

POLICY REVIEW

Transport network ‘to benefit world’

China’s hubs expected to boost global trade

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China’s plan to build a global transport and logistics network will establish a safe and stable system expected to boost trade and economic development around the world, according to officials and experts.

A policy document jointly unveiled by the Communist Party of China Central Committee and the State Council, China’s Cabinet, earlier this year stated that by 2035, China will significantly improve its international transport and logistics network, including land, railway, maritime, air and mail routes.

The document proposed transforming about 20 cities into international hubs, including Beijing, Tianjin, Shanghai and Chongqing municipalities, Nanjing in Jiangsu province, Hangzhou in Zhejiang province as well as Guangzhou and Shenzhen in Guangdong province.

The hubs will include railway centers in Beijing and Urumqi, capital of the Xinjiang Uygur autonomous region, ports in Shanghai and Dalian, Liaoning province and flight hubs in Shanghai and Chengdu, Sichuan province.

Forty international mail centers will also be built to handle post and parcels from around the world, the policy document said.

Logistics networks will be established to ensure parcels are delivered to neighboring countries in two days and reach major international cities within three days.

“The guideline sets a goal to provide a safe, open and stable international logistics system,” said Li Xiaopeng, the transport minister. “The next move is to build a comprehensive transport network featuring land, maritime, rail and air shipments and also cultivate more modern logistics companies.”

Li Xiaopeng and Yang Chuantang, Party chief of the Ministry of Transport, said in a co-authored article published in the guideline’s reference book that China will continue to promote infrastructure connectivity around the world and make international transportation more convenient. The safety and reliability of the global transport network and logistics supply chain system will also be enhanced.

China has already built a strong air and maritime transport network around the world, which will serve as the foundation to further promote global connectivity.

By 2019, seven out of the world’s top 10 maritime ports handling shipping containers by volume were Chinese, according to the reference book.

China’s international air network spans 167 cities in 65 countries. Thirty-nine airports in China handle more than 10 million passenger trips every year. The freight train service between China and Europe reaches 92 cities in 21 European countries.

“It is not only China’s ambition to develop an international transport network, but also a goal shared by the world,” said Fan Yijiang, researcher of the National Development and Reform Commission’s Institute of Comprehensive Transportation.

“The guideline proposes to build a stable, open and safe international logistics supply chain system and improve the global transport network, which will boost the development of China and the world,” he said.

Fan added that the world wants access to China’s markets and will participate in building the transport network.

The majority of China’s transport network relies on the maritime sector, supported by air transportation and other modes, which can take Chinese goods around the world.



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Land transport connects China with neighboring countries, Fan said.

“On the one hand, some infrastructure has to be built. But more importantly, precise efforts should be made to improve ‘soft connectivity’ to improve the quality of service and the efficiency of the transport organizations,” Fan said.

Land and railway routes between China and neighboring countries use different standards and rules for road and rail, which can delay operations and make transportation less effective. For instance, some neighboring countries use different rail gauges, which require solutions such as transfer trains at the border.

Fan also noted that the guideline had selected a few metropolises and city clusters that already have strong foundations to further develop into international transport hubs.

Yang Xin, chief analyst of the transport, logistics and infrastructure sector for the China International Capital Corp, said the country’s transport sector is deeply connected with the world and is ready to play a more active role in global trade and connectivity.

He also noted the different infrastructure standards in other countries may result in wasted time and energy when transporting goods across the border.

For example, nonstandardized shipping

containers can lead to delays in loading and unloading in different countries.

Insufficient hubs to support different modes of transport are another hurdle restraining shipping efficiency, Yang said.

Different levels of information technology, such as tracking cargo, also present difficulties in cross-border logistics. A CICC report said improved international transport and logistics networks will boost China’s exports and create opportunities for logistics firms.

Express delivery giant SF Express said in a statement that the international sector was the company’s fastest growing business segment last year.

China-Europe freight train service thriving during pandemic

By LUO WANGSHU

Although the global logistics market has been seriously affected by the COVID-19 pandemic since last year, the freight train service between China and Europe has shown strong resilience, transporting epidemic control materials and daily supplies and injecting vitality into the global economy.

The latest data showed that from January to March, 3,345 freight train trips were conducted between China and Europe, a year-on-year increase of 70 percent. They carried 317,000 containers, up 79 percent year-on-year, according to the China State Railway Group, the national railway operator.

By January, the country had seen more than 1,000 such trips for the ninth consecutive month, the group said.

In 2011, when the service began, only 17 trips were made that year.

According to the group, the freight train service has played a significant role in stabilizing industrial chains, facilitating China-Europe trade and supporting the global battle against the novel coronavirus.

Major railway ports including the Erenhot land port in the Inner Mongolia autonomous region and the Khorgos land port in the Xinjiang Uygur autonomous region have

expanded their capacities, adding more facilities for loading and unloading and opening more cross-border train tracks.

Representatives from transportation organizations and businesses from countries operating the freight train services have held three video conferences since last year to discuss international cooperation, ensuring punctuality of the service and aiming to establish a safe, stable and effective international logistics channel.

