BUSINESS

BOC to help private firms expand abroad

Lender rolls out tailored services for nonpublic enterprises

BEIJING — Bank of China will step up financial support to bolster high-quality development of private enterprises and facilitate their overseas expansion, as the private sector serves as a key engine driving China's economic development.

The lender has unveiled 20 targeted measures to support the high-quality development and global expansion of private enterprises, focusing on the inclusiveness, professionalism and innovation of financial services tailored to private businesses and providing efficient digital solutions.

BOC's move comes after China's central leadership called for concerted efforts to resolve the challenges and costly financing faced by private enterprises at a recent symposium on promoting the healthy and high-quality development of the private economy.

"BOC has pledged to ramp up financial support for private enterprises' deep participation in the Belt and Road Initiative, with enhanced service capabilities in cross-border financing, international settlement and overseas investment," said Ge Haijiao, chairman of BOC, at a news conference on Wednesday.

The bank will provide over $5 billion in financing for overseas projects of private enterprises this year, and the growth rate of loans to private enterprises will be 5 percentage points higher than the overall loan growth rate of the bank, said Zhang Hui, president of BOC.

By ensuring highly efficient global settlement services, BOC will facilitate cross-border e-commerce transactions. Leveraging its traditional strengths in areas such as export credit, the bank will deliver internationally competitive financing solutions to private enterprises, streamlining cross-border financing processes, it said.

"We will also provide full-cycle cross-border support to empower private enterprises' international operations, through enhancing services such as global cash management," said Zhang Xiaodong, vice-president of BOC.

The bank will optimize financial services tailored for small and medium-sized private enterprises and streamline online and offline loan renewal products for small and medium-sized businesses, enhancing financing convenience and accessibility for those private enterprises, it said.

"We will continue solving the issues of difficult and costly financing for private enterprises by leveraging more cutting-edge digital tools," the vice-president added.

BOC will assist private enterprises in strengthening equity financing support, expanding diversified financing channels and actively supporting the issuance of innovative financial bonds such as technology innovation bonds, to address their multidimensional needs, said Zhang Hui.

BOC said its investment arm BOC International has partnered with eight local governments and industry leaders to set science and technology innovation fund of funds, aiming to enhance financial support for technology.

Tan Guoling contributed to this story.

CHINA DAILY

Robust commitment seen to meet GDP target

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The decision to maintain the 2025 GDP growth target at "around 5 percent", as revealed in the Government Work Report released during the recently concluded two sessions, alongside an enlarged deficit-to-GDP ratio, were seen by experts as a robust commitment by the government to leverage fiscal instruments in sustaining a steady growth trajectory despite challenges.

According to the report, the nation "will appropriately enhance the intensity" of its fiscal policy and the deficit-to-GDP ratio will be set at about 4 percent, a record high. Also, the total scale of government debt will reach 11.86 trillion yuan ($1.64 trillion), an increase of 2.9 trillion yuan from the previous year, indicating that the government has significantly stepped up its efforts to expand fiscal spending and aims to stimulate economic growth, said a GF Securities report.

With an increase of 1 percentage point in the deficit-to-GDP from last year, an expected ultra-long-term special treasury bond issuance of 1.3 trillion yuan — 300 billion yuan more than last year — and 4.4 trillion yuan in special-purpose bonds for local governments, it has been clear that the government will take resolute moves to secure its growth momentum, reflecting an increasing focus of the nation on clearing risks behind local government debt, said Huafu Securities.

"According to the Government Work Report, a major part of funds raised via local government bonds will be guided into rural infrastructure and public services projects, where the role of investment is also vital. To achieve a GDP growth target of around 5 percent this year, China needs a stronger driving force from investment," said Long Chaocan, an investment consultant with China Galaxy Securities.

"Government investment flowing into sectors key to the nation's development, such as infrastructure projects both new and traditional, will encourage increasing participation of the nongovernmental sector, shore up sentiment among investors and boost overall investment, enhancing its role in driving the nation's economy."

Citing highlights regarding coordinated development among cities in the Government Work Report, Long said transportation projects connecting more cities with regional development hubs are expected to see faster progress this year, given ample capital supply supported by fiscal instruments.

State builders are ramping up efforts to upgrade infrastructure projects nationwide while ensuring stable progress on ongoing major infrastructure projects.

