

Overland to Thailand and Singapore

By LI YINGQING, HAN FENG and LIAO XINGYANG in Kunming

With booming trade links to Southeast Asia and the Indian Subcontinent, Kunming is expected to become a regional logistics hub in 20 years, Ruan Fengbin, the city's deputy mayor, told reporters before the China International Logistics Week opened in the city yesterday.

Since the China-ASEAN Free Trade Area became operational in 2010, authorities have stepped up efforts to improve Kunming's logistics infrastructure, according to Ruan.

With a number of railways, highways and an air transport network reaching other parts of China and neighboring countries, Kunming is already the cargo hub for Southwest China.

But new facilities are still planned, including five international and national highways, five international dry

ports, 10 logistics parks and 14 cargo distribution centers.

"Logistics is an industry that is now bringing great changes to the world," Ruan said.

"Today in Kunming, we can have easy access to commodities from all over the world — fruit from Thailand, red wine from France and ores from Australia."

Yet Ruan admitted there are still many challenges ahead.

One of the problems is high transport costs to and from the landlocked city.

"Logistics now account for almost 23 percent of local gross domestic product, much higher than the national average of 18 percent," the deputy mayor said.

Ruan said joint efforts by governments and logistics enterprises are needed to solve the problem, such as expansion of infrastructure facilities, the wide use of information technology and tax breaks.

Ruan also urged closer cooperation between Chinese and



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RUAN FENGBIN
DEPUTY MAYOR OF KUNMING



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foreign logistics companies.

In February, he headed a delegation to visit Laos, Thailand, Malaysia and Singapore to promote the city's logistics week.

As he traveled on the highways from Kunming to Bangkok and Singapore, it was also a research trip on logistics.

"We drove all the way to Singapore during an 11-day trip with at least 10 hours in the cars every day," Ruan said.

"We are satisfied with the new highway. Except for a

bridge linking Laos and Thailand over the Mekong River, the project is almost complete," Ruan added.

But he noticed that there was not too much traffic on the road.

Ruan discussed the issue with local governments, agreeing that closer partnership among logistics companies is the key to the industry's development.

"The governments in the regions already have close cooperation, but the links among the enterprises are not close enough," Ruan said.

He suggested logistics companies should learn from travel agencies to forge "seamless cooperation."

"A tourist group trip from Kunming can be well arranged by a travel agency in Bangkok because of the cooperation between agencies in different countries," Ruan said.

"This should also be used in the logistics industry,"

Ruan said he believes the ongoing logistics week should be a good opportunity to bring together the region's logistics enterprises for forging closer partnerships.

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The eighth China International Logistics Week opens in Kunming on May 6.

Logistics week highlights growing hub of Kunming

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Expected to give a strong boost to the local industry, Asia's largest and most influential logistics show kicked off on May 6 in Kunming, the capital of Southwest China's Yunnan province.

The eighth-annual China International Logistics Week, which will continue until May 8, is highlighting ways to further internationalize the sector by sharing the best practices in the industry, according to organizers.

"The event will present unprecedented opportunities for Kunming's logistics industry," said Chen Siwei, vice-chairman of the Standing Committee of National People's Congress.

The city's logistics industry will benefit from the provincial government's strategy as a "gateway" for trade and investment in Southeast Asian and South Asian countries, as well as the central government's Western Devel-

opment program and the China-ASEAN Free Trade Area that began operation in 2010, he added.

Participants from neighboring countries also deem the event a good opportunity to promote cooperation with Yunnan.

Kate Choomchaiyo, director of Thailand's Office of Trade Logistics, said: "Trade between Thailand and Yunnan grows steadily in recent years, which offers ample space for logistics cooperation."

The China International Transportation and Logistics Expo is a major component of the three-day event.

Covering more than 30,000 square meters, the expo is displaying a large variety of products, technologies and services from globally renowned transportation and logistics businesses.

It has attracted not only individual visitors but also delegation groups from six countries and regions including Thailand, Singapore, and

South Korea.

The expo first held in 1995 is the largest and oldest of its kind in China and Asia as a whole. It has previously been held in Beijing, Shanghai, Guangzhou, Chengdu and Nanjing.

The logistics week also includes a global logistics forum and the China logistics industry awards ceremony.

A seminar on Kunming's gateway strategy and the Pan-Asian logistics summit forum are new highlights of the events.

The host city of Kunming holds a pivotal position in Yunnan's strategy to ship goods to other Asian regions to the south.

Yunnan shares a border more than 4,000 kilometers long with Vietnam, Laos and Myanmar. It also offers the gateway to an overland shortcut to the Indian Ocean.

Kunming, the hub of Yunnan's land and air transportation network, is also a logistics and financial center serving the region's booming cross-border trade.



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Domestic and foreign business representatives talk about cooperation at the event.