

SOE MATTERS

RIGHT TRACK

Shipbuilding firm books rise in H1 orders

Strong demand from home, BRI markets lifts CSSC's sales despite COVID impact

By ZHONG NAN
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Despite COVID-19 having severely impacted global orders for new ships in the first half, China State Shipbuilding Corp, the country's largest shipbuilder by production volume, saw its new vessel orders surge 34.2 percent year-on-year in the January-June period.

The centrally administered State-owned enterprise inked orders for 73 vessels with a total dead weight of 5.35 million metric tons in the first six months, winning 30.4 percent of total orders worldwide thanks to strong demand at home as well as from economies related to the Belt and Road Initiative.

Bao Zhangjing, vice-president of the China Institute of Marine Technology and Economy — a research institute affiliated with CSSC — said over 70 percent of orders received by Chinese shipbuilders so far this year were made by domestic shipowners including China COSCO Shipping Corp, China National Petroleum Corp and China Merchants Group.

This is related to China's efforts to achieve a smooth functioning of economic cycles both at home and abroad based on the sustainable performance of the domestic economy. Under such a pattern, or "dual circulation", the domestic economic cycle plays a leading role while the international economic cycle remains an extension and supplement, Bao said.

Backed by supportive government policy measures, domestic demand has effectively offset the impact of the global market slowdown, he added.

Apart from expanding its sales channels in global markets, in particular countries and regions involved in the BRI, CSSC subsidiaries have delivered vessels and offshore engineering equipment, including cold chain container ships, bulk carriers, chemical tankers and oil rigs, to shipowners in the United States, Norway, Greece, South Korea and Qatar over the past seven months.

Sun Wei, deputy general manager of CSSC, said the group will deploy more resources for the development of products like mega-container vessels, liquefied natural gas carriers, floating hospitals, semi-submerged ships and ocean farms, as well as build more dual-fuel ships and gas-fueled vessels. At present it mainly builds conventional ships such as bulk carriers,

container ships and oil tankers.

The central SOE signed a strategic agreement with China Maritime Safety Administration on enriching China's strength in transportation and maritime matters last month.

The two sides will cooperate in a wide range of areas including smart transportation equipment, high-end maritime equipment, marine environmental protection technology, maritime policy and technical regulation studies, international maritime affairs and maritime security equipment.

To build more high-end ships, CSSC and China MSA will work on advancing smart vessels and navigation support and on developing intelligent traffic control systems and examination and monitoring technologies, said Yang Xinzhai, deputy head of China MSA.

The two parties will also plan smart shipment development and carry out testing and demonstration applications of related technologies.

With a view to smart and green manufacturing, the two sides will initiate study of technical regulations of high-end marine equipment like large-scale liquefied natural gas vessels, arctic navigation vessels, new energy vessels and aquafarms.

The study will offer support for development of high-end marine equipment in aspects of policy and technical regulations and push forward demonstrative applications of the new equipment.

Development of technologies and products related to new energy-driven vessels and their energy conservation and environmental protection facilities is also within the scope of cooperation between the CSSC and China MSA, Yang said.

Under the agreement, they are expected to lead to the reduction of greenhouse gas emissions and management of energy efficiency for vessels, safe utilization of low sulfur oil during shipment research and construction of LNG refueling facilities as well as optimization of environmental protection standards, regulations and monitoring systems.

CSSC also recently announced that it has tested a manned submersible to inspect dams and reservoirs to help ensure the safe operation of major dams and large-scale reservoirs. It can carry two people inside and has a large observation window, which can help improve inspection efficiency.



Employees of China Energy Engineering install equipment at the Hai Duong coal-fired power plant in northern Vietnam's Hai Duong province in September. PROVIDED TO CHINA DAILY

Energy China bolsters regional development with new coal-fired power plant in Vietnam

By ZHONG NAN

With the No 1 unit of the 2x600 megawatt Hai Duong coal-fired power plant project officially commissioned in Vietnam late last month, local employees of centrally administered State-owned China Energy Engineering Group Co Ltd, or Energy China, are satisfied that all the long hot days of hard work were worth it.

Located in northern Vietnam's Hai Duong province, the project operates under a build-operate-transfer (BOT) model, and is constructed under an engineering, procurement, construction (EPC) mode by Energy China. The company has adopted the latest environmentally friendly technologies in building the project.

Nguyen Van Dung, deputy director of the general affairs department for Energy China's Hai Duong project, said he has witnessed the building process of a large-scale modern power station on a formerly unproductive plot of land in Hai Duong.

As a big-ticket project aimed at supporting the tangible development of the Belt and Road Initiative, the project will provide more power to boost the Southeast Asian nation's urbanization and industrialization pace in the next stage of development.

Since joining Energy China's Vietnam project in 2017, Nguyen's

“The company and its experts train local workers hand-in-hand. Local workers today are able to master the techniques as well as Chinese employees at the plant.”

Nguyen Van Dung, deputy director of the general affairs department for Energy China's Hai Duong project

8 billion kwh expected annual power generation of the Hai Duong coal-fired power plant project

role has continued to advance to equipment and material director. Backed by his proficient Chinese language skills, Nguyen helped in management tasks and interpreted on-site to move the project forward.

“Energy China treats local workers no different from Chinese workers,” he said. “The company and its experts train local workers hand-in-hand. Local workers today are

able to master the techniques as well as Chinese employees at the plant.”

Beijing-based Energy China said the project, after achieving full-capacity operations, will achieve a zero liquid discharge target and all pollutants such as noise and dust emissions will conform to Vietnam's local standards.

