

Guangzhou looks to become global exchange center

China's southern gateway branches further out with expanded airport



Guangzhou in Guangdong province is taking measures to become a global exchange center. HE YONGDANG / FOR CHINA DAILY

By CHEN HONG
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Processing an increasingly competitive airport with more international routes, Guangzhou in South China's Guangdong province, will leverage its ambition to become a global exchange center.

As China's southern gateway, Guangzhou released a three-year action plan in May on its new role as an international exchange center, a heavyweight in the global community, to demonstrate the achievements of China's reform and opening up to the world.

A well-functioning airport, along with many other characteristics, including wide diplomatic connections, frequent international activities, advanced infrastructure and an impressive city image, are aspects such a center should feature.

In late April, the city's only airport, Guangzhou Baiyun International Airport, put its second terminal into operation, which is the largest single terminal building on the Chinese mainland with a floor space of 658,700 square meters.

In the first half of this year, the passenger throughput of the airport rose 7.2 percent year-on-year to reach 34.2 million passengers. In two years, it is expected to exceed that of Hong Kong International Airport, which ranked eighth in the world by passenger traffic in 2017, if the growth is main-



Delegates from Guangzhou swap opinions at a promotional event in London for the 2018 World Route Development Forum in Guangzhou from Sept 16 to 18. PHOTOS PROVIDED TO CHINA DAILY

tained, said Deng Jianqing, deputy director of the Guangzhou Airport Economic Zone Administrative Committee.

"The passenger throughput of this year is projected to reach 70 million, which will surge five to six million a year to make sure the goal of 80 million could be fulfilled by the end of 2020," Deng said.

The international routes of the airport will also be expanded as it is aiming to become an international aviation hub.

"In 2018, we will seize the opportunities brought by the Belt and Road Initiative. Coupling with the construction of airports in the Guangdong-Hong Kong-Macao Greater Bay Area and the strategic positioning of Guangzhou, we have proposed a route expansion plan to open more inter-

national direct flights," said Zhang Kejian, chairman of the board of directors of Guangdong Airport Authority.

According to the airport, it plans to open 30 new international routes in the next three years, which will connect the Chinese southern city with Madrid in Spain, Chicago and Boston in the United States, Casablanca in Morocco and some capitals of Asian countries that have not yet been covered.

Statistics from the airport indicate that nearly 80 Chinese and foreign airlines are operating there, which have served about 220 destinations around the world with more than 300 routes, including 162 international ones.

According to the city's blueprint, the construction of an international aviation center

will be basically achieved by the end of 2020 when the passenger traffic steps into the world's top 10 and the cargo and mail throughput enters the top 12.

It will be further increased to more than 100 million by passenger traffic and 3.5 million tons by cargo and mail throughput by 2025, when the mission is substantially accomplished and a comprehensive transportation network, which is composed of aviation, high-speed railways, city rail, subways and roads, is fully operational, according to the city's blueprint.

"The aviation hub is really important to the development of the city as it can attract a pool of quality talent around the world to Guangzhou," said Wang Meng, executive

chairman of the Guangdong Investment Promotion Association.

For example, direct flights are operating between Guangzhou and Taiwan, which can effectively attract integrated circuit professionals from the island to fuel the IC industry in Guangzhou that the local government has attached much importance to, she said. The city will have more chances to be picked up as a destination for a transnational corporation's headquarters in the Asia-Pacific region, Wang added.

"Many executives are moving their homes to near the airport to facilitate their frequent business trips. The convenience of the airport has been an essential element of the top-tier talent to consider whether to work or not," Wang told China Daily.

According to the city's three-year action plan on building an international exchange center by 2020, it proposes to construct the second airport in the city and intensify international flight routes, so that it can take as little as 12 hours to reach most of the important cities in the world.

It also plans to turn the city into a high-end destination for international conferences and build it into a "capital of exhibition" with global impact.

Guangzhou is also encouraging overseas talent to start up their businesses and attracting leading international schools to set up their branches in the city.

Upgraded facilities come of age as leading aviation hub

By CHEN HONG

Businessman Cui Xinyu has witnessed the growth of Guangzhou Baiyun International Airport, the transition from being a worthy domestic facility to its approach path towards becoming a fully fledged international aviation hub.

As chairman and general manager of Wilmar (China) Oleo Co, a wholly-owned subsidiary of Singapore-listed Wilmar International Limited, Cui traveled on more than 120 flights last year, flying to major cities in China and such foreign destinations as Singapore, Indonesia, Japan, the United States and Europe.

"The airport in Guangzhou has been equipped with one of the best hardware facilities that I have seen, especially the auto-check and self-help clearance system for international flights," Cui said.

