

# Canton Fair special

中国日报 CHINA DAILY

## Fair adapts to China's changing economy

By ZHUAN TI

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As a showcase for China's growing economic strength, the China Import and Export Fair has evolved into the world's largest event for international trade.

In the spring of 1957, the Chinese government decided to hold the first China Export Commodities Fair twice a year in Guangzhou, the capital city of South China's Guangdong province.

Then the Chinese premier Zhou Enlai gave it a shorter name, the Canton Fair, which later became its more familiar name in the international business community.

The fair was a major step for the Chinese economy in the 1950s.

Within the context of the Cold War, Western countries had imposed economic blockades and embargoes against China in the decades following the founding of the New China in 1949.

However, through the Canton Fair, which served as the most important platform to facilitate exports — mostly primary industrial products such as farm produce and minerals — China increased foreign exchanges and was able to buy more overseas equipment and products for its economic recovery.

Since the late 1970s, when China began to implement reforms and its opening-up strategy, the Canton Fair has become an important platform to help Chinese companies go global.

Over the past six decades, the Chinese economy has evolved from its recovery in the 1950s and self-reliance development in the early decades of the New China, to opening-up period in the late 1970s. Today the country has grown into the world's second-largest economy, with its foreign trade ranking first in the world.

Throughout the process, the Canton Fair has served as a prime platform for facilitating business connections with the rest of the world, a pilot for the country's foreign trade reforms and a portal through which the outside world is able to learn about China and Chinese firms can go global.

According to the China Foreign Trade Centre, the organizer of the event, a total of 7.64 million overseas professional buyers have attended the fair since 1957. Total export deals amount to \$1.2 trillion.

As it is one of the world's top trade shows in terms of scale and influence, former Chinese premier Wen Jiabao praised the Canton Fair as a "showcase and symbol of China's opening-up" when he attended the 100th fair in 2006.

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Holona Felix, a professional buyer from Germany

Canton Fair was changed from the China Export Commodities Fair to the China Import and Export Fair, showing the Chinese government's determination to balance trade.

Since the 101st fair in the spring of 2007, there has been an International Pavilion dedicated to imported products and services from overseas.

After 10 years' development, the International Pavilion reached 20,000 square meters at the 119th fair this spring, attracting more than 600 exhibitors from overseas.

As the Canton Fair has tried to equalize its emphasis on both imports and exports, it has become a bridge for Chinese businesses to go global and for foreign companies to enter the Chinese market.

Zhang Ruimin, CEO of household appliance giant Haier Group, said his company has grown with the Canton Fair.

"Canton Fair is a crucial platform that helps us to explore the international market," Zhang said. Holona Felix, a professional buyer from Germany, said during the 119th fair: "The Canton Fair has saved us a lot of time and money to purchase China-made products, which are now more competitive in the international market due to their improving quality."

During the new era in which growth is powered by innovation, the Canton Fair will shift its focus from promoting "made in China" to promoting "created in China".

To this end, the fair will emphasize China's self-developed brands, protection of intellectual property rights and the application of new information technology.

Jin Xing, Zhou Sufen and Wang Yuxuan contributed to the story.



The Canton Fair has used various online and social media platforms to attract businesses from overseas in recent years.



## IMPORT, EXPORT EVENT HAS GROWING GLOBAL REACH

The Canton Fair focuses on trade connections with Belt and Road countries across Asia, Africa and Europe

A new complex is added to the Canton Fair in 2004, greatly expanding the exhibition spaces. PHOTOS PROVIDED BY CHINA FOREIGN TRADE CENTRE

By ZHAO SHIJUN

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The China Import and Export Fair has played an important role in promoting business connections with countries and regions along the Silk Road Economic Belt and the 21st Century Maritime Silk Road in the past six decades, according to the fair's organizer.

The event, also known as the Canton Fair in the international business community, has been held in Guangzhou, capital of South China's Guangdong province since 1957.

It is now the world's largest show for imported and exported commodities. Based on its deep-rooted connection with countries and regions along the traditional trade routes in the past few decades, the event has become an important part of the Belt and Road Initiative since the Chinese government proposed the projects in 2013.

Since the very beginning, the fair has always paid special attention to Belt and Road-related countries.

According to China Foreign Trade Centre, the organizer of the Canton Fair, eight countries along the trade route — including Malaysia, Singapore, Indonesia and Syria — attended the first Canton Fair in 1957, accounting for 42 percent of the total number of participating countries and regions.

Since China began to implement its reform and opening-up initiatives in the late 1970s, and especially since it joined the World Trade Organization in 2001, countries along the trade route have significantly benefited from business connections with China and have shown growing enthusiasm for the Canton Fair.

According to CFTC, the number of visitors and exhibitors from Belt and Road countries has averaged 70,000 in the 29 sessions since 2001, with an average growth rate of 3.3 percent. The session-on-session growth of visitor numbers as a whole averaged 1.75 percent. In addition, participants from the Belt and Road countries accounted for more than one-third of the total during the same period.