For example, China Railway 24th Bureau Group Co Ltd, a State-owned contractor under China Railway Construction Corp, successfully removed on Wednesday a 110-meter, 2,352.6-metric-ton concrete bridge off the existing Wuxi-Yixing Expressway over the Xinyi-Changxing Railway using self-propelled modular transporters.

The removal marks a milestone in the upgrade both of the expressway and the railway, as many road sections of the existing expressway are hindering the electrification of the railway, CR24G said.

Spanning 36 kilometers in its first phase, the Wuxi-Yixing Expressway expansion will enhance connectivity between cities in Jiangsu province — Wuxi, Changzhou and Yixing — upon its completion, aligning with the province's development goal to further integrate into the Yangtze River Delta's economic hub, the State builder said.



An aerial view of the construction site of the Wuxi-Yixing Expressway expansion project, undertaken by State builder China Railway Construction Corp's 24th bureau. PROVIDED TO CHINA DAILY



Employees work on a drilling platform in Tarim oilfield, Xinjiang Uygur autonomous region, in February. HU HUHU / XINHUA

Ultra-deep oil, gas production hit milestone in Tarim oilfield

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China's largest ultra-deep oil and gas production base, the Tarim oilfield, has extracted 150 million metric tons of oil and gas equivalent from formations deeper than 6,000 meters so far, as China's oil giants accelerate ultra-deep exploration and technological advances to bolster energy security in recent years.

This accounts for 37 percent of the country's total oil and gas output last year, said its operator China National Petroleum Corp on Thursday.

Globally, formations deeper than 4,500 meters are classified as deep, while those exceeding 6,000 meters are considered ultra-deep.

Tarim oilfield, located in the Tarim Basin in the Xinjiang Uygur autonomous region, has accelerated ultra-deep oil and gas development in recent years, with daily output continuously rising, making ultra-deep reserves a key driver of production growth, said CNPC.

The Tarim oilfield will further expand exploration into deep and ultra-deep desert formations this year, it said.

Industry experts believe China's push to boost domestic oil and gas production is a strategic move to strengthen energy security amid volatile global energy markets and geopolitical uncertainties.

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> **Lu Ruquan,** head of CNPC's Economics and Technology Research Institute

"Achievements of Tarim oilfield are also a reflection of China's advancing technological capabilities in ultra-deep drilling, an area historically dominated by international energy behemoths," said Lu Ruquan, head of CNPC's Economics and Technology Research Institute.

China's oil giants have in recent years been accelerating technological advances in oil exploitation in different spheres, looking to boost domestic oil and gas exploration and exploitation to further enhance the nation's energy security.

As a result, China's external oil procurement ratio dropped 0.5 percentage point last year to 71.9 percent, according to industry data.

Figures released by the General Administration of Customs reveal that China's crude oil imports fell 1.9 percent in 2024, totaling 553.4 million tons, equivalent to 11.04 million barrels per day, compared with the 2023 record of 11.28 million barrels per day.

The drilling of China's first ultra-deep scientific exploration well, Shenditake 1, was recently completed at a depth of 10,910 meters, making it the deepest vertical well in Asia and the second-deepest in the world, as well as a milestone in China's deep-earth scientific research and ultra-deep oil and gas exploration.

As China's first scientific exploration borehole designed to exceed a depth of 10,000 meters, the Shenditake 1 project further provides a solid technological foundation for pushing the limits of deep-earth exploration and developing ultra-deep oil and gas resources, said Wang Chunsheng, chief expert of CNPC's Tarim oilfield, which was in charge of the drilling.

Fashion brands eye bigger global footprint

By WANG ZHUOQIONG
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Chinese retailer Fashion Momentum Group's Urban Revivo brand officially made its debut in the United States last month by opening its first flagship store in New York's SoHo district, marking the continuation of its global expansion.

The 2,855-square-meter store is situated alongside established fast-fashion brands like Zara, BM (Brandy Melville) and North American athletic brand Alo Yoga.

Urban Revivo launched its overseas expansion plan a decade ago. Since opening its first overseas store in Singapore in 2016, the brand has continuously expanded its international presence. At the end of 2024, the brand opened its largest store in the Southeast Asian market in the core commercial area of Bangkok, Thailand, with an area of nearly 3,000 square meters.

Currently, FMG operates over 400 stores globally, including nearly 20 overseas stores.

