

XIAMEN: a city reinforcing its pivotal role in boosting construction of BRI

Key transportation hub in Fujian attracts investment, development opportunities

By YUAN SHENGGAO

Xiamen in East China's Fujian province is leveraging its strengths as a hub city in the Silk Road Economic Belt and the 21st Century Maritime Silk Road, along with its status as an economic special zone and pilot free trade zone, to contribute to fostering a new development pattern in the construction of the Belt and Road Initiative.

This year marks the 10th anniversary of the Chinese government's proposal of the BRI, and over that period, Xiamen has adhered to the principles of joint construction of projects in key areas and regions to promote infrastructure construction and industrial development, as well as facilitating economic and cultural exchanges under the framework of the BRI. Official data show the city has become one of the key land, sea and air transportation hubs linking China to countries and regions involved in the BRI through services like China-Europe freight trains, Silk Road shipments and aviation.

Over the past 10 years, Xiamen's trade volume with countries and regions involved in the BRI has increased from \$24.8 billion to \$50.9 billion at an average annual growth rate of 8.3 percent, and local companies have expanded their presence in the initiative by seizing development opportunities through inward and outward investments that have yielded fruitful results.

Overseas expansion

Under the BRI framework, Golden Dragon Bus, a Xiamen-based joint venture specializing in developing, manufacturing and selling medium-large luxury buses and light vans, has accelerated its expansion in overseas markets.

Wang Xianjun, the company's regional sales manager, visited Pakistan in March, following the delivery of 55 school buses and 30 navigator buses — an order that underscored the attractiveness and vitality of the BRI.

During the COVID-19 pandemic, exploring overseas markets posed significant risk, but not doing so meant surrendering market share and interrupting service.

Therefore, Wang and his colleagues made multiple trips to Pakistan despite the risks and their efforts resulted in a significant increase in business. The Peshawar project in Pakistan is the most complex in the history of Golden Dragon's overseas sales. The Asian Development Bank formed a third-party review and inspection team composed of experts from multiple countries to implement stringent audits, and the project now provides transportation services to more than 9 million passengers.

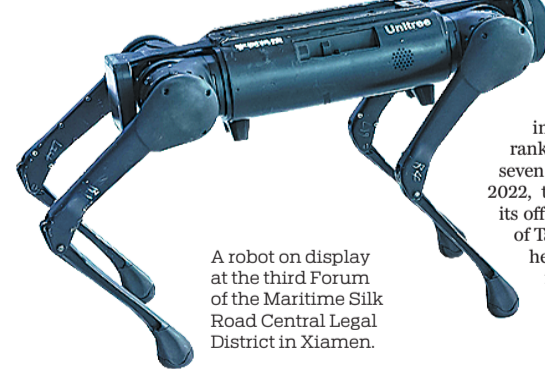
"When I first arrived in Peshawar, I

often saw passengers sitting on the roofs or hanging on the sides of buses. Public transportation was very weak, lacking modern buses, which led to traffic congestion and inconvenience for residents. In recent years, Chinese bus companies, represented by Golden Dragon Bus, have been put into operation in local transportation, greatly improving the traffic conditions," Wang said.

Notable projects

"The BRI is not just a slogan; it's a true bridge that connects different countries," Deng Hailong, a young Indonesian, said in fluent Chinese. Five years ago, Deng came to China to study its language and literature after receiving a scholarship. After graduation, he joined Xiamen Xiangyu Group and worked for OSS, a stainless steel smelting company in Indonesia, for which he now works as an assistant general manager.

Deng said OSS has brought a series of new developments, including transforming crowded, muddy roads into spacious paved routes that have reduced travel time to Jakarta from more than 10 hours to just four. The project was jointly built by Xiangyu Group and Jiangsu Delong Nickel Industry, a high-profile private enterprise in the domestic stainless steel industry. It is included in the key projects of the BRI by the National Development and Reform Commission and fully utilizes the markets and resources of China and Indonesia as a model of international cooperation.



A robot on display at the third Forum of the Maritime Silk Road Central Legal District in Xiamen.

In Uzbekistan, Xiamen ITG Group has been engaged in the textile business since 2016, with its imported cotton yarn ranking first in China for seven consecutive years. In 2022, the group upgraded its office in the capital city of Tashkent to a regional headquarters in an important strategic move for its Central Asia layout.

"The BRI is helping the

project helped achieve a stable guarantee of domestic nickel resources and the stainless steel supply chain, and promotes the layout of the domestic industry toward low energy consumption and low pollution in the steel rolling process, achieving green and low-carbon transformation.

It also significantly enhances the development level and added value of the nickel industry in Indonesia, improves local infrastructure such as electricity and transportation, creates a large number of jobs and contributes considerable tax revenue.

As of December 2022, the project produced more than 3.2 million metric tons of stainless steel, driving a foreign trade volume exceeding \$10 billion. It helped realize the revenue of the entire industry chain to reach about 100 billion yuan (\$13.8 billion), and directly created around 16,000 jobs in Indonesia.

Meanwhile, other Xiamen-based companies are actively implementing the BRI by accelerating their investment efforts.

