

SOE MATTERS

RIGHT TRACK



Visitors gather at Elkem ASA's booth during the third China International Import Expo, which concluded in Shanghai on Tuesday. The global company is a subsidiary of China National Chemical Corp. PROVIDED TO CHINA DAILY

SOEs prove expo great place for deals

Beijing-based companies partner with 34 MNCs for commodities and services

By **ZHONG NAN** in Shanghai
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Sinochem Group Co Ltd, an oil-and-chemicals company, and China National Chemical Corp, which is known as ChemChina, the country's largest chemical producer by market share, signed deals for industrial goods, commodities and services with 34 multinational corporations at the third China International Import Expo held in Shanghai from Nov 5 to Tuesday.

Under the agreements, the two centrally administered State-owned enterprises will purchase products in 20 categories like crude oil, methanol, plastic, borate and polyurethane.

They will also buy digital services from global companies such as Honeywell, Dow Chemical, BASF and others from 17 countries such as Saudi Arabia, Japan, the United States, Germany and France.

Ning Gaoning, chairman of both Sinochem and ChemChina, said the CIIE has injected new economic impetus into China as well as the rest

of the world, as new technologies, new products and new ideas from all around the world converged in Shanghai.

"The expo has accelerated global technological innovation and stimulated trade flows, apart from providing valuable opportunities for exchanges and cooperation for economic success and long-term growth," he said.

Beijing-based Sinochem and ChemChina will continue to make full use of the fair to optimize their industrial and supply chains, and promote high-quality business development, he said.

Despite the uncertain global economic situation caused by the COVID-19 pandemic, this year's expo was a big success in terms of deals reached and the level of participation, said the CIIE Bureau, the event's organizer.



Ning Gaoning, chairman of Sinochem and ChemChina

Deals entailing business worth \$72.62 billion were signed by Tuesday, up more than 2 percent on a yearly basis, demonstrating foreign companies' continued confidence and interest in the Chinese market.

In his keynote speech delivered at the opening ceremony of the third CIIE, President Xi Jinping said that in the three years since its inception, the event has enabled exhibits to become traded goods and exhibitors to spot more investment opportunities.

In the context of the COVID-19 pandemic, Ning said global partners of Sinochem and ChemChina have seized the opportunity of the early recovery of Chinese economy, and have increased their investment in key areas through cooperation deals.

The two groups are currently carrying out strategic transformation with the goal of building a world-class comprehensive chemical sector in the country.

Ning said the two groups' development pattern has shifted to being driven by science and technology to enhance corporate competitiveness. This will drive more overseas partners and Chinese companies to work together.

Such a concerted effort will result

in breakthroughs in more business fields and win-win results. This, in turn, will help everyone concerned to share growth opportunities spawned by China's development. All this will help the world economy to resume growth, he said.

The items and services bought by Sinochem and ChemChina during the third CIIE will further help ensure the stability of industry and supply chains of China's energy, chemical and agricultural sectors, and enhance the innovative collaboration between domestic and global partners, he said.

China has been working with other countries to make economic globalization more inclusive and balanced to mitigate the impact of the COVID-19 pandemic. Its "dual circulation" development pattern, which strengthens the domestic economy and aims at better integrating the domestic economy with the global economy, will not only benefit the Chinese economy but also create more growth opportunities for countries across the world, Ning said.

"The wider and deeper collaborations between Chinese companies and businesses around the world further testify the country's commit-

ment to opening-up," said Zhou Lisha, a researcher at the State-owned Assets Supervision and Administration Commission of the State Council.

She said the majority of SOEs will raise their investment in areas like green industries, new materials, cloud computing, big data, artificial intelligence, the internet of things, mobile applications, integrated circuits and other fields to stay competitive during the 14th Five-Year Plan period (2021-25), as sustainable growth and digitalization have become key growth drivers.

To date, Sinochem Group has established five strategic business units: energy, chemicals, agriculture, real estate and finance. With 60,000 staff members, the company operates more than 300 subsidiaries across the world.

As for ChemChina, it is supported by 148,000 employees, with 87,000 of them working abroad. It has a presence in six business sectors: new chemical materials, special chemicals, petroleum processing, agrochemicals, tire rubber and chemical equipment. The group currently runs research facilities, production and research bases in 150 countries and regions.

State firms' paperwork migrating online to boost efficiency

By **ZHU WENQIAN**
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More State-owned enterprises have shifted the cumbersome paperwork of employee business travel applications and expense reimbursement forms online, thus boosting efficiency and transparency and lowering operational costs.

Space industry giant China Aerospace Science and Technology Corp has established a digital business travel management system for its more than 180,000 employees.

Last year, CASC and Trip.com — China's largest online travel agency — cofounded a business travel app to help staff better manage business travel applications, transportation and hotel bookings while making travel expense reimbursements easier online.

