

SOE MATTERS

CARING HANDS

Central SOEs play key role in Hubei recovery

State companies ink big-ticket deals with province to help revive local economy

By ZHONG NAN
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To further help Hubei province — the hardest hit region during the COVID-19 outbreak in China — centrally administrated State-owned enterprises signed 34 contracts for 72 major projects with the province earlier this month, according to the State-owned Assets Supervision and Administration Commission of the State Council.

With a combined investment of 327.73 billion yuan (\$46.34 billion) from central SOEs including China Three Gorges Corp, China Resources (Holdings) Co and China Petrochemical Corp, the deals cover various industries including new energy, urban development, environmental protection, intelligent manufacturing and information technology.

Among them, 48 involve investment surpassing a billion yuan, with nine projects of over 10 billion yuan. These projects will focus on fields such as new energy, ecological and environmental protection, intelligent manufacturing and infrastructure construction.

Apart from efforts to help revive Hubei's economy, SASAC will also provide more policy support to promote cooperation between central SOEs and the province, said SASAC Chairman Hao Peng.

To maintain solid economic fundamentals, the government has emphasized the importance of focusing on the "six priorities" of safeguarding employment, people's livelihoods, development of market entities, food and energy security, stable operation of industrial and supply chains and the smooth functioning of society.

Central SOEs have signed 623 cooperation agreements with Hubei since 2016, with total investment exceeding 1 trillion yuan. Nearly 80 central SOEs have invested since then in the province. Other SOEs, such as China Baowu Steel Group, Dongfeng Motor Corp, China Gezhouba Group Corp and China Information Communication Technologies Group Corp have also chosen Hubei to set up their group headquarters, SASAC said.

"Even though our work schedule was delayed by the COVID-19 outbreak between February and March, the impact is only short-term. We shifted some material preparation and equipment manu-

facturing work to other plants within the group to ensure that work can be properly carried out amid the outbreak," said Wang Cheng, president of Hubei-based China First Metallurgical Group Co, a subsidiary of China Metallurgical Group Corp.

Apart from supporting Hubei in restoring its economic growth, central SOEs have also been asked to reduce or waive rents for small businesses in a bid to cut the latter's operating costs and bolster the slowing economy.

Small and micro-sized enterprises in the services sector and self-employed businesses renting premises from central SOEs and encountering financial difficulties should be exempted from rent for at least three months in the first half of the year, SASAC said in a recently issued circular.

Central SOEs should not delay the approval of qualifying small and self-employed businesses for any reason, said the document.

Experts said these moves are part of China's efforts to support small and micro businesses hurt by COVID-19. The country has cut benchmark lending rates, introduced tax breaks and increased lending to them with the aim of stabilizing employment and propping up the contagion-hit economy.

SOEs have built medical infrastructure and other supporting facilities, supplied medical products and enhanced communication networks in both China and abroad, said Chen Wenling, chief economist at the China Center for International Economic Exchanges.

Dong Yan, a researcher at the Institute of World Economics and Politics at the Chinese Academy of Social Sciences, said the contagion will accelerate the modernization of management systems, promote the upgrading of technologies and help transform the economic structure of SOEs.

Although many services sector SOEs — especially tourism, civil aviation, hotels and retail businesses — have borne the brunt of the slowdown over the past four months, Dong said the economic impact is only temporary because China is a large country with strong resilience, huge potential and enough space to keep its economic growth on a firm footing.

"Once the pandemic is over, Chinese SOEs are expected to play a bigger role in sustaining the supply chain around the globe," she added.



Xiongan rail station is seen under construction in this file photo in the Xiongan New Area, Hebei province, on May 29.
YANG LEITAO / FOR CHINA DAILY

PROJECT WATCH

New railway station in Xiongan set to start operations by end of this year

By ZHONG NAN

Xiongan railway station is set to be operational by the end of this year, business executives involved in its development said. It is the rail traffic hub of the Xiongan New Area, China's new landmark economic zone.

Located 20 kilometers from the Xiongan New Area in Hebei province and with a construction area of 475,200 square meters, the station is the largest of its kind in China.

It was designed and constructed by a number of centrally administrated State-owned enterprises such as China Construction Technology Consulting Co Ltd and China Railway Construction Engineering Group.

China Architecture Design and Research Group, one of CCTC's subsidiaries, is the main co-designer of Xiongan railway station. It is responsible for the architecture, landscape, interior, human settlement, building intelligence, and building economy design of the station.

With an investment of about 8 billion yuan (\$1.13 billion), the station is a convergence of railway services, including the Beijing-Xiongan Intercity Railway and the Tianjin-Xiongan Intercity Railway.

The traffic hub is an integration of station and urban space as well as city and transport functions, said Xiu Long, president

475,200
square meters

total area of Xiongan railway station

of China Construction Technology Consulting Co Ltd, or CCTC.

Intended as a green and intelligent traffic system, the column grid and story height of the supporting facilities were designed with a modern tradition compatible mode to meet the demands of future development, he added.

The main body of the station is formed by five floors, including three floors above ground and two floors which are underground. The first floor contains the ground entrance, and the station can be entered in four directions.

As an essential part of a city, the intelligence of buildings and infrastructure facilities is the key to developing future smart cities. Smart technologies have been adopted in the station to realize information sharing and unified management, said Cui Kai, chief architect of CCTC.

The station's design focuses on passenger convenience and energy-saving as part of efforts by the builders to protect the overall environment of the Xiongan New Area, Cui added.

