



A cruise terminal in Xiamen, Fujian province, is lit up at night. PROVIDED TO CHINA DAILY

## Strong currents pull cruise industry up

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Xiamen, a scenic coastal city in East China's Fujian province, recorded strong growth in its cruise industry this year although the sector as a whole in China experienced a slight dip after a decade of rapid progress.

As of Oct 15, the International Cruise Home Port of Xiamen had received a total of 100 cruise ships in a single year for the first time, with that number expected to rise to 136 by the year end, according to the port operator. The number of passengers using the port is projected to surpass 400,000 this year.

"It's encouraging to find that 90 percent of the cruise ships were using our port as their home port and the remaining 10 percent that stopped off were international luxury cruises, which means the port has been widely recognized among international cruise companies," said Wang Jingyu, chairman of Xiamen International Cruise Home Port.

Last year, the numbers stood at 96 ships and 320,000 passengers, ranking third and fifth, respectively, among the 13 operating cruise ports on the Chinese mainland, according to an industry green paper. Xiamen had robust growth in the first three quarters of this year, with cruises and passengers surging 33 percent and 24 percent year-on-year respectively, both ranking top among the 13 cruise ports.

An authoritative report on China's cruise industry, released in September, said that the international cruise ships berthed by the 13 ports generally dipped 27.2 percent year-on-year to 364 in the first half of this year, and passenger numbers decreased nearly 24 percent.

Industry insiders said the strong performance of the Xiamen Port should be attributed to incentive policies, improv-

ing facilities, flexible arrangement and wider market promotion.

The provincial government of Fujian issued an implementation plan in April to promote cruise industry development, pledging to make Xiamen a regional home port for the 21st Century Maritime Silk Road and an international cruise tourism destination by applying to become a pilot zone of China in this sector.

A year ago, the municipal government of Xiamen issued a plan to generously subsidize its cruise companies. Cruise or chartered companies can receive a subsidy of 200 yuan (\$28.3) per passenger for passengers they are serving who set off from Xiamen Port when the accumulative amount reaches 5,000 to 50,000 in a calendar year. The subsidy will rise to 250 yuan per passenger when the amount surpasses 50,000.

Companies that operate cruise ships weighing 50,000 metric tons or more in countries and regions involved in the Maritime Silk Road are eligible for a subsidy of 100,000 yuan per voyage. They will receive an extra 400,000 yuan when a single trip calls in at least three countries or regions involved in the Maritime Silk Road.

These measures have attracted a growing number of cruise ship operators. In April, Dream Cruises used Xiamen as the home port for its World Dream Cruise Ship for the first time. Its ship has a gross tonnage of 151,300.

Piano Land, the first luxury line operated by a Chinese cruise company, set off on its maiden voyage in late September from its home port in Xiamen. In November, the MSC Splendida Cruise Ship, with a gross tonnage of 130,000, will dock in Xiamen.

After an upgrade that was finished in April, Xiamen's cruise terminal is able to accommodate 220,000-ton cruise ships, the world's largest.



Yachts and pleasure boats berth in Xiamen, a popular coastal city for sailing. PROVIDED TO CHINA DAILY



# Xiamen sets sights on becoming financial hub

Fujian province commerce center is attracting big corporate players to set up operations

Gulangyu Island is a popular tourist destination in the coastal city of Xiamen, East China's Fujian province. The city has a maritime landscape, diverse culture and a strong finance industry. Its ideal business environment, featuring lower operating costs and optimized services, has attracted companies and professionals from around the world. PROVIDED TO CHINA DAILY

By YUAN SHENGGAO

Xiamen, East China's Fujian province, signed agreements on 17 financial projects with substantial investment at a conference recently, as the city aims to build a national-level financial hub backed by a series of newly released preferential policies.

Among them, Yango Holdings, a large investment company, invested 3 billion yuan (\$425 million) toward building its headquarters in Xiamen to expand its finance, environmental protection and education business.

Fortune Global 500 property operator Greenland Group will build its southeastern headquarters and financial headquarters in Xiamen with a 9 billion yuan investment. GLP, a global provider of logistics facilities and technology-led solutions, initiated its multi-strategy fund with an estimated scale of 10 billion yuan in the city to invest in structured funding, personal equity and the transfer of second-hand shares.

A financial technology park, with an investment of 4 billion yuan, will be built in Siming district of Xiamen and operated by Tus-Financial Group, a subsidiary of science and technology investment company Tus-Holdings.

Agreements on the projects, whose gross investment reached 34 billion yuan, were signed at the finance industry promotion conference in late September. During the event, the city government of Xiamen released policies on taxation, subsidies and talent recruitment for companies and professionals involved in the finance industry.

The city announced its goal of building a financial hub that targets global markets, a pioneering area focusing on the opening-up of the finance industry, a demonstration zone for integrating industry and finance, and an innovative area for fintech and wealth management.

