

Creating a Fair Field

Xiamen's signature annual trade and investment event gets new drive

By Zhang Shasha

It is summer in China, and Xiamen, the famed coastal city in southeast Fujian Province that historically played a key role in the Chinese exploring trade opportunities abroad, has its dog days' features on full display. It is hot and humid despite the sea breeze, and lush, ripe mangos dangle tantalizingly from bent tree branches. The bike lanes are deserted, except for a stream of diehard afternoon runners, since Xiamen is also famous for its marathons.

Another other prominent feature is the big golden key on Huandao Road, the snaking ring road that encircles Xiamen Island and provides dazzling glimpses of the sea and exquisite scenic spots. Look again, and the key turns out to be an ingenious combination of the figures 9 and 8. Propped on two stone columns, it is a giant version of the logo of the China International Fair for Investment and Trade (CIFIT), and a reminder that the annual event—which each year starts on the eighth day of the ninth month, Sept. 8—is around the corner. The key is emblematic of the fair opening the door to investors around the world.

CIFIT began in 1987 as a local foreign investment and trade fair. In 1997 it became a national event, and was taken over by the Ministry of Foreign Trade and Economic Cooperation, the predecessor of the Ministry of Commerce, and was officially named CIFIT. In the past five years, more than 100,000 businesspeople from over 100 countries have participated in the fair. With more than 30 years of history, CIFIT has become an integral part of China's investment landscape.

"As the largest global investment event recognized by the Global Association of the Exhibition Industry, CIFIT can hold its own with any international investment fair," Wang Qiongwen, Director of the Xiamen Municipal Bureau of Convention and Exhibition Affairs, told *Beijing Review*.

Going global

Last year, President Xi Jinping sent a letter to the CIFIT authorities, acknowledging the fair's contribution to China's reform and opening up, and urging it to go even more global.

China's opening up will only become wider, the letter stated. It expressed hope that CIFIT, focusing on two-way investment promotion,

would start to create a more international, professional and branded platform, and play an active role in pursuing opening up on all fronts, and building an open world economy.

The CIFIT organizing committee has held roadshows and other promotions in 17 countries in Africa, South America, Southeast Asia, the Middle East and Europe in advance of this year's fair.

"We are happy to see CIFIT transformed from a one-way platform to attract foreign investment to a bilateral investment promotion platform," Rafael Torres, Vice President of the Peruvian-Chinese Chamber of Commerce, said.

"There is a huge consumption market in China, and CIFIT provides participants with an opportunity to learn the local investment environment, policies and projects in China," He Jun, Economic-Commercial Counselor at the Chinese Consulate General in São Paulo, Brazil, said.

"Global investors want to make full use of CIFIT, a shared investment promotion platform, to seek opportunities to cooperate with Chinese companies as well as other parties and countries," Wang said. "CIFIT helps countries improve and optimize their business environment, including social and economic conditions, legislation and preferential policies, so that they can attract more foreign capital."

This year is especially important for CIFIT because of the growing interest among global investors in the Belt and Road Initiative.

Proposed by China in 2013, the overland Silk Road Economic Belt and sea-based 21st-Century Maritime Silk Road initiative is building and expanding the ancient Silk Road trade routes and connecting Asia with Europe, Africa and beyond with improved infrastructure, trade links and people-to-people exchanges.

At the Second Belt and Road Forum for International Cooperation in Beijing in April, Xi

2019 CIFIT at a Glance

Held at the Xiamen International Conference and Exhibition Center from September 8 to 11, the trade and investment fair will highlight the following initiatives:



Silk Road Maritime International Cooperation Forum: Discussing how to construct the 21st-Century Maritime Silk Road to facilitate trade with port cities.



International Investment Forum 2019—The Belt and Road Investment Congress: Discussing construction of investment platforms and promoting negotiations on investment protection agreements involving government authorities, industrial players and business associations.



Digital Silk Road: A display of Belt and Road participants' achievements in 5G applications, network equipment and information safety, and promoting cooperation in the communications industry.



Green Silk Road: This will showcase Belt and Road participants' achievements in green industries including green industrial park construction, green finance and green industrial development.



Silk Road Trade Pavilion: This will showcase agricultural products, combining them with cross-border e-commerce to boost trade.

(Compiled by Beijing Review; designed by Pamela Tobey)



A freighter docked at a terminal in the Xiamen area of the China (Fujian) Pilot Free Trade Zone in southeast China's Fujian Province, on July 11.

said China will work with all parties to advance results-oriented implementation of Belt and Road projects "in the spirit of an architect refining the blueprint."

CIFIT 2019 will focus on integrating the initiative into its projects and activities, Wang said.

A sea change

Wang recalled the first time he attended the fair in 1997, when there were about 30 countries and regions participating. The investors were mainly from Hong Kong and included Chinese expatriates from Southeast Asia. Today, the venue is six times larger, the number of activities has quadrupled and the number of participants has quintupled.

Wang said that in the 1990s, when transnational corporations like Linde, a leading truck manufacturer, and computer technology company Dell came to Xiamen, China's business environment might not have been ideal for their investment requirements. However, their arrival accelerated improvements, as the investments bettered living conditions and facilitated the development of Xiamen's urban traffic network. Public service facilities such as new hospitals and international schools were built. Subsequently, more international capital poured in.

"The optimization of the business environment does not simply mean having preferential tax or industrial policies," Wang said. "International investment is not just capital operations; it is more the introduction of talent."

To attract talent, the government must ensure that their requirements for living conditions, health and their children's education are met, which is also part of the business environment, he added.

Over the years, Xiamen's improved business environment has attracted more investors. According to CIFIT statistics, \$340 billion in foreign capital has entered the Chinese market through the fair since 1997. Xiamen ranks second among Chinese cities in the ease-of-doing-business list compiled by the National Development and Reform Commission in 2018, only behind Beijing.

According to Wang, investment cannot be accomplished in one stroke; it is a long-term process. CIFIT combines its online platform with offline events to ensure that investors get timely investment information, and online matchmaking between global investors and projects takes place all year, not just on the four days of the fair. Also, before and after each fair, enterprises are invited to visit the province highlighted as the fair's guest province, for matchmaking and promotional activities. This year's guest province is Shanxi in the north, a major coal-producing area.

In 2013, CIFIT launched a smart customer relationship management (CRM) system. Investment information is collected from both investors and enterprises, creating a rich database of industries, markets, companies and project details for global investors to find a suitable match.

As the world economy faces uncertainties due to trade protectionism and other factors, CIFIT faces challenges in promoting economic integration and investment facilitation. "But despite the challenges, we still have positive expectations about this year's CIFIT because China remains an attractive destination for investment," Wang said. "China's strong capital, and the cooperation with the countries participating in the Belt and Road Initiative, especially the Association of Southeast Asian Nations and African countries, will bring new opportunities."

The Foreign Investment Law, passed by the legislature on March 15 to replace three existing laws with unified provisions, will come into effect in January, and is expected to boost foreign investors' confidence with more institutionalized protection of foreign investment. Some of the key features of the law are equal national treatment of foreign investment, improved protection of intellectual property and reaffirmation of the ban on forced technology transfer.

Wang said future editions of CIFIT will be tailored to the new law. "CIFIT will step up efforts to enhance investment protection, services and promotion to send a positive message from China to investors," he said. ■

Scan here to watch a video about CIFIT



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