SINO-MALAYSIAN TRADE

China’s Premier Wen Jiabao and Malaysia’s Prime Minister Najib Razak at the signing ceremony and inauguration of the China-Malaysia Qinzhou Industrial Park, on Oct 21.

A model of cooperation in the China-ASEAN Free Trade Area

By HUANG ZHAOHUA and HUANG FEIFEI

In recent years, Malaysia has been China’s largest trading partner in the Associate of South East Asian Nations (ASEAN) and a new industrial park in Guangxi reflects the degree to which that bilateral trade relationship ship has grown.

In 2010, trade between China and Malaysia amounted to $74.2 billion, or eight times the amount for 2000.

The new China-Malaysia Qinzhou Industrial Park is planned for the Guangxi Beibu Gulf Economic Zone, in the city of Qinzhou, in the Guangxi Zhuang auton- omous region.

Qinzhou has good access to the sea and to ASEAN countries and is arranged a deepwater channel for ships of 500,000 deadweight tons.

By the end of this year, there will be a high-speed rail link to shorten the jour- ney from Qinzhou to Nanning, the capital of Guangxi.

And now that the China-ASEAN Free Trade Area (CAFTA) was set up, Qinzhou is becoming ever more attractive to investors, both in China and abroad.

In recent years, Qinzhou has been improving its infrastructure and invest- ment environment with the aim of turning itself into a modern city that is ideal for living and busi- ness. And it wants to be a regional hub that focuses on China-ASEAN cooper- ation in shipping, logistics, industrial development, and trade.

The roots of this develop- ment go back to 2009, when Malaysia’s Foreign Trade Promotion Institute and the Malaysia-China Chamber of Commerce for Economics and Trade suggested that Qinzhou establish an indu- strial, logistics park.

Then, last year, thanks to the cooperation of China’s Ministry of Commerce and Malaysia’s Ministry of Interna- tional Trade and Industry, Qinzhou began working in that direction.

On April 28 of this year, at the Malaysia-China Eco- nomic, Trade and Incentive Cooperation Forum, in Malaysia, China’s Premier Wen Jiabao pointed out that Qinzhou is the key for the planning and develop- ment of Malaysia Prime Minister Najib Razak’s expression of Malaysia’s support for the proposal.

The park has a planned area of about 11 square kilometers. A bilateral cooperation and develop- ment framework has been drawn up so that everyone benefits in accordance with the "guided by government, operated by enterprise, driven by projects, and aimed at shared interest" principle.

The park will have the following areas: industrial district, residential district, service district, producton center, living area, and sci- entific and technological service district.

It consists of three phases. The first phase for resi- dences and office buildings on a 13.6-ha space, in the southern part of the plan, and the second, in the living service center, industrial district, and residential district on an 18.1-ha space, in the central part, and the third, with an ecological district and part of the industrial district on 22.7-ha space, in the north.

The industrial park is designed as an advanced manufacturing base, a mod- ern cultural area, and a mod- el of Sino-Malaysian, and China-ASEAN cooperation. It will also become an important place for exchanges by enterprises and investors from ASEAN and all over the world.

Zhang Xiaoyong, Qinzhou’s Party secretary, said that the China-Malaysia Qinzhou Industrial Park will focus on integrated manufacturing, information technology and modern service.

"It believe it will be an international industrial park whose virtues are competi- tion, technology, and low carbon emissions with a concerted effort from both sides. It will be a model of cooperation in the China-ASEAN Free Trade Area."

On the front line of development of Beibu Gulf Zone

By LIU XIAOQIONG and HUANG FEIFEI

Qinzhou is part of the Bei- bu Gulf Economic Zone, in Guangxi, and covers an 80,800- square kilometers of land, with a coastline that stretches for 510 kilometers, and a population of 3.8 million.

Qinzhou is a national open port area that is 28.7 kilometers long and con- tains China’s sixth bonded port and its fifth finished automobile import zone. It already has container termi- nals to handle 100,000 dead- weight tons (DWT) ships.

It is also on the front line of development for the Beibu Gulf Economic Zone because it is the closest port for China’s central and western parts to the ASEAN region.

Qinzhou clearly repre- sents the views of the State Council on developing Guangxi’s economy and certainly has some golden opportuni- ties.

The State Council first approved plans for the Beibu Gulf Economic Zone in January 2008, which made the Beibu Gulf a key part of the nation’s development strategy.

Then, in April of the same year, the Commerce Minis- try said that Qinzhou was a key place for the processing trade.

The following month, the State Council approved a bonded port there, the only bonded port for a broad area.

In September 2009, State Council approved a bonded port proposal for finished automobile imports, in Qinzhou.

By 2010, the Commerce Ministry announced that Qinzhou was a model of modern logistics, the distribution sector.

In November of that year, the Beibu Gulf Economic Zone Development Plan’s made a national economic and technological develop- ment goal: "Three hubs, one new city" for China-ASEAN cooperation.

And it wants to be a modern city that is fit for both merchan- dise and living.

In next year, Qinzhou is expected to be a 100mil- lion-ton berth, and a China-ASEAN free trade area with a shipping center for inter- national logistics and an expres- sion-processing base that is open to the world.

Qinzhou’s real develop- ment goal is "Three hubs and one new city" for Chi- na-ASEAN cooperation: a regional hub of inter- national shipping logistics; an industrial cooperation hub; a market trading hub; and a new harbor city (Qinzhou) that is fit for both merchan- dise and living.

It wants to use its unique advantages to promote harmonious relations with neighboring countries and to its close cooperation as a part of the China-ASEAN strategic cooperation.

On April 6, where leaders of the Guangxi region and city of Qinzhou took part. A signing ceremony for the China-Malaysia Qinzhou Industrial Park was held on Oct 21.

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