

Investors sink almost \$5b into Shanxi city

Jinzhong aiming to become a northern Chinese hub of enterprises and manufacturing expertise by appealing to entrepreneurs across nation



By YUAN SHENGGAO

The Shanxi city of Jinzhong secured 39 investment projects with funding totaling 35.67 billion yuan (\$4.98 billion) in the first quarter of this year, bringing it closer to the goal of becoming a manufacturing powerhouse in this North China province.

According to Chang Shuming, Party secretary of Jinzhong, the central city is an important manufacturing base in Shanxi province with competitive strengths in eight emerging industries that include advanced manufacturing, automobiles, new energy and new materials.

"Our medium-term target is to cultivate a great number of competitive companies in these sectors," Chang said. "And on our industrial map will be at least 10 superlarge enterprises each with an annual output value of more than 10 billion yuan, 100 large enterprises with an annual output worth more than 1 billion yuan and 1,000 medium-sized enterprises with an annual output value surpassing 100 million yuan."

To reach this target, the official said the city needs to strengthen enterprises and step up efforts to attract projects from the rest of the country and the world.

The city secured the largest number and investment of projects at a promotional fair held in Taiyuan, the provincial capital city of Shanxi, on Feb 3. At the event, agreements were signed on 15 large projects, with funding totaling 34.68 billion yuan.

Local officials said such projects will mean direct additions to the list of large or even superlarge enterprises according to the city's categorization, upon their completion.

Recognizing the importance of investment in boosting the size of the local economy, governments at various levels in Jinzhong have strengthened their efforts in investment promotion.

The county of Shouyang, for instance, recently hosted an investment fair. A total of 19 enterprises from the rest of the country have expressed their intentions to invest.

At another recent investment fair hosted by the district of Taigu, which focused on the malleable iron industry, local businesses signed 20 agreements to invest with partners, with funding totaling 3 billion yuan.

Statistics show that the county-level cities, counties and districts in Jinzhong have held a total of 81 investment promotion events to

In addition, the governments have arranged 57 trips for local businesses to identify investment partners throughout the country.

Locally leading companies, especially those in the manufacturing industries, have played an important role in investment attraction.

Local industry insiders and experts said the expansion of leading manufacturing enterprises can have a remarkable spillover effect on entrepreneurship. This is because their growth means greater demands for upstream suppliers and the gathering of more downstream players.

This is exactly the case of Geely Jinzhong, a branch company of one of the leading domestic automakers in China.

The Jinzhong production facility of Geely began operations in September 2016. To date, it has produced more than 478,000 vehicles, an output worth about 71.2 billion yuan.

A company executive said the automaking facility of Geely has led to the forming of an automotive industrial park in its vicinity.

"We have attracted 60 suppliers and 27 downstream enterprises to settle in this industrial park," the executive said. "And the scale of the park will continue to expand along with our growth in the future."

Over the past seven years, Geely Jinzhong's annual production



Workers assemble new energy vehicles at Geely's plant in Jinzhong. LIU YONG / FOR CHINA DAILY

capacity has increased from 105,000 units to 200,000 units. "Now we account for 95 percent of the total vehicle output in Shanxi," said the executive.

He added that the company saw an exponential increase in its output value over the past three years: 4 billion yuan in 2020, 10 billion yuan in 2021 and 23.3 billion yuan in 2022.

The executive said that the growth momentum is expected to continue as the company began to produce methanol-fueled vehicles in 2022.

"Last year we launched the country's first methanol vehicle production plant with an annual capacity of 10,000 units," he said. "That will lead to the establishment of a brand-new industry chain in Jinzhong."

The city's officials predicted that Jinzhong will have the capacity to produce 1 million metric tons of methanol annually within three years. They added that there will be 100,000 methanol-fueled passenger

vehicles on the road and 100 methanol fueling stations throughout the city.

"The methanol industry chain could result in a cluster of more than 100 billion yuan in annual output value in a couple of years," said an official of the city's industry and information technology bureau.

Another appeal to investors is that Jinzhong is stepping up the development of characteristic towns and counties for specialty industries.

In September 2022, the provincial government of Shanxi released a list of its first batch of characteristic towns and counties. Three locales in Jinzhong — Taigu for its malleable iron, Qixian for its glassware and Pingyao for its beef and lacquerware — were on the list.

Developing towns with characteristic industries is a new strategy in Shanxi, which aims to create economic engines that accelerate high-quality industrial growth locally.

