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Yantai apples on display at a recent agricultural exhibition. The fruit has been granted geographic indication trademark status.

Agro-production yields big revenues for Yantai

By JU CHUANJIANG and ZHAO RUIXUE

The coastal city of Yantai in Shandong province is now renowned as an international center of fruit cultivation and processing with exports to more than 60 countries and regions.

During the 14th Fruit and Vegetable Fair earlier this month, thousands of participants from more than 10 countries and regions including France, Japan, South Korea and Cambodia, and 525 organizations and companies from home and abroad came to the host city to seek business opportunities at the fair showcasing around 1,000 kinds of fruits and more than 3,000 fruit and vegetable-related food and beverage products.

Yantai's own products were a highlight of the event, led by its apples, which have been given geographic indication status by the State Quality Supervision and Inspection and Quarantine Administration.

Its apple GI trademark was valued at 9.2 billion yuan (\$1.5 billion) in 2011, ranking among top fruit brands in China, according to a report by a research center for Chinese agricultural brands.

Statistics from the local agriculture bureau show 176,000 hectares of apple cultivation in Yantai yielded 4.56 million tons last year, 11 percent of the country's total.

Another signature product of the city is wine.

With favorable climate conditions at almost the same latitude as Bordeaux in France, Yantai is considered one of the world's top seven coastal grape growing areas. The city now has 18,000 hectares of vineyards, 11,000 hectares of it providing grapes for winemaking.

It is home to more than 20 inter-



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Expert (left) extols the pears from Laiyang in Yantai to visitors to an agricultural fair.



WANG JIANJUN / FOR CHINA DAILY

Hengrui Park in Cambodia is being developed by Yantai companies.

national wine businesses and a large number of domestic vintners including leading brands Changyu, Great Wall and Dynasty.

Cherries are another famed branded fruit from Yantai, where the planting of trees began 130 years ago. More than 24,000 hectares of cherry trees are under cultivation that now produce some 190,000 tons a year. The fruit is exported to more than 60 countries and regions.

Every year, more than 2 million tons of fruit grown in Yantai are

processed into over 100 varieties of products such as juice, jam, canned and preserved fruit, and pectin. The city government plans to call for 280,000 hectares of fruit cultivation by 2015.

With prowess at farming and processing, local agricultural companies have expanded abroad. The latest overseas operation is a modern agricultural project in Cambodia.

Jointly developed by Shandong Lurui Group and Yantai Blue Sky Development Co, the Hengrui Park

is expected to require a total investment of 160 million (\$2.61 million) yuan. A Cambodian delegation headed by Sihanoukville Governor Sboang Sarath attended the 14th Fruit and Vegetable Fair that began in Yantai on Sept 26 to woo more investors.

Shen Chen, chairman of Lurui, said the park has been named as a national demonstration base for modern agriculture by the Cambodian government. The 3,100-hectare park is designed to include a 600 hectares of tropical fruit, 2,000 hectares of quality rice and 300 hectares for other agricultural products. It will also include processing, real estate development and logistics.

"Cambodia is a country that has large expanses of crops, but it is weak in processing agricultural products, providing great opportunities for us," said Shen.

Organizations that have signed on for cooperation with the park to teach planting and processing techniques include the Research Institute for Agricultural Product Processing at the Chinese Academy of Tropical Agricultural Sciences, the Guangxi Research Institute of Subtropical Crops and the Research Institute of Rice at the Guangxi Academy of Agricultural Sciences.

More than 200 Yantai-based companies had expanded their business to overseas markets by the end of last year, according to statistics from the Yantai Commerce Bureau. The projects cover dozens of fields including machinery manufacturing, auto parts, textiles and clothing, real estate development and hotel services in more than 50 countries and regions.

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New Shaanxi chateau for top winemaker Changyu

By JU CHUANJIANG and WANG QIAN

3,000 tons

of premier wine annually planned by Chateau Changyu Reina

Changyu Pioneer Wine Co, China's oldest wine company and largest winemaker by sales, opened a new chateau in Shaanxi province on Oct 9 to further increase its product lineup and cater to a wider range of consumers.

The 600 million yuan (\$97.98 million) Chateau Changyu Reina covers 73.3 hectares in Xianyang, which was the capital of the Qin Dynasty (221-206 BC). It is expected to produce 3,000 tons of premium wine a year.

The chateau integrating grape cultivation, winemaking, sightseeing and recreation is the first of its kind in the northwestern province to be developed to meet international standards, according to the company.

It includes an Italy-style castle, advanced winemaking facilities and a vast expanse of vineyards. It also has a 15,800-square-meter underground cellar, the largest of its kind in Asia, where up to 150,000 oak barrels can be stored.

To ensure quality, Changyu invited the Italian wine master Augusto Reina, whose family and forebears have been making wine and growing grapes for 500 years, to be the chateau's honorary president and chief winemaker.

