It is summer in China, and Xiamen, the famed coastal city in the global megacity of the Pearl River Delta 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 breezes, and lush, ripe mangos dangle tantalizingly from bent tree branches. The white lilies are deserted, except for a stream of diehard afternoon runners, since Xiamen is also famous for its marathons.

Another 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 exotic scenic spots. Look again, and the key turns out to be an inextricable 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 fair — 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, it was reported at the two-day meeting of the Standing Committee of the 13th National People’s Congress, as China’s GDP growth is above 6%. The meeting held from March 5 to 8 approved a draft resolution to amend the Anti-Monopoly Law, which will prohibit forced technology transfer.

China’s expanding role in the global economy is helping to enhance its image and shift the perception of China as a country that is interested only in importing raw materials and exporting manufactured goods.

Creating a Fair Field

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

By Zhang Shasha

Xiamen’s annual trade and investment fair gets new drive

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 and countries located along the coastline.

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 security, 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.

“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 the 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 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 enterprises 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 Unilever, a leading food 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.

“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.

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 said. He added that the improvement of the business environment facilitates the development of a skilled labor force that can attract more foreign capital.

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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 procedures to send a positive message from China to investors,” he said.