According to the group, by February, the trains had delivered 9.97 million epidemic prevention and control items — including protective masks and medical supplies — weighing 80,000 metric tons to Germany, Poland, Belgium and other countries.

Last year, a record of 12,400 freight train trips were made between China and Europe, a year-on-year growth of 50 percent. They carried 1.14 million containers, up 56 percent from 2019.

Launched in 2011, the China-Europe freight train service, considered to be a significant part of the Belt and Road Initiative, has boosted trade between China and participating countries.

Last month, the blocking of the Suez Canal by a stuck ship led to the increase of inquiries about the China-Europe freight

train service as an alternative for anxious businessmen.

Outbound service starts in many cities in China such as Yiwu in Zhejiang province and Chengdu in Sichuan province, leaves the country via the land ports in Inner Mongolia and Xinjiang, passes through Russia and central Asian countries and arrives in western Europe.

The journey usually takes about two weeks, but it is cheaper than air freight and faster than maritime service.

A high-profile guideline of the development of China’s transportation system in 15 to 30 years promotes the goal to improve the international railway logistics system, including the strategic corridor of the China-Europe freight train service.

Conductor Zhang Xiaojun was the first to obtain credentials to operate a China-Europe freight train in Manzhouli, Inner Mongolia, a city that borders Russia.

Since 2013, he has been driving the train from Manzhouli to Zabaykalsk, Russia.

Although more conductors have joined the route, Zhang gets busier every year.

“Many more trains arrive and carry freight on to Russia,” he said.

He makes the journey three times every two days now.

The China-Europe freight train service has proved to be more advantageous compared with maritime and air transportation during the pandemic, Ma Bin, associate researcher from the Center for Russia and Central Asian Studies at Fudan University in Shanghai, wrote in a policy briefing.

While the maritime and air freight capacities have been restrained by the pandemic, the freight train service has seized the opportunity to expand its market, he said.

Ma added that the government has given the service strong support, facilitating growth by persuading countries along the route to provide preferential policies so that trains can complete customs inspections more quickly.

To maintain the service’s sustainable development, he suggested providing a more comprehensive evaluation system to assess its performance.

The existing system mainly assesses performance indicators such as the scale and transportation time.

Ma suggested adding others, such as the diversity of goods and the number of countries and cities the trains arrive in.

Profit should be the priority, and the government’s subsidies should be reduced, he added.

Policy Digest

Cities set sights on gigabit capability

China expects to build more than 20 cities with gigabit capability by the end of this year as part of the country’s efforts to complete construction of a dual-gigabit system featuring both wired and wireless gigabit broadband by 2023.

An official with the Ministry of Industry and Information Technology said that by the end of that year, there will be more than 100 cities nationwide with such capability, the Economic Daily reported on Sunday.

The gigabit connection is typically delivered over fiber optic lines and provides speeds of 1,000 megabits per second, which is equal to 1 gigabit per second.

According to the official, while the dual-gigabit networks are more suitable for indoor and complex environments, the 5G network offers high flexibility and convenience and is more user-friendly.

The coordinated development of the 5G and dual-gigabit networks will boost effective investment, promote information consumption, help cultivate the application markets for such sectors as manufacturing, traffic, healthcare and education, and speed up the digital transformation of traditional enterprises, the official said.

Poor regions urged to develop industries

China will further its efforts in supporting the development of local industries in regions that have been removed from the list of impoverished areas so as to consolidate the country’s achievements in poverty alleviation, according to the Ministry of Agriculture and Rural Affairs.

During the 14th Five-Year Plan period (2021-25), these areas should take advantage of their local resources, focus on market demands and development trends, select suitable industries and develop products with distinctive characteristics, said Liu Huanxin, vice-minister of agriculture and rural affairs, during a video conference on April 8.

According to Liu, China has established more than 300,000 industrial bases nationwide, and every county that has been lifted out of poverty has two or three leading industries that can help provide jobs.

Developing local industries has become an effective tool in the nation’s poverty alleviation efforts as it can mobilize the largest number of people in a sustainable way, Liu said.

‘Internet plus tourism’ shows signs of success

China’s total online tourism consumption has reached the trillion-yuan mark, according to a report on the country’s development of “internet plus tourism” released by the Ministry of Culture and Tourism on April 7.

Introduced in a guideline in November, “internet plus tourism” encourages tourist destinations to make use of advanced technologies such as big data and cloud computing to make travel more intelligent so as to propel quality development of the tourism sector.

The ministry report said that the Internet Plus model, which has become a new engine for smart tourism, has created more opportunities for tourism management and smart marketing.

During China’s weeklong Spring Festival holiday in February, travelers made online reservations for 60 percent of scenic spots across the nation, more than the 40 to 50 percent made in general, the report said.

Du Jiang, vice-minister of culture and tourism, said China will accelerate the development of smart tourism featuring digitalization, networking and smart technologies.

The nation will also endeavor to design mobile phone applications and interfaces for the older people and groups with special needs, Du said.