Local authorities in Jinzhong

recognized that the development of characteristic towns is a great opportunity for investment promotion.

One key move to promote characteristic town-related opportunities was that the county of Qixian staged a trade and investment show at the 133rd China Import and Export Fair held over April and May in Guangzhou, Guangdong province. More than 40 local producers exhibited products and investment opportunities.

"Through participating in such events, we are expecting to attract resources from home and abroad to our characteristic towns' development," said Li Jun, Party secretary of Qixian. "We are planning to grow into a role model for the development of characteristic towns in Shanxi that features complete industry chains, from upstream to downstream, and allows the involvement of more investors."

Miao Wujun and Bai Xuhong contributed to this story.

Yangquan a beacon for local economic growth

By YUAN SHENGGAO

With faster-than-average increases in key economic performance indexes during the first four months of this year, the eastern Shanxi city of Yangquan has emerged as a shining star of the provincial economy.

Local statistics bureau said that in April, the total gross profit of Yangquan's industrial enterprises of designated scale — those with an annual sales revenue of more than 20 million yuan (\$2.79 million) — increased 15.2 percent year-on-year and grew 17.7 percent from that in March.

Spending on consumer goods, which is among the major drivers for local growth, increased by 41.3 percent year-on-year in April.

Investors' confidence is also improving, which is demonstrated by the fact that fixed asset investment in the industrial sectors grew 8.8 percent year-on-year in the first four months.

Local businesspeople said that the growing confidence of investors and local enterprises alike is a result of not only their optimism about the city's economic resilience but also their endorsement of Yangquan's business environment.

DFD Yangxin New Materials, a

company engaged in the development and production of raw materials for the electronic industry, was founded in the Yangquan High-Tech Zone in September 2021.

When recalling the first months of its establishment, Wang Yihao, the company's deputy general manager, said its smooth operation was the result of the local government's professional services that allowed the company to deal with all the administrative approval procedures at a speed "out of my imagination".

"We finished all the approval procedures in less than two weeks," Wang said. "We are told the period for administrative approval was more than a month in the past."

The practice of streamlining administrative service procedures is an important part of the government's efforts in creating a better business environment.

According to an official at the Yangquan city government, the government is changing its role from an administrative institution to a service provider.

"As a service provider, our principle for serving businesses is 'fewer restrictions, easier market access and more assistance,'" he said.

The Yangquan High-Tech Zone is



Autonomous cars are tested in Yangquan. The city is home to a number of technology companies for smart transportation.

JIN XIANGHUA / FOR CHINA DAILY

the pacesetter for the city's implementation of policies for improving its business environment.

It was a pioneer in Yangquan to offer one-stop services for businesses. At the zone's administrative center, not only procedures relating to administrative approval but also affairs relating to taxation, social insurance and supplies of water, electricity, gas and heat can be dealt with under the same roof.

In addition to bettering administrative approval, governments at all levels in Yangquan are always in place to offer assistance to enterprises.

One example is the urban district of Yangquan, which played an important role in helping local enterprises, especially private companies, recover

from the COVID-19 pandemic in 2022.

The district's government exempted local businesses from 410 million yuan worth of taxes that year. It also issued 14.36 million yuan worth of coupons to stimulate the consumer market.

Thanks to the city's efforts in optimizing its business environment, Yangquan has seen increasing enthusiasm in entrepreneurship over the recent years.

In 2022, the number of business entities in Yangquan reached 129,000, growing 32.1 percent from 2021, according to local statistics.

Su Xiaochen contributed to this story.

Singaporeans herald rebound in tourism

By YUAN SHENGGAO

More than 100 tourists from Singapore arrived in the northern Shanxi city of Datong on June 1. This was the first overseas tourist group that Shanxi received after a three-year halt in inbound tourism since the COVID-19 pandemic broke out at the end of 2019.

This was also the result of a promotional tour made by Shanxi's tourism officials in Singapore on April 8. It came one week after China announced the resumption of overseas exchange visits by Chinese delegations of culture and tourism officials.

During the tour, Shanxi's officials held talks with their Singaporean counterparts. A Singaporean tourism company agreed to send tourists to Shanxi on June 1.

After their arrival in Shanxi as scheduled, the 106-strong group of Singaporean tourists paid visits to Datong's famed attractions like the Yungang Grottoes in the city's northwestern suburbs and the Xuankong — or cliff-hanging — Temple in neighboring Hunyuan county.