In recent years, the Canton Fair's organizer has strived to attract participants from Belt and Road countries.

The organizer said they have used various online and social media platforms to attract businesses from those countries.

For instance, they have held 42 online video promotional events for the recent Canton Fairs in 18 countries along the historical trade routes, attracting more than 3,000 businesspeople and nearly 90 local media outlets.

On social media, they have opened an Arabic-language Facebook account for Arabic-speaking customers. They also have an account on VK — a popular social media platform in Russian-speaking regions.

The organizer has used six social media platforms, including Facebook, LinkedIn and Twitter, to publicize the fair's latest information, services and exhibits.

These efforts have paid off. According to CFTC, the 119th Canton Fair, held in April and May this year, attracted more than 81,000 professional buyers from Belt and Road countries, accounting for about 44 percent of the total.



After 60 years' development, the Canton Fair has become the world's largest event for international trade.



**81,000**  
professional buyers

from Belt and Road countries attended the 119th Canton Fair this spring

**45**  
percent

of invitations to the 120th Canton Fair have been sent to countries along the Belt and Road trade routes



Businesses from home and abroad view the fair as a great platform to facilitate cooperation and build connections.



China's latest new-energy technologies are displayed at the Canton Fair.



Various intelligent applications are used at the Canton Fair to better serve visitors.

Jan Henderson, a professional buyer from the United States, attended the 119th fair for the first time this April.

He said he received in-depth information about the event, including information about products, exhibitors and all kinds of services through the Canton Fair's official website and its Facebook account.

"There was already a big show online," he said.

He said when he came to the fair's venue in Guangzhou, he could also see the capabilities brought about by various internet applications.

The organizer said they have taken new initiatives to draw businesses to the 120th Canton Fair, which will be held from Oct 15 to Nov 4.

These measures include cooperation with Chinese diplomatic missions in the Belt and Road countries and local business associations.

The organizer has also partnered with China Southern Airlines and various hotels in Guangzhou to offer preferential treatment to businesspeople from Europe, South America and Africa that are planning to attend the event this autumn.

According to the organizer, about 45 percent of invitations to the 120th Canton Fair have been sent to countries along the Belt and Road trade routes.

As the Canton Fair has greatly boosted trade ties between China and the Belt and Road countries, many local businesses and trade associations have established long-term ties with CFTC in order to assist more local companies to attend the fair.

Businesses from the Belt and Road countries have had increasing enthusiasm for the Canton Fair since its official name was changed from the China Export Commodities Fair to the China Import and Export Fair, and the International Pavilion, a zone dedicated to imported products and services, was established for the first time in 2007.

According to CFTC, nearly 6,000 companies from Belt and Road countries and regions have exhibited their products at the fair since 2007, accounting for 60 percent of the total number of exhibitors.

In addition to exhibition space, the recent Canton Fairs have included a number of forums and meetings for Chinese and overseas businesses, helping Chinese firms to go global and foreign companies to enter the Chinese market.

Zheng Jianbin and Chang Xianghui contributed to the story.

## International Pavilion gains greater influence

By ZHAO SHIJUN

The Canton Fair has developed into a comprehensive show for two-way trade since it changed its official name from the China Export Commodities Fair to the China Import and Export Fair and set up an International Pavilion for imported goods in 2007.

It has better met overseas suppliers' demands in exploring the Chinese market, offered new options for Chinese buyers and brought new products and associated lifestyles to the Chinese people.

In October 2006, then Chinese premier Wen Jiabao announced at the 100th Canton Fair that the event would be renamed the China Import and Export Fair, showing the Chinese government's efforts to balance trade, with equal emphasis placed on imports and exports.

Chinese Minister of Commerce Gao Hucheng said the renaming is by far the most important reform in the history of the fair, which is expected to increase the event's influence and enrich its portfolio.

The strategic move makes the fair a comprehensive platform for two-way trade, according to the China Foreign Trade Centre, which organizes the event.

The CFTC said the International Pavilion has provided an opportunity for overseas enterprises to better understand the Chinese market and make deals with domestic buyers.

During the past decade, the Canton Fair's International Pavilion has grown substantially in both scale and influence.

According to the organizer, the first International Pavilion was held during the 101st Canton Fair and offered 629 standard booths for 314 exhibitors from 36 countries and regions in an area totaling 10,400 square meters. The exhibition area increased to 15,000 sq m at the 102nd event and 20,000 sq m at the 108th Canton Fair.

In the past 10 years, more than 10,000 companies from 108 countries have attended the Canton Fair to exhibit their products. Countries such as India, Turkey, South Korea,



Domestic and overseas home appliance companies hold a joint show at the 117th Canton Fair.

Japan, Malaysia, Germany, Australia, Argentina and Vietnam have regularly sent national delegations to attend the trade exhibitions.

In the process, the organizer said it has accumulated extensive experience in organizing the exhibition.