"By using the system, we have significantly reduced the paperwork of travel expenses and raised work efficiency and transparency. The system can also help create different travel analysis reports and indicate staff preferences regarding flight tickets, train tickets and hotels," said Zhao Xia, a deputy general manager of aerospace new business at CASC.

"The specific expenditures of business travel data available online have made it easier for us to manage our budgets and lower operational costs. We hope employees can save more time for doing their own jobs instead of filling out business travel forms. The system can also help save verification times for department



The stand of China Great Wall Industry Corp, CASC's wholly owned unit, is seen during the Paris Air Show in June 2019. GAO JING / XINHUA

heads when they approve workers' business travel," Zhao said.

CASC began to research and seek out solutions to shift its business travel management online in 2017 and started using the system in October last year. Since the outbreak of the COVID-19, thanks to online data, it has been more convenient to update contagion conditions of different domestic and overseas destinations, and thus guarantee safer travel for staff, the company said.

In the system, employees can only see flight and train journeys that conform to their business travel budget standards. If any emergencies or special incidents happen, the system will allow the app to show updated transportation choices.

CASC said that besides business travel management, its other businesses have also gradually shifted online and become more transparent.

Meanwhile, other State-owned enterprises are adopting digital business travel management systems. They include China Resources Group, which is engaged in retail, beer, gas and pharmaceuticals, and State Grid Corp of China.

The pandemic has had a significant impact on the business travel market at home and abroad.

In March, the corporate travel unit of Trip.com began officially shifting its business focus to the

domestic market. Particularly, demand from State-owned companies rebounded the fastest as they have a broader, more stable business scope, the company said.

It also introduced more hotel and car rental options for corporate users. And new technologies like artificial intelligence and some self-help functions in the system were utilized to help maintain low-cost operations.

"We are highly confident about the growth potential of business travel in the domestic market. Next year, I expect the domestic market will return to levels seen in 2019 or even earlier. For the global business travel market, I remain cautiously optimistic, and it may recover by 2023 if vaccines work well," said Fang Jiqin, senior vice-president of Trip.com Group and CEO of its corporate travel unit.

By October, the number of business travel flights booked through the corporate travel unit of Trip.com Group reached about 80 percent of the level over the same time last year, the company said.

For small and medium-sized enterprises in China, business travel demand is relatively weaker. Trip.com Group said more smaller companies are willing to better manage their budgets and spend less due to the contagion, and the use of digital systems can help with that.

"We are seeing the crisis that small enterprises face as an opportunity to expand business, and we hope to help them further lower costs and raise efficiency," Fang said.

Power corp unit builds Pakistan's key 'energy artery'

By **ZHENG XIN**
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China-assisted work on Pakistan's first direct current transmission project connecting Murthyari and Lahore has finished. The 878-kilometer-long line is ready to supply bulk power, project executives said.

As part of the project, some 4,000 megawatts of electricity generated at new coal power plants at Port Qasim, Hub and Thar in Pakistan's southern region will be supplied to the country's densely populated central and northern parts.

This is expected to help ease the long-standing imbalance between generation and demand.

Developed and constructed by China Power Equipment Company, a wholly owned subsidiary of State Grid Corporation of China, the transmission link is one of the key projects of the China-Pakistan Economic Corridor.

The project is also expected to improve the voltage profile of the system, reduce transmission losses and enhance the stability of the transmission system, China Power Equipment said.

By exporting mature technology, China will gather practical experience in the international market and hopefully share the benefit of its experience with more countries around the world."

Wei Hanyang, power market analyst at Bloomberg New Energy

The line starts from the Mertyari Converter Station in the southern Sindh region of Pakistan and ends at the Lahore Converter Station in northern Punjab, a major economic province.

With a total investment of \$1.66 billion, the project started on Dec 1, 2018, with the goal of completing construction in 27 months.

It is the only power transmission project in the China-Pakistan Economic Corridor. It is also the longest transmission line and boasts the highest voltage level in Pakistan, said State Grid Corp of China, the line's operator and the world's largest power company.

The project will ensure energy security in the most populated areas of the northern parts of the country by delivering electricity generated in the less-populated southern region. It is set to be Pakistan's "main energy artery", said State Grid.

Wei Hanyang, a power market analyst at Bloomberg New Energy, said State Grid has accumulated good experience in China in building ultra-high voltage transmission lines.

"The 660 kilovolt (standard) adopted in Pakistan is not common in China, but would be within the regular range that State Grid can accommodate," he said.

"By exporting mature technology, China will gather practical experience in the international market and hopefully share the benefit of its experience with more countries around the world."

State Grid Corporation of China said it adopted the build, own, operate and transfer — BOOT — mode for the 25-year tenure of the agreement.