In the following days, their eight-day trip also covered such renowned destinations including the Jinci Temple and the Old Taiyuan County Seat in the provincial capital of Taiyuan; the Pingyao Ancient City and the Grand Courtyard of Qiao's Family in Jinzhong; the Hukou Waterfalls along the Yellow River in Linfen; and the Guandi Temple and Salt Lake in Yuncheng.

At the Old Taiyuan County Seat on June 3, the tourist group was welcomed by Shanxi's tourist officials and local business leaders. They were treated to a grand ceremony and a rich variety of local

folk shows and food.

He Zhiyong, chairman of Shanxi Cordial International Tours, was among the welcoming hosts at the ceremony.

He was one of the members visiting Singapore in April and the deal for the group tour was reached between his company and Singapore-based Huayun Tourism.

"During the tour of Singapore, our delegation had talks with dozens of local travel companies, informing them of the new updates of the Shanxi tourism industry," He said. "We promised to offer top-notch services to our Singaporean guests."

At the ceremony, He said he hoped the tourists can have an impressive trip in Shanxi and share their stories with the fellow citizens when returning to Singapore. "We view Singapore as a bridge to link the tourism markets in Shanxi and Southeast Asia," the executive added.

As most of the members of the group are people with ancestral roots in China, the tourists were eager to digest everything relating to the local scenery, history and culture during the trip, said Li Liangyi, chairman of Singapore's Huayun Tourism, who was along with the group.

"Shanxi is one of the birthplaces of Chinese civilization. Many members of the group have developed an attachment to Shanxi. The visit to Shanxi is like going home," he said.

The eight-day trip has covered many landmark attractions in Shanxi," said one of the tourists. "But it is not enough."

Zhang Caiyun contributed to the story.

Skilled potters resurrect ancient craft in county

By YUAN SHENGGAO

When mentioning *zisha* — or purple clay — pottery, many people think about the city of Yixing in East China's Jiangsu province, which is renowned as a base for the industry.

But there is an equivalent in North China: Xiangning in Shanxi province.

Wang Zhiming, 70, is one of the master craftsmen in Xiangning's *zisha* pottery industry. He said the county has a millennia-long history of pottery making.

"We believe local pottery production can be traced back to the Neolithic Age," Wang said. "And this belief has now proven to be true with the discovery of kiln sites identified as relics of 6,500 years ago."

He added that *zisha* pottery production became popular locally in the Han dynasties (206 BC-AD 220) and the industry sustained its prosperity throughout the years that followed. "We have kiln sites discovered in Xiangning for almost every dynasty to follow," Wang said.

He added that the time-honored industry is backed by rich purple clay resources in Xiangning. Proven



A craftsman works on a *zisha* teapot at his studio in Xiangning County. YUE HUANXIANG / FOR CHINA DAILY

reserves of the material are about 2 billion metric tons.

The industry's prosperity continued until the 1980s, when local products were sold throughout China and Southeast Asian countries. Wang, who was the chief of a local *zisha* factory in the 1980s, said that purple clay tea sets, tableware and ornaments were sought after during that decade, enjoying a similar reputation with those from Jiangsu's Yixing.

But the industry began to decline because of outdated operational models of local producers. The last purple clay pottery maker in Xiangning shut down in 2008.

Local craftsmen left their hometown to find jobs in other *zisha* production locales in China. By doing so, they learned new methods of operation, mastered new technologies and techniques in the enterprises they worked, and they began to think

about revitalizing the industry in Xiangning a couple of years ago, according to Wang.

On their return to Xiangning, those craftsmen proposed developing a dedicated industrial park for the sector. The park, called Zisha Town of Xiangning, was launched in the village of Zhangma in 2019.

To date, the park is home to five enterprises in *zisha* pottery production, which has created more than 200 jobs for locals.

Despite its small scale, Zisha Town of Xiangning was included in a list of Shanxi's characteristic towns released by the provincial government in September 2022.

Insiders said the listing is the provincial authorities' endorsement of the well-preserved ancient production techniques in Xiangning and the industry's market potential.

They said Xiangning should capitalize on the listing as an opportunity to increase the brand recognition of local products and promote development of the industry.

Zhang Zhigang contributed to this story.



Singaporean tourists visit Taiyuan Old County Seat, a renowned attraction in Taiyuan, on June 3. ZHAO LINA / FOR CHINA DAILY