Since the very first International Pavilion in 2007, the organizer has cooperated with leading local logistics companies to serve exhibitors, helping them to transport products and equipment to the venue and to arrange exhibits.

In order to attract more exhibitors, the CFTC has partnered with Chinese embassies and other diplomatic missions in foreign countries, as well as local industrial associations to hold promotional events for the Canton Fair International Pavilion.

As China is implementing its Silk Road Economic Belt and 21st Century Maritime Silk Road initiatives, more companies from regions along these traditional trade routes have shown growing interest in the International Pavilion.

During the first International Pavilion in 2007, more than 6,000 domestic buyers were invited to meet overseas exhibitors.

According to the organizer, more than 58 percent of the exhibitors

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**The Canton Fair is an ideal platform for the connection between Chinese and Indian manufacturers.”**

Denish Kansagara, a senior executive at Sagar Polytechnik Ltd

at the International Pavilion of the 118th Canton Fair last autumn were from Belt and Road countries and regions.

The CFTC said that inviting as many high-quality buyers as possible is crucial to the International Pavilion.

During the first International Pavilion in 2007, more than 6,000 domestic buyers were invited to meet overseas exhibitors.

During the 107th Canton Fair in

2010, a domestic purchase center was set up to facilitate transactions between suppliers and buyers.

In the years to follow, the CFTC has created more opportunities to better connect suppliers and buyers.

These include the combination of import and export shows in sectors such as electronics and textiles, and more networking events.

As the influence of the export show grows, more and more overseas companies view the event as an ideal springboard for entering the Chinese market.

Denish Kansagara is a senior executive at Sagar Polytechnik Ltd, an India-based manufacturer and exporter of industrial pipes. He said he has attended every session of the International Pavilion in recent years.

"The Canton Fair is an ideal platform for the connection between Chinese and Indian manufacturers. We have secured a lot of orders during the fair's import shows," Kansagara said.

Shen Guanhong and Gan Jing contributed to the story.

## SMEs benefit from increased emphasis

By ZHUAN TI

From a small family firm to the world's largest producer of sewing machines, Zhejiang-based Feiyue Group attributes its success to the Canton Fair, according to the top executive of the company.

Qiu Jibao, chairman of Feiyue Group, said his company attended the 99th Canton Fair in 2006 for the first time, immediately attracting the attention of overseas buyers because of its cost-effectiveness, and high-quality and high-value-added products.

"The Canton Fair is an important channel for us to connect with international clients and show them our strength," Qiu said.

"It's not an exaggeration to say that the Canton Fair is a strong boost to propel us into the international market," he added.

In addition to Feiyue, there are a number of Chinese companies that have grown into global leaders in their industries with the help of the event, according to China Foreign Trade Centre, the organizer of the fair.

These companies include renowned home appliance giants Haier, Midea and Chigo. One thing these companies have in common is that they have all developed from scratch: They were all small and medium-sized enterprises decades ago.

Along with the country's deepening economic reform, the Canton Fair began to highlight SMEs, especially privately-owned businesses in the 1990s.

China's privately-owned companies made their debut at the 85th Canton Fair in 1999, according to the organizer.

Since then, the fair has created a number of preferential conditions for SMEs.

To accommodate as many SMEs as possible, the organizer has been

expanding the exhibition space.

At the 91st Canton Fair in 2002, the event was divided into two phases, thus increasing the number of booths from 15,153 at the previous session, up to 15,676.

In 2004, a new venue — the Canton Fair complex — was added for the fair, expanding the total number of booths to 27,500. In 2008, the 104th Canton Fair was divided into three phases, boosting the number of booths to 55,620.

At the 118th fair in the autumn of last year, 82.9 percent of the Chinese exhibitors were SMEs with annual export revenue below \$15 million.

The organizer said the fair's increasing support for SMEs included lowered charges and more networking events for Chinese and foreign firms.

As the nation shifts to an emphasis on innovation-driven strategy for its industrial development, the Canton Fair has taken measures to help Chinese manufacturers, especially

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Qiu Jibao, chairman of Feiyue Group

SMEs, to upgrade their technology and production, and to build brands with international influence, according to the organizer.

These steps include a range of meetings and forums relating to international industrial and market trends, new technologies, intellectual

property, design and brand building. A total of 388 such events were held since the 109th fair in 2011.

To add value for Chinese manufacturers and exporters, the CFTC opened the Canton Fair Product Design and Trade Promotion Centre at the 109th fair. The center — also known as PDC — has been working on matching international designers with Chinese firms through events like design shows, forums, awards and galleries.

"The PDC offered a great networking opportunity for designers and manufacturers," said Li Yaohua, president of Zhejiang-based Tao-Design Co Ltd.

"Through the platform, designers can better meet the actual demands of manufacturers and manufacturers can use international design resources to improve their products and build brands," Li added.

Li Zhonglin and Chen Yaqing contributed to the story.



An exhibition of China's famous brands is held at the 107th Canton Fair, with its opening celebrated by a dragon dance performance.