

Li pledges support for firms' foreign expansion

Global Times 2013-11-29

By Li Qiaoyi

Read more in GT Daily Special: Li Keqiang leaves Beijing for visit to Romania, Uzbekistan

Chinese Premier Li Keqiang concluded his Romanian visit on Thursday - his first trip abroad after a key Party plenum - during which he pledged continued support for Chinese companies seeking overseas expansion.

The premier's visit to Romania, where he attended a round-table leaders' meeting and a trade forum, saw enhanced economic ties between China and Central and Eastern European countries. Partnership plans sealed during the visit include construction of a railway linking Budapest and Belgrade, the Xinhua News Agency reported Thursday.

During Li's tightly scheduled Romanian visit, his tour to the Romanian subsidiary of Chinese technology giant Huawei Technologies Co, where he highlighted continued government support for those credible, competitive and law-abiding Chinese companies exploring overseas opportunities, has drawn particular attention.

"China will firmly oppose trade protectionism and trade remedy measures, and safeguard the legitimate rights of overseas Chinese companies," Li said while visiting the Huawei subsidiary on Wednesday, according to Xinhua.

Huawei is seen as a typical example of Chinese companies which have ridden a wave of investment in overseas markets in recent years, but have occasionally met with headwinds over trade disputes.

"China wants to join all nations in leveling the playing field for their respective businesses, and settle their differences through dialogue," the premier stated.

Huawei said it has no additional information on the premier's tour and offered no further comment on its access to international markets when reached by the Global Times on Thursday.

Li's pledge, which came as China sees rising growth in outbound investment while maintaining its attraction for foreign investors, is hailed by experts as fresh impetus from the government in backing Chinese enterprises' overseas investment.

Such efforts by the government to address support for China's outbound investment in a broader context of enhanced economic ties will help foster a friendlier and fairer external environment for Chinese investors, He Weiwen, co-director of the China-US-EU Study Center under the China Association of International Trade, told the Global Times Thursday.

China's proactive overseas investment should be seen as a win-win situation, opening up Chinese enterprises to more business opportunities while injecting capital and creating employment for overseas markets, said Xu Hongcai, director of the Department of Information under the China Center for International Economic Exchanges.

Xu told the Global Times he believes the premier's statement "may further beef up Chinese companies' confidence to invest in the global market."

Thanks to a series of supportive policies and measures from both the central government and local governments, China's outbound investment has grown at a rapid pace, and it may not take long for that to outnumber foreign investment flows to the country, Shen Danyang, a spokesman for the Ministry of Commerce (MOFCOM), told a news conference in Beijing in mid-September.

Last year, China's outbound direct investment hit a record of \$87.8 billion, making the country the third largest outward investor annually, showed figures published in September.

Meanwhile, experts warned against excessive government involvement in companies' overseas expansion.

The decisive role for markets, as stressed by the announcement of decisions on comprehensive reform after the conclusion of the Third Plenary Session of the 18th Communist Party of China Central Committee, should play its part in pushing forward Chinese companies' willingness to invest overseas as well, He noted.

Li Thursday arrived in Tashkent, the Uzbek capital, where he will attend the Shanghai Cooperation Organization prime ministers' meeting.