendly facility."

Of the company's combined 50 billion yuan investment, 6.4 billion yuan is allocated to the development and implementation of environmental technologies and equipment, according to Xia.

Even the products themselves are environmentally friendly, Xia said. For example, lighter automobile sheets mean lower emissions by cars on the road.

The relatively short delivery distance also means lower emissions during transport.

Baosteel Zhanjiang was the first steel company in China to apply the strictest environmental regulations, with advanced environmental equipment. In the total investment for the plant, environmental expenditures make up 720 yuan for each ton of steel produced.

What is more, resources produced during steel manufacturing, such as coal gas, may be shared by neighboring refinery to be built, based on the principle of circular economy.

The construction of a new refinery is scheduled to kick off next month.

"It is the result of prudent technological, market and efficiency assessments by Sinopec to optimize design," Wang said.

With investment of about 40 billion yuan, the project is designed to process 15 million tons of crude oil and 800,000 tons of ethylene every year.

To meet the demands, the shipping capacity of Zhanjiang Port will be expanded from 300,000 tons to 400,000 tons, with more container berths to be built at the Baoman harbor area. Port capacity will also be expanded at Donghai Island, mainly for serving the steel, refinery and papermaking establishments.

Zhanjiang Port handled 220 million tons of goods last year, which remained dominated by bulk cargoes. Container throughput stood at 601,200 units last year.

To better tap the port's capacity and boost container traffic, the city is considering cooperation with other ports and opening more shipping lines, Wang said.



Matryoshka dolls from Russia are exhibited at this year's marine economy expo. CHEN CHUNMING / FOR CHINA DAILY