According to FMG, it plans to open flagship stores in London and Tokyo this year and is expected to open more than 200 overseas stores during the next five years, with revenue generated from the overseas market exceeding 30 percent.

Overseas expansion is not just about opening stores. Knowing how to adapt in the long term is crucial for Chinese fashion brands as many that had opened stores in Europe and American markets withdrew quietly.

Bosideng International Holdings, China's largest maker of down jackets, has been expanding overseas since 1992. It reopened its flagship store in London in 2022 after having struggled for years to attract local customers.

After opening stores, the next key challenge for fashion brands such as Urban Revivo is how to establish long-term, deep connections with local consumers.

The brand has built its own website and is planning to gradually develop an integrated online-offline business model to cover and serve global consumers.

Urban Revivo's unique flexible supply chain is a powerful weapon in its overseas market conquest.

The "small-batch, quick-response" model can quickly respond within 7-15 days, achieving a high-frequency product update rate of twice a week. Its self-developed supply chain collaboration platform uses "intelligent scheduling" to help allocate global production capacity and even forecast market trends, according to the company.

Meanwhile, international fast-fashion brands have also sped up their global operations.

Inditex Group, the fashion company that owns brands including Zara and Massimo Dutti, has seen sales grow 7.5 percent to reach 38.6 billion euros ($41.96 billion) in 2024, showing strong development both in stores and online. Gross profit increased 7.6 percent to 22.3 billion euros and net income increased 9 percent to 5.9 billion euros.

Inditex operates in 214 markets. The company said it enjoys a low market share in a sector that remains highly fragmented. Optimization of stores is ongoing to drive further gains in store productivity.

In China, Zara is launching a new store in Xinjiekou in Nanjing, Jiangsu province, later this month.

CIMC's overseas efforts bear fruit

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Chinese logistics and energy equipment maker China International Marine Containers Group (CIMC) said it has made significant strides in overseas markets this year, as it capitalized on growing demand for its products to secure lucrative orders and complete key deliveries abroad.

The Shenzhen, Guangdong province-based company said its energy and chemical unit has signed 60 million yuan ($8.3 million) worth of agreements with Saudi Arabian petrochemicals company Sabic to supply equipment for the storage of butadiene, an industrial chemical.

Earlier this year, the company's subsidiary specializing in airport-related solutions secured a 50 million yuan order from RAM Handling, a handling operator in Morocco, under which the Chinese firm will provide equipment to help enhance ground handling capabilities at airports in the North African country.

The company has also made deliveries to various other markets. Last month it won a bid in Singapore to offer automated warehousing and logistics equipment for the city-state.

Additionally, Dutch marine contractor Van Oord's offshore installation vessel, built by CIMC, was delivered in January, marking the world's largest of its kind. The company sees emerging markets as a key opportunity.

"Emerging markets such as Southeast Asia, the Middle East and Latin America have strong demand for infrastructure and they have enormous demographic dividends," said Wu Sanqiang, secretary of the board at CIMC, both listed in Shenzhen and Hong Kong.

"Coupled with the accelerated process of regional economic integration, these regions are expected to provide growth opportunities for our container, energy and logistics equipment business, and help us hedge against the risk of volatility in mature markets."

The positive backdrop for CIMC comes at a time when Chinese manufacturing enterprises are accelerating their presence overseas, especially in emerging economies, to diversify their sources of revenue amid domestic competition and heightened geopolitical risks.

This trend has been particularly evident in Guangdong province, known for its strong manufacturing capacity. Among listed companies in the southern province, over 60 percent are believed to have taken steps to "go global", helping the province achieve the nation's highest concentration of enterprises with the largest share of overseas revenue, according to local media.

In a 2024 report by Deloitte China, the consultancy said it assisted more than 2,000 Chinese enterprises with overseas expansion plans involving 96 countries.

Chinese enterprises are expected to further diversify their destinations of overseas investments for the foreseeable future, with the manufacturing sector more likely to set up business in regions close to their product end-users and markets, the report said.

Zhang Yi, CEO and chief analyst of market consultancy iiMedia Research, said that Chinese manufacturing enterprises have shifted from exporting low value-added products to high value-added products, including high-end equipment and new energy vehicles, for example. This shift underscored the country's technological innovation leap.

However, he also noted that more research needs to be done on product design, marketing strategy, analysis of local policies and market potential to avoid "blind expansion".