



(From left to right): Sculptures at Changchun International Automobile Park are meant to convey the history of China's motoring industry, while nature is the show at Changdongbei Urban Ecological Wetland Park and Jingyuetan National Forest Park attracts throngs of newlyweds taking wedding photos.

City on the move

Bustling streets, magnificent sculptures, acres of green and towering buildings under construction: **Mark Hughes** reports that Changchun is reinventing itself.

Small wind turbines and photovoltaic cells adorn the street lights on the new roads cutting a swath through muddy fields that support a distant horizon of partially completed tower blocks, warehouses and manufacturing plants, benignly overseen by a tangle of heavy-duty cranes, much as their avian equivalents swoon parentally over their young.

Welcome to Changchun, capital of landlocked Jilin province in Northeast China, a city best known for automobiles and grain and a province that borders Russia, North Korea and Inner Mongolia autonomous region.

Here, minds are buzzing with thoughts of the future economy: what to make, how and where to sell it and how to keep the cycle turning ever faster. But it's not just thoughts. Action is the key and action is what Changchun is all about.

This relatively small city with a population of about 7.5 million is reinventing itself. Here, in the middle of 4.89 square kilometers, work started at the end of last year here on building Jilin's first tax-free zone — Changchun Xinglong Comprehensive Bonded Zone. The first phase will be completed within a year and at the rate things are moving it looks like the target will be met as 3,000 men and women toil away, preparing a site that will eventually employ 30,000. Already a magnificent entrance gate and adjacent 13-story customs house have been completed and several roads linking to the easily accessible airport expressway, the new high-speed train station, and many main roads are under construction. Free new homes and rentable commerce centers for displaced families have been built and more are on their way, with government sponsored retraining thrown in for the former farming community.

But this isn't the only thing moving in Changchun. There are three other areas ambitiously developing in a very contrasting fashion: a national high-tech industrial area, a forest park and Changchun Automotive Economic Trade and Development Zone. Their plans are huge, aimed at the better good of everybody and they are inspiring. But more on them later. Back to the dusty, muddy plains of southeast Changchun.

With an investment of 3.12 billion yuan (\$495.1 million) from the city and other economic zones, fields once famed for their corn harvests are taking on a new look.

This will be the 19th national level tax-free zone in China.

Yu Haijun, vice-department head and vice-general manager of Chang-

chun Xinglong Free Trade zone management committee, said it is mainly aimed at exporters as a way of boosting Jilin's import and export market. It is part of the State's opening-up policy and is ideally situated for trade eastward with North Korea, as it takes its first tentative steps toward its own opening-up policy, northward with Russia, where transnational trade is recovering, and the advancing Mongolian economy to the west. Japan and South Korea are also in the equation. The port city of Hunchun in Jilin is better located for trade than Dalian to the south.

Already 17 companies have signed contracts worth 2.68 billion yuan. A total of 35 more are under negotiation. Inside the zone, a 40,000-sq-m plant building will be built for companies to invest here meanwhile, outside the zone, a same sized car parking place will be built "In a very short time we can attract companies and because of the entry of factories and a rising population, land prices are being driven up," said Yu.

The zone managers are looking for five principal industries to buy into the zone: export-centered automobile makers (six or seven have already signed up, said Yu); the photovoltaic industry (which draws on Changchun's 18 full-time universities and colleges, 39 state and provincial-level scientific research institutions and 11 key national laboratories); logistics, taking advantage of the excellent transport links; companies that conduct testing for high-end cars and bio-medicine, and, finally, the international goods trade, taking advantage of the all-year-round expos Changchun hosts and the new 100,000 sq m exhibition center planned for the city. Specifically in the latter category, Yu envisages luxury goods, the arts and red wine from France and the Americas, although the main thrust will be Russia and Asia.

If all that sounds ambitious, remember, Changchun has successful reinvented itself before.

High-tech park

As far back as 1991, the city elders conceived of setting up the region's first enterprise area. And so Changchun National Hi-Tech Industrial Zone was born, one of the nation's first. Its customers included big names such as Walmart, Ford, GM, Siemens, Volkswagen, IBM and Toyota.

Three years ago, under the global economic crisis, officials of the city have formulated and implemented a new round strategic planning for the city's high-tech zone, trying to attract

creative industries with its better infrastructure, excellent industrial climate and preferential tax policies.

Here they nurture new energy cars, bio-vaccines, semiconductor lighting and optoelectronics, the animation industry, high-quality food and automobile parts in a diverse but thoroughly modern home. The SARS vaccine was developed here, the biggest biomedicine base in Asia, as was equipment for China's space ship.

Over the past three years, 63.47 billion yuan has been invested in the park, which is 2 times of total investment of the past 18 years, and most of them are from non-traditional industries. Last year, the gross revenue of the whole area exceeded 300 billion yuan, a year-on-year growth of 25.9 percent, and 2.2 times of that in the year of 2008.

The growing band of venture capitalists and private equity groups are showing interest in this project, which is scheduled for completion by 2020, with most being built by 2015.

Total output last year was 300 billion yuan, twice the figure for 2008, according to Liu Lin, director of the information office of Changchun Hi-Tech Development Zone. Its biggest fixed asset investment was 35.4 billion yuan in 2011, three times the 2008 figure.

