

## **Speech at World Shipping(China) Summit Press Release**

*by Mr. Wang Futian, vice president of COSCO*

Ladies and Gentlemen,

First of all, I would like to thank all the media companies, on behalf of COSCO group president Mr. Wei Jiafu and vice president Mr. Zhang Fusheng for participating today's press release of this first World Shipping (China) Summit.

Since its open-up policy from 1978, China has delivered an increasing strong status and influence, with its rapid development in economics and foreign trade. Taking shipping as an example, currently China's ocean fleet totaled 37 million deadweight, a 4.3 times increase compared with the pre open-up era. Its position has jumped from the 12th in 1978 to the 4th today. China successfully gained its status as A-class member of the International Maritime Organization (IMO), becoming one of the eight A-class countries of the total 155; and it has maintained this status since then. China has become a globally recognized major shipping country.

The world shipping market displayed an unparalleled prosperity in 2003, while China was in no doubt the brightest spot. The "China Factor" has been the major driving force behind the robust rallies in all of the major shipping market sectors: container liner shipping, dry bulk shipping and oil shipping over the past year. The "China Factor" is changing the patterns of global trade, raw material and energy demand and supply, and the shipping market served for these purposes.

At present, to ensure the stable growth in the state economics, the government has issued a series of macro-regulated policies, in order to control the inflated fixed asset investment and credit expansion, curbing the shortage in coal, electricity, oil and shipping, and directing to more healthy developments of the national economy. The shipping market, under the influence of this policy, has reacted quickly, with different degrees of fall-back in freight rates and volumes, especially in the dry bulk shipping sector. This has prompted the plunge of some shipping companies and the shipping market has obviously felt the pinch after this tightening policy.

To foster further discussions of the impact of China's trade pattern and new government policies on the world shipping market, China's largest shipping group COSCO has joined up with an internationally renowned maritime consultancy Drewry Shipping Consultants in London, and one of China's largest shipping media groups Maritime China, to hold this very first world annual shipping summit "World Shipping (China) Annual Summit"

in 2004. This year's summit will focus on the "China Factor". Key Chinese government officials, senior figures from renowned international and domestic companies and institutions engaged in shipping and related businesses, investment banks, and globally recognized research and consultancy experts and academics will be invited to speak on all of the issues. This will forge an in-depth debate on the structural impact of the "China Factor" both on global trade and the shipping markets. The annual summit will offer those participating a clearer picture of China's future trading requirements and its role in the world's maritime industries.

To date, there have been a large number of senior executives accepting our invitations and they will speak at the conference. These include Boao Forum chairman Mr. Long Yong-tu, Director of R&D Center of the China State Asset Administration Committee Mr. Wang Zhongming, Director of Trade Development Department of Ministry of Commerce Mr. Lu Jianhua, Director of Water Shipping of Ministry of Communications Mr. Zhang Guo-fa, the world's largest shipping company NYK's chairman Mr. Takao Kusakari, President of China Bao Steel International Mr. Liu Yongshun, Chairman & CEO of the Qingdao Port Corporation Mr. Chang Dechuan, General Manager of the DVB Bank Far East office Mr. Paul Zhang. COSCO's president Mr. Wei Jiafu will also be present and deliver a speech.

To encourage the atmosphere and increase networking opportunities for delegates, this summit will also invite all delegates to attend a free golf tournament, and their partners for a one-day Hutong cultural tour.

In the future, COSCO will be hosting this World Shipping (China) Summit event annually, jointly with domestic and overseas companies. We hope and also believe that, the annual summit will foster an exchange platform for international and Chinese enterprises, and will be dynamically positioned to master the future market pulse, discern client needs and create commercial opportunities for all those involved.

Mr. Wang Futian  
vice president of COSCO Group  
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