With the application of chip-sensing technologies, travelers need not turn the pages of their passports for examination, which is much more convenient than the scanning verification system still used in many other airports, he told China Daily.

Baiyun airport first went into use in the 1930s and moved to its current site, from the Baiyun district of Guangzhou, in 2004. The airport's Terminal 2, one of the largest single terminal buildings on the Chinese mainland, opened its doors on April 26.

As the parent company's southern operational headquarters is located in Guangzhou, Cui said he and his colleagues frequently depart from Guangzhou as the domestic and international flights could fully satisfy their business traveling requirements.

Cui observed that the shopping and leisure environment of Terminal 2 has been much improved from Terminal 1, an attractive feature for transferring passengers.

"Apart from the international brands such as Starbucks and KFC, Terminal 2 catering services also include local restaurants — highlighting Guangzhou's posi-

16
million

international passengers traveled through Baiyun International Airport in 2017

tion as a city of gastronomy," Cui noted.

Having lived and worked in Guangzhou for 22 years, he said the city had upgraded the infrastructure and developed its local aviation industry in its own way, reflecting its own historical and cultural background and the needs of its booming economy.

The Guangdong-Hong Kong-Macao Greater Bay Area, one of the most economically dynamic regions in China — formed by Hong Kong, Macao and nine cities in Guangdong, where several airports have been located — needs coordination by the central government to diversify their functions and make them complementary to each other, Cui suggested.

"Given its historical and present significance, Guangzhou can take the leading role to develop the aviation hub and lead the others to grow together," he said.

The numbers of international and transfer passengers — one metric to measure the globalization of an airport — have increased markedly.

Statistics from the airport show that it served nearly 16 million international passengers last year, representing an increase of 17.6 percent year-on-year.

The numbers also showed that transit passengers rose 18.6 percent year-on-year to nearly 8.2 million in 2017.

Guangzhou airport has replaced Hong Kong and Dubai to become the largest transit point for passengers traveling from European and African countries to Australia, said Deng Jianqing, deputy director of the Guangzhou Airport Economic Zone Administrative Committee.



The aviation industry in Guangzhou has facilitated local economic growth and opening up in recent years. LEI XIAOQIAO / FOR CHINA DAILY



A passenger uses self check-in facilities in Baiyun airport in Guangzhou.

High-end industry powers economic growth in southern metropolis

By CHEN HONG

The airport industry in Guangzhou served as a new engine for the city's economic developments and has contributed nearly 7 billion yuan (\$1.02 billion) in tax revenue accumulatively from 2014 to 2017, with an annual growth of 17.8 percent per year on average, according to official figures.

As one of China's 12 pilot zones for the airport industry, the Guangzhou Airport Economic Zone has so far established five high-end airport industrial clusters for aircraft maintenance and passenger aircraft conversion to cargo aircraft, aviation logistics, aviation headquarters business, airport cross-border

e-commerce and aircraft leasing.

The Guangzhou municipal government issued a three-year action plan from 2017 to 2019 to promote the construction of the city's international aviation hub and airport economy.

A total of 43 projects were signed and started construction in 2017, with an aggregate investment of more than 70 billion yuan.

Boeing and Airbus, the top two aircraft makers, both settled their passenger-to-cargo aircraft projects in the zone, making it the country's largest maintenance center for aircraft and the largest base for converting passenger aircraft into cargo aircraft, according



Guangzhou Airport Economic Zone has established a strong position in high-end aircraft maintenance in China.

to local officials.

Statistics from officials show that the maintenance

business earned 3.13 billion yuan in 2017, representing an increase of 17.7 percent from

a year before and up 1 billion yuan from that of 2014.

Meanwhile, a group of

domestic and foreign logistic giants, including FedEx, DHL and SF have set up companies or logistics bases inside the zone, making it one of the largest airport logistics centers in China.

Imports and exports rose nearly 28 percent year-on-year to 16.6 billion yuan in 2017, maintaining a double-digit growth over the past few years, according to figures provided by the zone.

E-commerce in the airport economic zone also recorded strong growth. Imports and exports of cross-border e-commerce products surged more than 50 percent to reach 3.7 billion yuan, according to official figures.

China Southern Airlines, one

of the biggest airlines in Asia by fleet, which is headquartered at Guangzhou Baiyun International Airport, has continued to increase its air capacity in the countries and regions involved in the Belt and Road Initiative, said Wu Guoxiang, senior vice-president of Marketing and Sales Division of the carrier.

The airline has just opened new international routes including Guangzhou-Danang, Guangzhou-Rome, Guangzhou-Sanya-London and Guangzhou-Lahore.

Twelve new destinations have been added this year, and Baiyun airport's route network now covers 48 cities in 29 countries involved in BRI, which give the airport industry a big boost, Wu said.