"In 1991, at the very beginning, general output was 160 million yuan. After two decades of development, the high-tech zones have become the engine of the nation, driving China's development," said Liu. "The most important thing is China is developing major entrepreneurs. Many scholars from universities and institutions have set up their own businesses and are becoming the new force behind the nation's elevation."

The zone has a fund of 114 million yuan to offer grants from 600,000 to 2 million yuan to startup businesses. It has attracted 79 researchers from home and abroad in the past three years, including "Mr Wi Fi" Chen Yu Hua from the US.

Auto park

It was automobiles that first brought manufacturing fame to Changchun and they remain a fixed part of its firmament.

The city boasts of being the cradle of the country's car industry. China's first truck, first self-owned car and first rail car were produced here. China's largest automobile maker, FAW Group, is the driving force behind the local economy, ahead of agriculture and supporting a host of service industries. FAW is No. 1 in the China Machinery 500 list, 49th in the world's top 500 machinery and 303rd in the world's largest

500 machinery businesses. It provides about 20 percent of China's total manufacturing output.

Which brings us to our third industrial park: the Automobile Industrial Development Zone.

This southwestern part of the city occupies an area of 110 sq km and has a population of 223,000. It contains 3,160 businesses and produces 1.2 million automobiles a year. The zone's GDP last year was 40.4 billion yuan. Its total industrial output was 130 billion yuan. Foreign direct investment amounted to \$1.5 billion.

The zone's managers have the ambitious target of more than doubling its GDP by 2016 to 90 billion yuan, with industrial output of 300 billion yuan. They aim to achieve production of 2 million autos a year by 2016, making it one of the biggest automotive centers in Northeast Asia.

To help it achieve that end, they have created a 10 billion yuan innovation fund and imported 20 research and development institutions. They admit that the price and performance of Chinese cars is not good enough to achieve overseas sales but point out they are selling engines to Mexico, Russia, Cambodia, and some Middle East countries such as Iran. They want to import a further 1,000 companies, 50 percent of which will be Chinese, bringing the "parts people" closer to the final assembly.

The zone was set up on the back of an 11 billion yuan bank loan, of which 6 billion has already been paid, using profits from land sales and taxes from companies within the park. In addition, 2 billion yuan has been spent on education and the general welfare of the local population, including the establishment of a sculpture park celebrating the history of the motor car.

Forest park

"We want to make it a harmonious residential community," said Ding Wentao, vice-director of the National Changchun Xixin Economic-Technological Development Area. "In the coming years we will pay attention to the welfare of the community to ensure they have a better life."

Indeed, there has to be a balance between work and leisure and that is found in Changchun's fourth special area, the nation's first of its kind: Changchun Jingyue National High-tech Industrial Development Zone, a tranquil haven of greenery, flowers and lakes in spring, summer and autumn and a winter wonderland of snow and ice from November to the end of March.

The zone, which started simply as a tourist site in 2003, added an economic dimension in 2006. It consists of 430 sq km of land and water, 51 percent of which is lakeside.

There are no polluting industries within it. The businesses it hosts are advanced services, high-end culture and animation. They occupy Jing Yue Park, the university part of

the city and a high-tech zone to the west of



the city.

"It's a healthy, green, environmentally friendly place for the whole province to enjoy," said Chen Keshi, director of the zone's information office. "We hold big tourism expos and international skiing competitions. We try to balance nature and industry."

Intriguingly, the 100 sq km of forest was entirely planted by residents, making it one of the biggest manmade forests in the world. "We call it the eyeball of the city. It's also the lungs," added Chen.

Harbin, to the north, is colder than Changchun's minus 23 Celsius outside in winter, and it has laid claim to fame with its ice sculptures. In response, Changchun has developed the snow industry, centered in the zone.

The main skiing competition is the Sweden-founded Vasaloppet, which allows all ages and skill levels to enter. The youngest local was aged 3 and the oldest 82. A total of 500,000 locals have been trained to ski free of charge.

"We bring a very new way of life to the citizens," added Chen. "In the past there was nothing to do in winter except sit indoors. Now they can come here. We also act as a bridge between Changchun and the world. Every year, hundreds of athletes visit from all corners of the world for the Vasaloppet. One year we had 30,000 entrants in total."

Four countries host the Vasaloppet over three months every year: Sweden, China, Japan and the US. A trade-off is cultural exchange which forms a platform for economic cooperation and an annual trade conference between the participating countries.

The zone made 100 billion yuan in 2011, a tiny percentage of which came from the annual 200 yuan entrance fee charged to locals.

As it approaches its 10th anniversary, what does the future hold? After a successful promotion of hiking three years ago, orienteering is the new thing. There are 84 species of wildlife including deer and foxes in the park, and many types of birds and fowl to please ornithologists. One frequent visitor is a friendly Arctic fox.

"The key aim is to make an eco-friendly city for people. People come here to have their wedding photos taken. It is a place of love and happiness, a place of love and youth, a place of modern fashion. It captures the essence of the city's aspirations."

Indeed it is a city where old and young, the past, present and the future have an intense, dynamic harmony.

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Enticing Jingyuetan National Forest Park exudes special charms in various seasons.