Xiamen ITG Group's 300,000-ton floating storage tanker *ITG Amoy*, which commenced operation in the Strait of Malacca in February 2022, provides transfer, warehouse transfer and differentiated fuel oil mixing services. It has become a fuel oil supplier for China COSCO Shipping, Hapag-Lloyd and others, and has achieved cooperation with national oil companies under the Democratic Republic of Congo, Spain and other countries, said Liu Dewei, a manager working at Xiamen ITG Group. Liu also noted *ITG Amoy* is the only storage tanker operated by a Chinese company in Singapore's nine-vessel Platts Market fuel oil quotation.

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From left: An elevated view of Xiamen Port, a transportation hub of the Maritime Silk Road and a high-profile platform set up by Fujian province to serve the BRI. Xiamen Cross-border E-commerce Industrial Park, which acts as a key measure to boost free trade in the city. PHOTOS PROVIDED TO CHINA DAILY

upgrade of the textile industry in Uzbekistan and promoting friendly exchanges between cities," said Qiu Liangfa, a manager working at Xiamen ITG Group, which over the past few years has increased the import volume of ITG's cotton yarn from Uzbekistan by more than 40 percent, making it one of the most important trading partners in the Uzbek textile industry.

Cross-island development

In 2015, coinciding with deep advancement of the cross-island development strategy, Tongxiang High-Tech City Torch (Xiang'an) Industrial Zone's premium manufacturing development platform emerged as an important gauge of the city's economic and social development. By serving the BRI, it cultivates entities of high quality and facilitates participation of a large number of enterprises in investment and cooperation under the theme of the BRI.

In 2022, Xiamen-based Jiarong Technology's wholly-owned subsidiary, Unisol Membrane Technology, completed its

acquisition of assets of Israel's AMS Technologies and performed a comprehensive integration of the company's membrane technology and product lines. It is now operating AMS with stable production and sales overseas, meeting requirements for acid and alkali wastewater treatment. AMS Technologies is one of the only two companies in the world that can produce acid-resistant, alkali-resistant and solvent-resistant membrane technology products, and the acquisition of its assets marked a milestone in Jiarong Technology's growth process, the company said.

Zhuang Jiajiang, a manager working at Jiarong, said the company's equipment products have been exported to countries and regions involved in the BRI such as Singapore, Malaysia, Indonesia, Thailand, Vietnam, the Philippines, Iran and Bangladesh, and it has established subsidiaries or offices in Germany, the United States, Singapore and India.

"The company's growth could not be achieved without the support of the Tongxiang High-Tech City Torch (Xiang'an)



From left: An elevated view of Xiamen Port, a transportation hub of the Maritime Silk Road and a high-profile platform set up by Fujian province to serve the BRI. Xiamen Cross-border E-commerce Industrial Park, which acts as a key measure to boost free trade in the city. PHOTOS PROVIDED TO CHINA DAILY

Industrial Zone," said Zhuang. In July, Jiarong Technology continued to invest in the high-tech city and launched the Jiarong Technology Industrial Center project to build an international industrial innovation center and introduce international R&D cooperation.

Zhuang Zhilong, deputy head of the Tongxiang High-Tech City, said that in recent years, the area has focused on serving Xiamen's high-quality development and the overall strategy of cross-island development. It has cultivated and gathered industries such as new-generation information technology, new materials, new energy and high-end equipment manufacturing, and has become an important engine for the city's high-quality economic development.

With a commitment to building a new development pattern, enterprises in Tongxiang High-Tech City enter into international cooperation under the BRI, seize opportunities, introduce technologies and fill gaps. From January to August, Tongxiang High-Tech City made notable achievements in advancing key projects'

investment and completion of construction.

This year marks the 45th anniversary of China's reform and opening-up, and as a pioneer city in that drive, Xiamen has witnessed splendid development of its manufacturing industry. On Sept 22, the city's publicity department organized a tour by a group of Chinese media representatives to local high-tech companies, innovation laboratories and industrial zones to explore the achievements of Xiamen's scientific and technological development. The first stop was the Xiamen International Expo Center in the city's eastern Xiang'an district, which has become home to a series of key demonstration projects.

Managed by the Xiamen ITG MICE Group, a subsidiary of ITG Holding Group, the expo center is a strategic project for the high-quality development of Xiamen's exhibition industry and cross-island development.

With exhibition areas and conference centers covering an area of 846,700 square meters and a total construction area of 1.16 million sq m, it is the largest profes-

sional exhibition and conference center in Fujian province.

Zhan Zhidong, chairman of ITG MICE Group, introduced digitized highlights to the media workers when showcasing the center's functions of data integration, visual monitoring, comprehensive management and event control for exhibition and venue operation. This month the center is hosting the China National Pharmaceutical Machinery Exposition, with 1,800 participating companies and 80,000 business visitors greatly contributing to the expansion of Xiamen's exhibition industry and enhancement of Xiang'an New City and Xiamen's cross-island development.

Innovation-driven labs

In recent years, Xiamen has implemented an innovation-driven strategy by developing high-tech industries, introducing and cultivating professional talents and creating an environment for innovation and entrepreneurship, officials said. The independent innovation capability of the industrial sector has been significantly enhanced, and the proportion of industrial R&D expenses has continued to increase.

