

City government's investment plans well ahead of schedule

By ZHANG ZHAO
zhangzhao@chinadaily.com.cn

In just the first five months of this year, the government of Chengdu, capital of Sichuan province, has already invested more than half of its budget for the year for financing major service sector projects.

This was announced at a ceremony on June 30 marking the beginning of a number of key service projects, including a hot spring resort in Jintang county that attracted investment of more than 6 billion yuan (\$897.1 million).

From January to May, the Chengdu government invested 178.33 billion yuan in fixed assets in the service sector, increasing 16.8 percent compared with the same period last year, and accounting for 40.2 percent of the planned total investment for this year.

The investment included 44.17 billion yuan in 335 major projects recognized by the local government, accounting for 51.5 percent of this year's plan.

Among the major projects are 60 new ones that are scheduled to start this year, 27 of which had started construction by the end of May, including an international hospital and a furniture market.

Three projects were completed ahead of schedule.

Sixty-eight of the major projects each have investment of at least 3 billion yuan, and 10 have investment of more than 10 billion yuan each.

Local officials said the city's fixed assets investment in the service industry and the construction of major projects in the sector are rising, thanks to the Chengdu-Chongqing



The Times Outlets Chengdu is a popular shopping center in the city. ZHANG WEI / FOR CHINA DAILY

“The investment structure today determines the industrial structure tomorrow.”

Fu Yonglin, deputy mayor of Chengdu

178.33
billion yuan

investment in fixed assets in the service sector in the first five months of 2016

335

major projects

in the service sector recognized by the Chengdu government

City Cluster Development Program and a national campaign to build Chengdu into a regional economic, technical and innovation hub in western China.

Guo Qizhou, head of the Chengdu Commission of Commerce, said the government focused on the major projects in the first half of the year.

“The major projects in the service sector have begun well thanks to the government's

efforts in their introduction, construction and oversight,” he said at the ceremony.

“The introduction and construction of the major projects will provide strong support for Chengdu to both reinforce the foundation of its service industry and increase its service capacity,” he added.

Guo noted that investment to the emerging industries grew sharply over the past six months, with sectors such as

public management, social security, education and IT services witnessing a year-on-year increase in investment of more than 56 percent.

However, local officials noted that Chengdu still faces challenges in investment structure and quality.

“The investment structure today determines the industrial structure tomorrow,” said Deputy Mayor Fu Yonglin.

He added that the devel-

opment of the service industry must be supported by an increasing number of high-quality projects.

“Although the total investment to the service sector in Chengdu has been rising, there is still a big gap compared with some other regional hubs and coastal areas in the country,” he said, and called for further improved plans, guidelines, policies and government supervision.

Measures aim to ensure hub status

By ZHANG ZHAO

\$20.99
billion

added value of the service sector in Chengdu in the first three months of 2016

82

companies

from overseas applied to invest in Chengdu in the first five months of 2016

The Chengdu Commission of Commerce has taken a series of measures to restructure local industries, seek new sources of development and improve local people's livelihoods in a bid to build the city into a regional service sector hub.

The service sector achieved added value of 140.3 billion yuan (\$20.99 billion) in the first three months of this year, rising 8.9 percent compared with the same period last year. The figure accounted for 53.9 percent of the city's GDP over the same period.

In the sector, logistics contributed 20.1 billion yuan, rising 8.7 percent and financing contributed 22.8 billion yuan, up 10.2 percent.

Technical service providers achieved revenue of 33.8 billion yuan over the period, up 6.5 percent, and companies in the health service business made 2.4 billion yuan, up 3.5 percent.

A number of national pilot mechanisms have been launched, such as the Sino-German cooperation platform for innovative industries, the national cross-border e-commerce park and the national pilot system for innovation in service trade.

In March, the city government unveiled a comprehensive 10-year plan for its service sector that called for increasing modernization of the traditional service industries and more projects in the emerging sectors.

Innovative management and supervision mechanisms and the public-private partnership model have been used to develop a number of the major projects.

In the first five months of this year, the local government invested 178.33 billion yuan in the fixed assets in the

service sector, up 16.8 percent year-on-year, including 44.17 billion yuan invested in 335 major projects recognized by the government.

Over the same period, the city's trade volume in e-commerce increased 32.7 percent to reach 567.2 billion yuan, 4.1 percentage points higher than the average provincial growth rate.

Three counties and 30 villages have been recognized as rural e-commerce pilot areas.

The government believes that the Belt and Road Initiative will help the city's global development, and with a number of new international trade channels being opened, including the Chengdu-Europe Express Railway Service, the city's import and export volume this year is expected to grow 11.7 percent to reach \$44.3 billion.

In the first five months this year, 82 new overseas companies applied to invest in Chengdu, bringing total investment of nearly \$2 billion.

In order to provide local people with an increasingly diverse, global experience, local authorities are also building an international center that will allow them to both shop and sample a wide range of cuisines.

Finance and business worlds flocking to visit Chengdu

By LI YU and PENG CHAO
in Chengdu

“Chengdu is the ideal location for the event (the 2013 Fortune Global Forum) thanks to a number of attributes.”