"The finance industry is key to the



The financial center in the Xiamen Area of the China (Fujian) Pilot Free Trade Zone is expected to play an important role in terms of attracting business. PROVIDED TO CHINA DAILY

### KEY FINANCE INDUSTRY FIGURES FOR XIAMEN IN 2018

- Added value of financial industry: **52.42 billion yuan (\$7.3 billion)**
- Average compound annual growth rate: **17.3%**
- Contribution to GDP: **10.9%**
- Number of banks, securities and insurers: **256**
- Cross-border renminbi settlement amount: **106.24 billion yuan**
- Green credit balance: **17.31 billion yuan**

Source: The city government of Xiamen

modern economy and a developed finance industry is core competitiveness of a city," said Hu Changsheng, Party secretary of Xiamen, at the event.

He added the finance industry helps to serve the real economy, especially high-tech industries, in the city's high-quality development. And its ideal business environment and long history of reformation have laid the foundation for building a strong finance industry.

The revenue of the financial service industry of Xiamen is expected to surpass 300 billion yuan by 2025. The balance of deposits and loans in local and foreign currencies in financial institutions each will exceed 2 trillion yuan. And the number of for-

eign and joint venture financial institutions will reach over 50 in total, according to the city's plan. The financial innovation will focus on green finance, wealth management, gold finance, aviation and shipping finance, culture and film finance, and scientific and technological innovation in finance.

Hu added the city has released more policies to benefit the finance industry, such as for fintech, financial professionals and equity investment. It also established a related consultancy committee and will build a financial research think tank. A financing credit service platform for small and medium-sized companies was put into operation in September to help tighten the

regulation and lower risk.

The city has also released preferential policies for financial professionals in housing, medical care and children's access to school.

For financial institutions that build their headquarters in Xiamen, the city will provide an award of up to 50 million yuan.

An official from the Xiamen financial regulatory bureau told Xiamen Daily that the new policies have attracted the attention of many financial companies nationwide, which have asked for more details via e-mail or through the hotline.

The official said the finance industry promotion conference is just the beginning and the bureau will continue to attract more investment, especially for headquarters projects, as it accelerates to become a financial cluster.

Xiamen is building a 23-square-kilometer cross-straits finance center, covering fintech, private equity, gold and jewelry, as well as other related businesses and residential apartments. As of Oct 15, some 3.65-sq-m of area had been built upon. As of August, a total of 1,240 financial institutions and projects had settled there, including Taiwan-based Pubon Financial Holdings and local company Ruida Futures.

Fintech, according to Hu, is a new engine to drive the transformation and upgrading of finance, a new way to serve the real economy and an effective tool to avoid and prevent financial risk.

"We will make the most of our strength in software and information to innovate in financial products, business modes and procedures with modern technology," he said.

For financial institutions that set up fintech branches in Xiamen, the local government will award them with a maximum 5 million yuan. It will cultivate fintech startups and introduce professional agencies and organizations. It will also encourage financial institutions to use fintech to improve quality and efficiency, according to the local government.

## City ranks second in China for quality of business environment

By YUAN SHENGGAO

**1,200+**  
foreign  
companies  
settled in Xiamen in 2018

Xiamen is known for being one of Fujian province's most scenic spots with a rich maritime culture and slow pace of life. But few people know it ranked second in business environment among 22 major cities in China last year, and has attracted major startups in new economy seeking lower costs and a better working environment.

At Xu Long's new office in Xiamen, beyond the windows are blue sky and ocean. "The same rental cost will get you a single room back in Beijing, but it's enough for a whole apartment in Xiamen," Xu, senior vice-president of Chinese financial technology company Qudian, told Chinese newspaper 21st Century Business Herald.

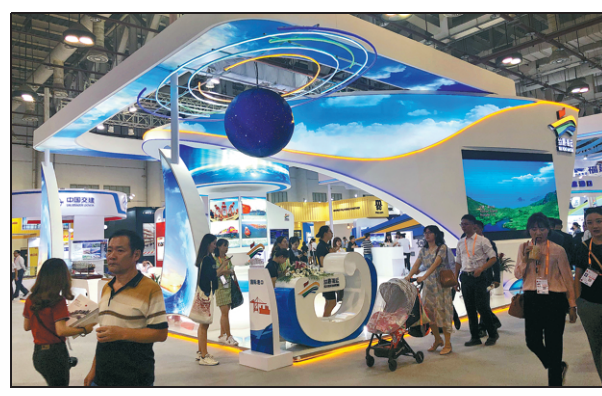
"Our colleagues say the quality of life has improved." The five-year-old startup moved its headquarters to Xiamen last year. Other newcomers include car rental service provider Ucar, coffee chain operator Luckin Coffee, online life services platform Meituan and tech company Byte-dance.

In 2018, about 14,200 Chinese companies settled in Xiamen, along with over 1,200 foreign companies. Lu Zhengyao, chairman and CEO of Ucar, told the paper that Xiamen has released a series of policies to benefit companies, including those concerned with taxation. He added the operation cost is lower and workers have a stronger sense of satisfaction, which means a more stable team which is good for the long-term development of the company.