Augusto said the underground cellar has more than 20 varieties of oak barrels produced in different countries and regions across the world. "Wine has different fragrances when stored in various kinds of oak barrels. I have to select suitable types of barrels according to the features of grapes harvested here every year to make the wine age perfectly and have a rich fragrance," he said.

Due to its quality, the dry red wine made at the chateau was chosen as the only wine to be served at the welcoming banquet of the 2013 Euro-Asia Economic Forum in Xian, the capital of Shaanxi province, last month. It was well received among guests from more than 70 countries and regions.

Wang Yancai, head of the China Alcoholic Drinks Industry Association, was also won over. "After tasting the Changyu Reina dry red wine, I was even more convinced that there is no lack of good vineyards in China to produce premium wines that can rival the world's best," he said.

Chateau portfolio

Chateau Changyu Reina is the third chateau opened by Changyu this year following the 630-million-yuan Chateau Changyu Baron Balboa in the Xinjiang Uygur auton-

mous region and the 600-million-yuan Chateau Changyu Moser XV in Ningxia Hui autonomous region, all located in Northwest China.

Today Changyu has a wide assortment of vineyards on 20,000 hectares of land in China's six main grape-growing areas: Shandong, Liaoning and Shaanxi provinces, Xinjiang Uygur and Ningxia Hui autonomous regions, and around Beijing.

The company has six high-end chateaux in the six areas and is still expanding its portfolio by building the Tinlot Wine Chateau and a brandy chateau at its home in Yantai, Shandong province.

"Wines produced in different areas have different flavors, so we have built chateaux in different kinds of grape-growing areas across the country to cater to a wide range of consumers," said Zhou Hongjiang, general manager of Changyu.

In Shaanxi alone, Changyu has planted and cultivates vines covering 1,000 hectares.

Li Hua, vice president of Northwest Agriculture and Forestry University, said that soil rich in minerals, abundant sunshine and huge day-night temperature differentials makes Shaanxi one of the best places in China for quality grapes, although it is not as famous as China's other major wine production bases, which include Yantai and Xinjiang.

A total of 2,667 hectares of grape vines were planted in the area last year.

"Thanks to the sound terroir conditions, we believe that the wine produced here, integrating Chinese and Italian production techniques, can compete with world-class wineries," said Zhou.

Different from the company's other chateaux which mainly target the upper-end wine market, wine from the new chateau is intended for the more than 10 million middle-class customers in China, Zhou said.

Chen Zhuang, a Chinese wine expert, predicted that wines for mass consumption priced between 100 and 300 yuan will be more popular in the future as Chinese government has launched a national austerity campaign to reduce lavish spending.

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Italian wine master Augusto Reina tastes wine at a Changyu chateau.

CIMC Raffles to deliver latest North Sea drilling rig

By JU CHUANJIANG and ZHAO RUIXUE

Assembly on the upper and lower hulls of a deep water semi-submersible drilling rig built by a Yantai marine equipment manufacturer is now complete, with the rig scheduled to be delivered in the third quarter of 2014.

Called the *COSLProspector*, it is the fourth of its kind made by Yantai CIMC Raffles Offshore Co, China's leading offshore engineering manufacturer and a subsidiary of China International Marine Containers Group, for delivery to COSL Drilling Europe AS, known as CDE.

Yu Ya, president of CIMC Raffles, said he believes the latest delivery will set new records in the Norwegian North Sea for COSL.

The *COSLProspector* can work as deep as 1,500 meters undersea. Equipped with a DP3 dynamic positioning system, the drilling rig meets the requirements of the Norwegian Petroleum Safety Administration, the standards of NORSOK and Det Norske Veritas as well as the China Classification Society.

Accreditations for clean operations and winterization on the *COSLProspector* prove the environmentally friendly platform's ability to perform its functions in low-temperature conditions, said Shao Yongqiang, project director at CIMC Raffles.

Shao said it took 14 months to complete the *COSLProspector*, 12 months shorter than the previous three COSL rigs.

Jorgen Amesen, president of CDE,

said progress on the *COSLProspector* has 100 percent followed the construction contract, proving CIMC has taken a great step in timely delivery of high-spec drilling rigs.

Li Yong, president of COSL, said "the three rigs currently operating in the Norwegian North Sea have received endorsements from clients — we believe the *COSLProspector* will strengthen our business in Europe."

In May, CDE was ranked first among leading Norwegian oil company Statoil's 13 drilling subcontractors from last September to March. The ranking was based on indicators for safety, efficiency, performance and equipment integrity.

All three rigs have been endorsed with an AOC certificate from the

Oil Safety Administration. Only rigs with the certificate can work in the North Sea, considered the most challenging marine working environment in the world.

In addition, construction on the GM-4D semi-submersible drilling rig *North Dragon* co-designed by European ocean machine designer Global Marine and CIMC Raffles started in June. It will also be exported to Europe. The rig is able to work in the Barents Sea.

To date, CIMC Raffles has delivered six semi-submersible drilling rigs as well as numerous pipe-laying vessels and self-elevating drilling units.

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A deep water semi-submersible drilling rig about to leave port in Yantai.