Andy Serwer, then managing editor of Fortune magazine

\$12
billion

estimated revenue from 520 major conventions and exhibitions in Chengdu in 2016

As it becomes more international and acquires greater global influence, Chengdu is developing into a popular destination for international conventions and exhibitions in western China.

One of the most influential events this year for the capital of Sichuan province in Southwest China is the G20 Finance Ministers and Central Bank Governors Meeting being held this weekend.

The event has drawn finance ministers and central bank governors from the G20 member states and guest countries, as well as principals of international financial organizations such as the World Bank, the International Monetary Fund and the Organization for Economic Cooperation and Development.

Delegates will discuss the world's current economic trends and issues and share their views and insights about the prospects for future economic growth.

Other major events include the 2016 Chengdu Global Innovation and Entrepreneurship Fair, the 22nd World Route Development Forum, the 16th Western China International Fair, the 11th EU-China Business and Technology Cooperation Fair, and the 19th Chengdu International Automobile Show.

It will hold about 520 major conventions and exhibitions this year, of which 20 percent are international events. The city's revenue from these events is expected to hit 77.92 billion yuan (\$12 billion), up 10 percent from last year.

“Chengdu has become one of the top destinations for international events in China in recent years, after Beijing, Shanghai and Guangzhou,” said a spokesman for the Chengdu Bureau of Exposition.



Robots displayed at the 2016 Chengdu Global Innovation and Entrepreneurship Fair attract visitors. PENG CHAO / CHINA DAILY



Chinese and overseas companies negotiate cooperation at a one-on-one matchmaking campaign during the eighth EU-China Business and Technology Cooperation Fair in October 2013 in Chengdu. PROVIDED TO CHINA DAILY

In the past five years, Chengdu has introduced on average more than 10 new international conventions each year. They include the 2013 Fortune Global Forum, the 12th World Chinese Entrepreneurs Convention, the ninth World Biomaterials Congress and Airport Cities Asia Pacific 2015.

“It's not an accident that we picked Chengdu as the host of the 2013 Fortune Global Forum,” said Andy Serwer, the then managing editor of Fortune magazine.

“Chengdu is the ideal location for the event thanks to a number of attributes: its ability to attract multinationals, its 15 percent gross domestic product growth as well as its advantages in transportation, education and resources,” he said.

International exhibition companies such as Reed Exhibitions and UBM Group from the United Kingdom, Messe

Frankfurt and Koelnmesse from Germany, and Singapore Exhibition Services have all organized events in the city.

Katie Bland, director of Routes for UBM and organizer of the 22nd World Route

Development Forum to be held in Chengdu in September, said that the city has been attracting worldwide attention with its huge market potential and development opportunities, and this con-

tributed to its success in winning the event.

“Chengdu is highly accessible via the Chengdu Shuangliu International Airport, and the city provides a perfect platform for the 2016 event,” she said.

Chengdu is also expecting more international events under its strategic partnership with the UBM Group.

“Our goal is to work closely with Chengdu to determine the best types of exhibition and resources from both parties to build world-class leading exhibition events,” said Philip Chapnick, group chief representative of UBM China.

The International Congress and Convention Association accepted the Chengdu Bureau of Exposition as a member in May 2013.

In January 2014, the bureau became a member of the International Association of Exhibitions and Events, the world's largest exhibition industry association.

The city is improving its infrastructure to meet the

growing demand for international events.

Construction of the Western China International Expo Center started in the Tianfu New Area in 2012. It will have 200,000 square meters of indoor exhibition area and 100,000 square meters of outdoor exhibition area, and will have the capacity to host large exhibitions, conventions and commercial activities.

After it is completed in August, Chengdu will have two major exhibition centers with the largest exhibition areas in western China.

The city is also upgrading its service system for international conventions and exhibitions.

Contact the writers through pengchao@chinadaily.com.cn.

Logistics and services show the way

Chengdu's global transportation networks and active involvement in global affairs are strong drivers for the development of the city's expo industry.

The Chengdu Shuangliu International Airport is the fourth busiest airport on the Chinese mainland. It handled 42 million passengers last year.

The city has 89 international routes, the largest number in China's central and western regions. This year, it is also planning to open direct routes to international cities including New York, Sydney, Rome and Johannesburg.

In May, Chengdu started construction of a new airport, which is expected to be operating by 2020.

In line with the Belt and Road Initiative, the Chengdu-Europe express rail service began operations on April 23, 2013, linking Chengdu with Lodz, Poland.

The route is the fastest and most frequently used direct freight service from China to Europe. A one-way trip takes only 10 and a half days.

City leaders are planning to connect the express rail to more logistics hubs in Europe, including in France, Belgium, Russia and Turkey.

By the end of last year, Chengdu had direct economic and trade relations with 223 major cities worldwide, including 20 that have opened trade and tourism offices in the city.

There are more Fortune Global 500 companies and foreign consulates in Chengdu than in any other city in western China, numbering 271 and 15 respectively.

PENG CHAO