China State Railway Group Co,

the country's railroad operator, said Xiongan railway station is the biggest among the five stations along the 92.4-kilometer-long intercity railroad linking Beijing and Xiongan. The other four stations are Daxing, Beijing Daxing International Airport, Gu'an East and Bazhou North.

Apart from their role in designing Xiongan railway station, CCTC is also responsible for planning, urban design, project research, architectural design and engineering in many projects of the Xiongan New Area.

Supported by more than 13,000 employees in China and overseas, this central SOE has completed design works of more than 61,000 projects in 42 countries and regions over the past six decades.

With 11 subsidiaries such as China Architecture Design and Research Group and China Urban Construction Design and Research Institute Co Ltd, the Beijing-headquartered group forms an integrated industrial structure of architectural design, urban construction planning, urban municipal administration, building standards, construction information, urban planning, engineering consultation, interior decoration, garden greening, and residential research and development.

Feng Hao, a researcher at the National Development and Reform

Commission's Institute of Comprehensive Transportation, said it currently takes about 90 minutes to travel between Beijing and Baigou Railway Station, located in an area neighboring Xiongan, or to Baiyangdian Railway Station, which is in the new area.

It will take just 36 minutes to reach downtown Beijing when the Xiongan railway station is opened, he said.

"Xiongan railway station will be a key transport hub in the Beijing-Tianjin-Hebei region and play a key role in undertaking Beijing's non-capital functions," he said.

Under the government plan, the railway station project will make Xiongan a key transportation hub which is well connected with the central, southern, northwestern, southwestern and northeastern parts of China.

In a master development plan for Xiongan New Area published in 2018, the country described the new region as having "national significance" in the same way as the Shenzhen Special Economic Zone and the Shanghai Pudong New Area.

By the middle of the century, Xiongan will become a significant part of the world-class Beijing-Tianjin-Hebei city cluster, effectively performing Beijing's non-capital functions and providing a Chinese solution to "big city malaise", according to the plan.

POWERING AHEAD

Port machinery maker steps up global expansion despite COVID-19 headwinds

By ZHONG NAN

Shanghai Zhenhua Port Machinery Co, or ZPMC, one of the world's biggest port machinery manufacturers by market share, is ramping up efforts to strengthen other businesses worldwide despite the headwinds caused by the COVID-19 pandemic.

As a subsidiary of China Communications Construction Co, a centrally administrated State-owned enterprise, ZPMC is scheduled to deliver 17 units of port machinery to their global clients in countries which include Israel, France, Sri Lanka and Pakistan between June and early July of this year.

Many opportunities are available from efforts by these countries to boost recovery from COVID-19 and this can be seen in their growing demand for manufacturing, mining projects, and transportation infrastructure such as railways, port and shipbuilding businesses.

They need advanced port cranes to either upgrade their previous facilities or install them in the new

ports, said ZPMC Vice-President Zhang Jian.

The group shipped four ship-to-shore (STS) cranes and two rail-mounted gantry (RMG) cranes for the Israel Haifa Automatic Terminal in Haifa Port last month. The port is the hub of the railway in the Mediterranean Sea and is the largest port of the country.

Haifa Port, a symbolic project along the Belt and Road Initiative, will be the largest container terminal in Israel. After completion of the project, it will have a design annual handling capacity of 1.86 million TEUs, or 20-foot equivalent units, said Xin Chenglong, manager for ZPMC's Israel project.

Under the contract, ZPMC will provide all automatic equipment for the Terminal, including eight STSs and 22 RMGs. The group's STSs will be entering the Israeli market for the first time.

The debugging was started after the general assembly in the early spring of this year. However, the project faced a manpower shortage due to the pandemic's impact.



A Shanghai Zhenhua employee checks a gear mesh at a workshop in Shanghai in April. PROVIDED TO CHINA DAILY

Xin said the project team took the online test innovatively for the live broadcast of the debugging and trial operation to the user, making sure of the manufacturing nodes of the project. The innovative mode has been promoted for use in other overseas projects, speeding up manufac-

turing and production along with pandemic prevention and control.

Sufficient power supply and medical goods, international cooperation, stable trade flows and timely production of daily necessities and other living materials are key for China's trading partners to over-

come the disease.

The measures are prudent to ensure port operations during this tough period, said Mei Xinyu, a researcher at the Chinese Academy of International Trade and Economic Cooperation in Beijing.

In addition to exporting cranes to the overseas market, the company delivered the first two intelligent straddle carriers to its clients HWL CTN Terminal in Stockholm, Sweden, in March. It marked the first time a Chinese company exported such goods to an overseas market.

This was a part of an eight intelligent straddle carrier deal signed in 2019. The straddle carrier was a new product developed for global automatic terminals. It was designed in module with a diesel and battery hybrid power, driving wheel-side synchronous motor and an eight-wheel hydraulic independent steering system.

ZPMC has 10 production bases located in Shanghai and Nantong, in East China's Jiangsu province, with 10 kilometers of coastline.

Supported by 2,600 engineers

and a fleet of over 25 transportation vessels, the company has supplied large-scale port container machinery and other industrial goods to more than 100 countries and regions.

It is also engaged in businesses which include heavy offshore products such as floating cranes, pipelay vessels and other engineering vessels, marine transportation and installation, system integration and overall contract of projects, electrical products, software development and integration.

For SOEs, the coordinated operational experience, new technologies and solutions gained in recent months will be useful in developing their markets after the pandemic.

This is particularly the case in areas such as modern manufacturing, multimodal transport, medical equipment and materials, biomedicine and big data application, said Zheng Donghua, deputy director of the research center at the State-owned Assets Supervision and Administration Commission of the State Council, the country's top State asset regulator.