After completion, the project is expected to generate 8 billion kilowatt-hours of electricity per year for Hanoi and its neighboring cities, powering local economic growth.

Before joining the project in 2018, Nguyen The Quang, another local worker, said he used to work overseas, but construction of the power station gave him an opportunity to work at home.

“Even though I had no experience operating gantry cranes and crawler cranes before, Energy China's local branch arranged a Chinese instructor for me and I watched his performance carefully and noted points learned from my training and work,” he said.

“I practiced a lot during lunchtime and summer, even though the temperature in the operating cab was very hot,” he said, adding that he didn't mind because the hard work was worth it.

Nguyen won third place in the company's hoisting contest after one year's learning and said he is proud of himself for being able to use his skills to help his country modernize.

Relying on his Chinese language skills and expertise, Nguyen Van Binh — who joined Energy China in 2017 — applied to the management team at Hai Duong Coal-Fired Power Plant in 2019 when he heard that Hoa Hoi Phu Yen photovoltaic power station, another big-ticket project also constructed by Energy China, needed technicians.

It was a multitask job and he had to organize procurements, coordinate work and assist with inspections while acting as a driver and translator. His three mobile phones ran out of power on a daily basis during peak season.

However, Nguyen said the team's efforts have paid off as it only took them 190 days to install 1.05 million solar panels.

Energy China said that more than 2,000 locals also joined in the project during the peak period of construction, which on average brought them over 3,000 yuan (\$419) per person per month.

As one of the world's largest comprehensive solutions providers in the power sector, Energy China has operated in Vietnam for more than two decades. It has built a number of power, water and infrastructure projects across the country. Supported by more than 200 overseas branches in 80 countries and regions, the Chinese firm to date has built a market presence in more than 140 countries and regions.

POWERING AHEAD

Greenland hub boosts commodity imports

By SHI JING in Shanghai
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Imported beef from South Africa may still be new to Chinese consumers. But in one month's time, 12,000 units of this novel import of around 6,000 kilograms were sold out, which was all the supply the South Africa Pavilion at the Greenland Global Commodity Trading Hub had last month.

It was a pleasant surprise for Wang Junling, manager of the pavilion. The beef was imported to test the waters before being displayed at the third China International Import Expo to be held in Shanghai in early November.

“We opened the South Africa Pavilion in November last year, which turned out to be a good start. More and more South African suppliers are thus able to seize ample opportunities in China. Therefore, we will bring more South African products such as wine and cosmetics to the trading platform,” she said.

The Greenland Global Commodity Trading Hub, which is part of

State-owned Greenland Group's efforts to seek diversified growth drivers, was opened in November 2018 as a 365-day trade platform to extend the services of the CIIE. The hub has so far accommodated 139 companies and organizations from 57 countries and regions, introducing more than 60,000 products. Over time, the hub has received more than 5.6 million customers. Total online and offline trading volume facilitated by the hub has topped over 6 billion yuan (\$857 million) so far this year.

As a result, the commercial and trade business sectors of Greenland Holdings Corporation Ltd, the parent company of the trading hub, soared 91 percent year-on-year to top 6.7 billion yuan in 2019.

During a visit to the trading hub on July 27, Shanghai Party secretary Li Qiang suggested that it should further attract resources from all over the world and explore new business models. The trading hub should grow into a commodity distribution center that connects the rest of the Yangtze River Delta



Visitors check out wines and other beverages during an exhibition at the Greenland Global Commodity Trading Hub in Shanghai in July. PROVIDED TO CHINA DAILY

region, serves the entire country and radiates across the Asia-Pacific region, he said.

Xue Yingjie, general manager of

Greenland Global Commodity Trading Center Group, said an increasing number of companies have chosen to showcase their latest

products at the hub ahead of the CIIE so that they can have more contacts with Chinese buyers and consumers. At least 1,000 products currently exhibited at the hub will be showcased at the CIIE this year, he said.

Based on the success in Shanghai, the conglomerate has set up the trading hub business model in another 10 Chinese cities.

Per Linden, director of the Swedish Chamber of Commerce in China, said that the Nordic country has opened up booths in Greenland's trading hubs in Shanghai, Harbin, Jinan and Ningbo. The booth in Harbin, Heilongjiang province, which was opened in early June, saw its sales revenue exceed 1.8 million yuan in one month's time.

“We would like to use Greenland's trading hubs to explore the distribution channels in China at a faster pace so that we can offer Chinese consumers more quality products imported from Europe,” he said.

As an enterprise once focusing on the property sector, Greenland — which is seen as a role model in mixed-ownership reform — has now set up an extensive commercial network covering finance, retailing and healthcare. In 2015, group

Chairman Zhang Yuliang announced the establishment of overseas purchasing centers to build up its consumption business sector.

“Consumption has been playing a bigger role in China's economic development while the country is undergoing economic restructuring. The trading hub will cater to the demand of increasingly sophisticated Chinese consumers. It is our hope that we can build the trading hub as the ideal venue for companies to launch new products and into a most influential distribution center for imports and exports,” Zhang said.

Zhang added that the Chinese market has become highly differentiated, and the gap between industry leaders and smaller players will increasingly widen. Therefore, companies, whether they are State-owned or privately owned, should give quality development top priority. Efficiency should be further improved and companies' driving forces reformed.

“Innovation should be the new engine for companies. In this sense, we should explore new demand in the market and seek new opportunities,” he said.