Data show that the added value of high-tech industries above designated size reached 103.5 billion yuan in 2022.

Xiamen Juci Technology, a high-tech enterprise dedicated to aluminum nitride powder and ceramic products, was another stop on the media tour. Pointing to display cabinets containing products made of high-purity aluminum nitride powder (micron powder), aluminum nitride granulated powder, aluminum nitride filling powder (ceramic microspheres), and aluminum nitride ceramic products, a technician said the powder is widely used in plasma etching machines.

"One machine used to cost about 1,000 yuan, but now the price has dropped to about 600 due to the domestic substitution of foreign aluminum nitride new materials," said a technician. "Previously, domestic aluminum nitride new material relied mostly on imports. The key was that some manufacturing processes and equipment products were either unavailable or unaffordable."

However, Juci Technology finally changed this predicament after years of independent R&D. By the end of 2022, the company completed construction of a new material industrial park covering an area of about 30,000 sq m. Currently, the

park has a production capacity of 700 tons of aluminum nitride powder and 200 tons of ceramic products per year, making it the largest professional research and production base for aluminum nitride ceramics in China.

Based on the aluminum nitride materials, the company will continue to boost R&D investment, improve product performance and increase the variety of new material products and production capacity while striving to build a new material industrial platform and provide more domestic substitute products.

Free trade zone

The Xiamen Area of the China (Fujian) Pilot Free Trade Zone — or Xiamen Free Trade Zone, hailed as a pioneer of the single window plus air logistics model, has implemented a tax refund policy for departure ports, carried out integrated reforms to reduce costs and increase efficiency at ports and launched the China-Europe international freight train in the pilot free trade zones.

At the data service center of the Xiamen Free Trade Zone in the China (Fujian) Pilot Free Trade Zone, the achievements over the past eight years in institutional innovation, opening-up and the business environment displayed in the modern and technological exhibition hall can clearly be seen. Xiamen has actively taken part in the construction of the BRI by fully leveraging the advantages of special economic zones, BRICS innovation bases, and pilot free trade zones.

"When implementing our projects, we took advantage of the special zone's policy advantages. Xiamen, as a special economic zone, provides convenient conditions for joint ventures in terms of taxation, customs clearance and other aspects," said Li Zhenglin, vice-chairman of Taikoo (Xiamen) Aircraft Engineering. The company was established in 1993 and provides a range of airframe services, including repair, outfitting, cabin outfitting and aircraft modification services.

"Thanks to the convenient customs clearance environment, since landing in Xiamen we have gradually developed a series of enterprises such as engine and landing gear repair and maintenance, aimed at growing the industrial chain," added Li.

Dai Bin, head of the economic development bureau of the Xiamen free trade commission, said the Xiamen Free Trade

Zone has promoted deep and solid international cooperation under the BRI, opening the pilot program for the China-Europe safe and intelligent trade air route. As well, the Xiamen Xiang'an International Airport project, located between Dadeng and Xiaodeng islands in Xiamen's Xiang'an district, is positioned to be one of China's major international airports as well as a regional hub, international cargo airport and cross-strait airport.

Ge Hongbin, chief engineer on the project, said construction of the island airport started in 2022 and is expected to be completed in 2026.

Meanwhile, the Xiamen-Europe (China) freight train now operates on three main international cargo lines connecting Central Europe, Central Asia and Central Russia, reaching 34 cities and 12 countries, forming an international logistics corridor that spans the Taiwan Strait and connects the Maritime Silk Road and the Land Silk Road seamlessly. It serves as China's first international comprehensive logistics service brand platform with shipping as the theme, and as an international cooperation platform for BRICS innovation bases.

Eco-friendly efforts

Since 2005, the Xiamen city government has entrusted a mangrove research team to create and cultivate an experimental plantation of about 5 hectares in Xiatanwei Bay, where fresh and salt water converge.

Based on the successful planting experience, the city's ocean bureau started construction of Xiatanwei Mangrove Wetland Park, with a total area of around 404 hectares, of which about 85 are mangroves.

The phase one project was implemented in 2010 and completed in 2013, after which the bureau carried out artificial breeding, release and protection of 13 species including estuarine fish, shellfish, shrimp and polychaetes.

In 2017, Xiamen University was commissioned to conduct a survey of the biological environment background of the phase one project. The results showed the biomass of species in the mangrove ecological restoration area has increased significantly and water organisms and bird diversity have quickly recovered.

"We have conducted ecological monitoring. Five years ago, there were only about 20 to 30 species of birds observed in the mangrove area of phase one; now there are nearly 40 species," said Yang Shengchang, an associate professor at the College of Environment and Ecology of Xiamen University.

"In addition to the obvious changes in bird species, including benthic organisms, there were only about 20 species before the park was built, now there are more than 80 species. Originally, this area was just bare tidal flats without any forest, but the mangroves have provided the basic conditions for the survival of benthic organisms, which is very impressive."

A technician works in Xiamen Torch Development Zone for High Technology Industries.

