

News report about World Shipping (China) Summit 2007 by Bloomberg

Nov. 1 (Bloomberg) -- Wei Jiafu, president of China Ocean Shipping (Group) Co., comments on globalization and the dry-bulk market. He spoke in an interview at the World Shipping (China) Forum in Tianjin, northern China today. China Ocean Shipping is selling the world's largest dry-bulk fleet to its Hong Kong-listed unit China Cosco Holdings Co.

On China's role in globalization : "China has actively merged into globalization. China is a beneficiary as the hottest investment destination."

On dry-bulk markets:

"Traditionally, the shipping market followed the cycle of world economy and trade. Global dry-bulk volume grew 5 percent in 2007, mainly boosted by iron ore and steaming coal. Iron ore has replaced grain as the major driving force in the dry-bulk market."

On changes in the shipping market: "Competition is changing into 'co-competition,' like strategic partnerships with cargo interests -- just price-cutting is totally unacceptable. It's also necessary to have vertical integration in the industry. We will stick to co-operation."

Nov. 1 (Bloomberg) -- Qingdao Port Group Co., operator of China's biggest crude oil import terminal, said it may handle 17 percent more containers this year as economic growth spurs demand for sea transportation.

The company's container turnover may reach 9 million 20-foot standard boxes this year, Chang Dechuan, chairman of Qingdao Port, said in an interview in Tianjin today. Total cargo traffic may rise 23 percent to 270 million tons this year, Chang said.

Qingdao Port is adding berths and expanding capacity to meet China's surging oil demand. The company plans to raise as much as 4 billion yuan (\$537 million) in an initial share sale for expansion, Vice President Wang Shaoyun said in August.

The company, which originally aimed to sell shares by the end of September, is still waiting for the government's decision on the listing, Chang said today.

Nov. 1 (Bloomberg) -- Li Shaode, president of China Shipping (Group) Co. comments on share sales, new orders and the outlook for the shipping industry. He made the comments in an interview at the World Shipping (China) Summit in Tianjin, northern China, today.

China Shipping is the parent of China Shipping Development Co., an operator of oil tankers and very large ore carriers, or VLOCs, and of Hong Kong-listed China Shipping Container Lines Co.

On share sales : "Our first priority is to list our container unit back in the mainland. The final goal is to list the group, or main body of the group, according to the timetable of the State-Owned Assets Supervision and Administration Commission. An A-share sale of the container unit will be completed this year."

On China Shipping Development's fleet : "The company has ordered eight 23-ton ore carriers and four 30-ton ore carriers, to be delivered from 2010 to 2012. We've signed agreements with major steelmakers to guarantee our profit and to help them control costs.

"We've also completed negotiations on building another 22 bulk ships with a total volume of 57,300 tons. The ships will be delivered from late 2008 to 2011.

"We're in talks to add more VLOCs. We now have a fleet of 12 VLOCs."

On the outlook for the shipping industry:

"The shipping industry will continue to grow for a long time, in line with China's

economic development. The cycle is becoming longer, which offers opportunities to shipping lines."

Nov. 2 (Bloomberg) -- Tianjin, aiming to challenge Shanghai as a Chinese commercial centre, will raise the annual capacity of its new airport to 40 million passengers by 2020, four times the amount it will be able to handle when it opens in March.

The airfield, due to open in March, will likely reach this figure ahead of schedule, Qi Ronglin, deputy director of Tianjin's Municipal Commission of Communications, said in an interview in the northern port city yesterday. Beijing Capital Airport Group Corp., parent of the operator of the Chinese capital's airfield, is funding most of the project, he added.

Mayor Dai Xianglong, a former central bank governor, has expanded Tianjin's port, won investment from overseas companies including Airbus SAS and plans to make the city the first in

China where residents can buy Hong Kong-listed stock. The new airfield would compare with Beijing Capital, Asia's second-busiest, which handled 48.7 million passengers last year.

"Tianjin has the potential to become a traffic hub in northern China," said Qi. "The combined advantages in aviation and shipping traffic will help boost the city's economy."

The 3 billion yuan (\$402 million) first phase of Tianjin's airport will have a capacity of 10 million passengers a year, Qi said. A second phase due to be completed by 2010, will add a second runway and double the capacity to 20 million, he added.

Airbus Plant

Airbus, the world's largest commercial aircraft-maker, will also use the airport to test A320s made in the city, Qi said. The planemaker plans to begin deliveries from the assembly plant, its first outside Europe, in 2009.

Tianjin's existing airport, which is likely to handle 3.8 million passengers this year, will be turned into an all-cargo facility to support the city's growth as a freight hub, Qi said.

The city's seaport, northern China's busiest, handles about half of China's auto imports. It plans to raise its annual container volume about 70 percent to 12 million by 2010 from an expected 7 million this year, Yu Rumin, chairman of Tianjin Port Co., said yesterday.

A total of 36.7 billion yuan will be spent expanding Tianjin port in the five years ending 2010, according to the port operator's Web site. PSA International Pte and DP World, the world's second- and third-largest container terminal operators, both have stakes in ventures in the city.