According to a trial assessment of the business environment in 22 major Chinese cities conducted by the National Development and Reform Commission in 2018, Xiamen ranked second, following only Beijing.

The city will continue to build an open, fair, global and convenient market to optimize its business environment, help companies grow and boost high-quality development, said Hu Changsheng, Party secretary of Xiamen in a report from Xinhua Daily Telegraph newspaper in September.

The city is focusing on attracting investment and introducing more high-tech companies with



Attendees look for business opportunities at the China International Fair for Investment and Trade held in Xiamen in September. HU MEIDONG / CHINA DAILY

great future potential. It has released more policies in terms of land use, financing services, human resources, civil affairs, taxation cuts and public services. It has also given more authority to district governments, development zones and important areas in order to benefit companies.

China Lithium Battery Technology signed an agreement with the city in June to build a lithium-ion battery production line. The branch was founded in July and the construction began in Xiamen in September.

It only took five days for Xiamen Silan Mingjia Compound Semiconductor to sign a land transfer contract and get its construction permit. Zeng Jianhong, director of the security department of the company, told Xinhua Daily Telegraph that it was the quickest he had ever experienced in government review and approval.

"Generally, it may take a month," he said, adding that it gave them confidence in the city. During the 2019 China International Fair for Investment and Trade in September, Xiamen signed 202 agreements with a total investment of up to 180 billion yuan. More than 25 projects were from Fortune Global 500 companies.

For example, Chinese major voice technology and artificial intelligence service provider Unisound invested 1 billion yuan in building a scientific and technological companies' incubation park in Xiamen.

On the international stage, the city has established trade relations with about 200 countries and regions. A total of 119 Fortune Global 500 companies have invested in the city. From January to July, the number of newly-arrived foreign enterprises reached 781 with foreign direct investment of 7.96 billion yuan, up 13.8 percent year-on-year, data from the local government showed.



The China Railway Express (Xiamen) boosts cross-border trade by linking over 30 cities in 12 European countries. PROVIDED TO CHINA DAILY

## Railways push trade ahead via key routes

By YUAN SHENGGAO

**30+**  
cities

in Europe are connected to Xiamen by China Railway Express (Xiamen)

**10.8+**  
billion yuan

total value of freight transported to Hamburg and Almaty by the railway from 2015 to Sept 30

Xiamen, an important junction on the ancient maritime Silk Road in East China's Fujian province, is again proving its usefulness in terms of the 21st Century Maritime Silk Road and the Silk Road Economic Belt in that it is connecting the two via the China Railway Express (Xiamen).

The cargo transport railway service made its first trip from the Haicang harbor area, part of the Xiamen Area of the China (Fujian) Pilot Free Trade Zone in August 2015.

It was the first time for the China Railway Express to depart from a free-trade zone in China, according to the local authority. Now three lines which link Xiamen with Hamburg in Germany, Moscow in Russia and Almaty in Kazakhstan are in operation. More than 30 cities in 12 European countries are also connected to Xiamen by this railway.

Three trains make trips to Hamburg each week and one train will head to Almaty. Official figures show that the cargo railway service has made 563 trips to Hamburg and Almaty with a total value of freight exceeding 10.8 billion yuan from 2015 to Sept 30.

Sea-rail combined transportation is one of the key features of China Railway Express (Xiamen). Over the past few years, local authorities have made great efforts in improving service efficiency and shortening goods transit times so that the city can become a global goods transit hub.

The city received approval from the General Administration of Customs to provide cargo transit services in September 2018. With this approval, qualified cargo shipped to Xiamen with a final destination in another country can be loaded onto express trains directly after customs declarations. The new service model shortens the time it takes for goods to transit Xiamen from three to four days to only one day.

The railway routes are providing greater convenience to traders in countries in East Asian and Southeast Asian countries and regions. Those traders can ship goods to Xiamen, a city known for its deep-water port, by sea and then transport them to Asia and Europe by train. Goods shipped from Xiamen can expect to arrive at destinations in Central Asia and Europe in 15 days and 20 days respectively.

The routes are becoming especially popular among traders from countries such as Japan, Thailand and South Korea. A consignment of machinery and plastics valued at 540,000 yuan (\$76,327) from India were loaded on the China Railway Express (Xiamen), beginning their journey to Tashkent, Uzbekistan, on Oct 1. It was the first time for China Railway Express (Xiamen) to transit goods from India to Central Asian countries.

It was estimated 35 to 37 days would be needed to transport the goods to their destination with rail-ocean transport, compared with nearly 60 days by using road transport. Xiamen took part in the EU-China Smart and Secure Trade Lanes pilot project in 2017 to build smarter and more secure trade links with Europe. SSTL is a project between Europe and Asia in line with World Customs Organization SAFE Framework of Standards. It allows for the quickening of customs clearance with enhanced logistics. Goods transported to 25 ports in 10 European countries from Xiamen can enjoy such services.

Xiamen will continue to expand the network of the China Railway Express (Xiamen) to support China's Belt and Road Initiative.

