

Coastal city opens wider to the world

► Olympics expected to raise Qingdao's international profile

By ZHAO RUIXUE

Qingdao, the charming coastal city in east China's Shandong province, will grasp the opportunity of hosting the sailing events of the 2008 Olympic Games to open wider to the world and further integrate itself into the international community.

"Qingdao has seen an accelerated pace of opening up in the past five years. This year, the Olympic Games will not only raise the city's international profile but also bring along overseas investment and foreign trade projects," noted Xia Geng, mayor of Qingdao.

Statistics from the Qingdao Bureau of Foreign Trade and Economic Cooperation (BOFTEC) show that 9,666 foreign-invested projects have been approved in the city over the past five years, involving \$17 billion in utilized capital, equal to 55 percent of the total

value of such projects in the past 30 years.

Among these, 17 projects have an investment of over \$100 million each, 61 projects each have investments of over \$50 million and 56 are invested by Fortune 500 companies.

The amount of utilized foreign capital has increased by 15 percent in the manufacturing sector and 16 percent in the modern service sector over the past five years.

Moreover, foreign investment utilized in the service sector accounted for 52.1 percent of Qingdao's total foreign investment in 2007.

The city approved 298 foreign-invested projects in the service sector last year, mainly in the fields of infrastructure, logistics and ports. These projects involve \$1.25 billion in pledged investment, a year-on-year increase of 60.8 percent.

Further, 8,200 domestic firms have invested in Qingdao in the last five years, including such

big names as China National Offshore Oil Corporation and China Shipbuilding Industry Corporation, involving 120 billion yuan in utilized investment.

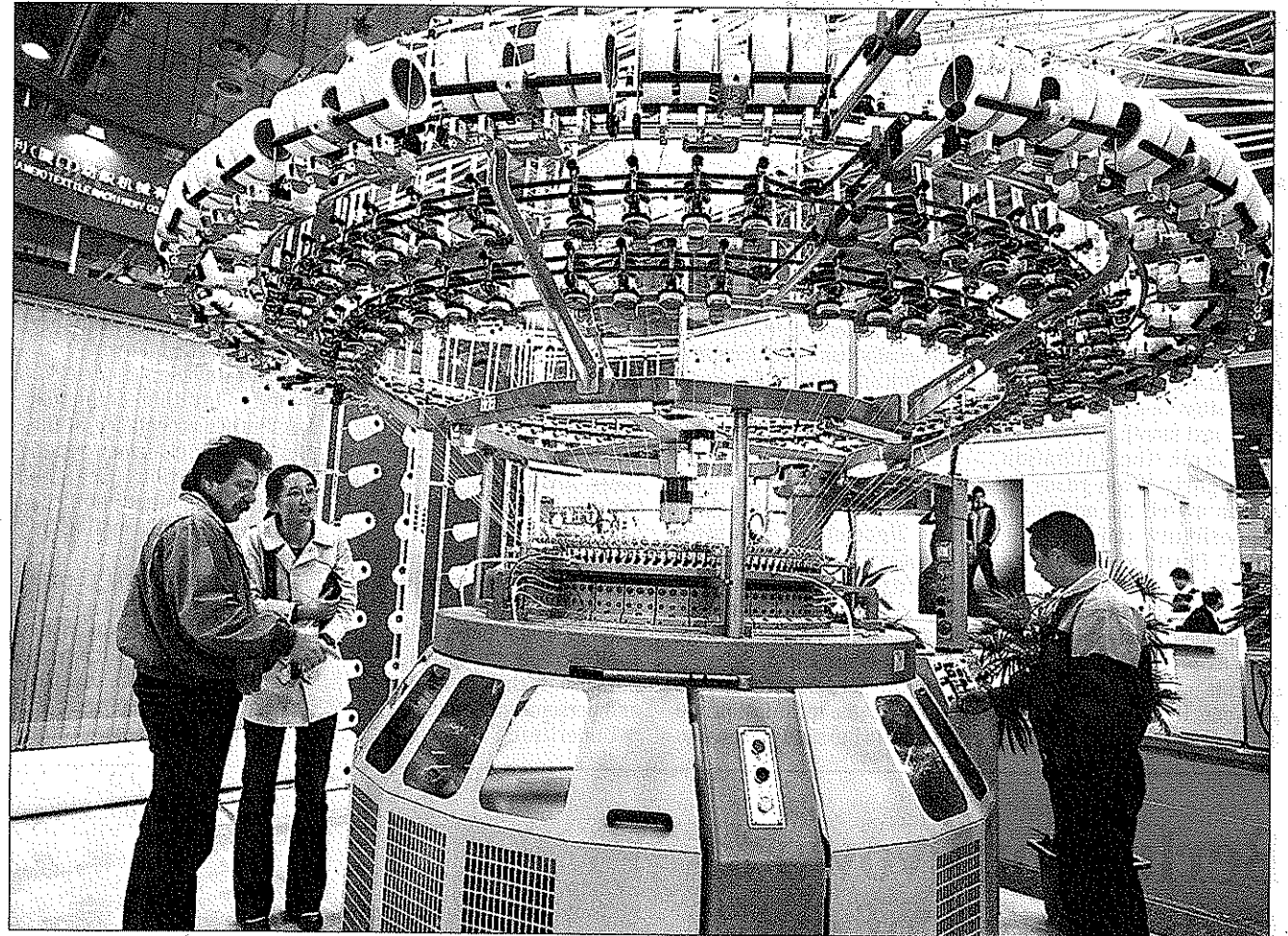
Foreign-invested businesses have provided a strong boost to the city's economic and social development and have so far created jobs for 780,000 people, about 40 percent of the city's total work force.

Such firms generated about 7 billion yuan in revenue last year, which is 35.4 percent of that generated by domestic enterprises in Qingdao.

Foreign-invested firms also account for 60 percent of the city's total export volume.

"Qingdao will open wider to the outside world and improve its foreign-oriented economic system to forge new advantages in international competition," Xia said.

Qingdao plans to introduce more foreign investment to backbone industries such as manufacturing, modern service, eco-friendly and energy-saving industries, and hi-tech research, and also attract multinationals to set up production bases, research cent-



A technician from Pilotelli (Xiamen) Textile Machinery Co Ltd introduces the company's machines showed at the 9th China (Qingdao) International Textile Machinery Fair.
Ju Chuanjiang

ers and regional headquarters in the city.

Qingdao is applying for a tariff-free zone at Qianwan Bay and plans to build a free trade zone.

The city has taken many

measures to create a sound environment for attracting foreign investment, such as helping foreign-funded firms reduce operational costs and offering better living, education and healthcare conditions

for investors.

In addition to its bid to attract increased foreign investment, the city is also pressing ahead with the strategy of "going global", with some 40 enterprises from Qingdao having opened

branches in more than 20 countries and regions.

Buoyed by the success of Qingdao-based companies such as Haier, the city's businesses have made investments in 54 countries and regions.