

# SINOMACH TODAY

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## Development Opportunities for Logistics Companies

Ren Hongbin Chairman of SINOMACH

From April 8 to 11, the Boao Forum for Asia Annual Conference 2018 kicked off in Hainan, China. This is China's first major home-based diplomatic activity this year. The theme of this conference was "An Open and Innovative Asia for a World of Greater Prosperity." Ren Hongbin, Chairman of China National Machinery Industry Corporation (SINOMACH), was invited to the Boao Forum for Asia and participated in a number of business events.

At the breakout session of "The Future of Logistics," Ren Hongbin and other guests discussed the evolution and transformation of the logistics industry in the context of consumption and industrial upgrading and technological changes, he mentioned:

When it comes to service, specialization and integration capabilities, DAP (delivered at place) can meet the needs of logistics companies. The cooperation between China Automobile Engineering Corporation (AE) which is affiliated with SINOMACH, and China COSCO Shipping Corporation Limited (COSCO Shipping) has well explained the form of DAP, making it possible for China's automobile industry and automakers with their own brands to build overseas. As a benchmark project, it has truly achieved full services from collecting goods at warehouses to delivering goods at destination ports.

I would like to share the following three points regarding the future development of the logistics sector.

First, current implementation of strategies such as the Belt and Road Initiative, Made in China 2025, and international production capacity cooperation will bring more opportunities for logistics companies. The supply side structural reform provides Chinese companies, especially equipment manufacturers, with increasing competitiveness in terms of the performance, quality and price of products. As a result, these companies are also gaining competitive edge in the international market. According to statistics, annual growth of business volume in the logistics sector will be more than 10% in the coming years.

Second, logistics companies will further improve their management and cross-sector competition will emerge. Various Internet companies have engaged in the competition with logistics companies. This is the most desirable scenario for us. Of course, it should be an orderly competition which brings greater convenience and cost efficiency and further drives the development of the economy.

Third, The application of cloud computing, Big Data, blockchain and other technologies will support smart logistics and lead logistics companies in the direction of advancement.

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#### Four Main Businesses

R&D and Manufacture

Project Contracting

Trade and Services

Finance and Investment

#### Market Position

Ranked 334<sup>th</sup> among Fortune Global 500

Ranked 1<sup>st</sup> among China's Top 100 Enterprises in Machinery Industry

Ranked 31<sup>st</sup> among Top 250 International Contractors

Ranked 64<sup>th</sup> among Top 225 International Design Firms

Ranked 17<sup>th</sup> among China's Top 500 Foreign Trade Enterprises

Rated as Class A in central enterprise performance appraisal

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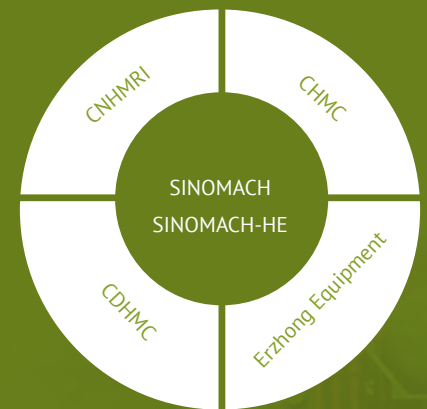
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# Introduction to New Member of SINOMACH: SINOMACH-HE



On March 28, the first staff variety show of SINOMACH Heavy Equipment Group Co., Ltd. (SINOMACH-HE) was held at the Staff Club of China National Erzhong Group Co. (CNEG), marking the formal operation of SINOMACH-HE in a culturally innovative way. It was a very special commemorative event.

SINOMACH-HE consists of Erzhong (Deyang) Heavy Equipment Co., Ltd. (Erzhong Equipment), China National Heavy Machinery Corporation (CHMC), China National Heavy Machinery Research Institute Co., Ltd. (CNHMRI), and SINOMACH-HE Chengdu Heavy Machinery Co., Ltd. (CDHMC). Headquartered in Deyang, Sichuan, SINOMACH-HE is mainly engaged in R&D of major technical equipment, EPC, and foreign trade. It is the only heavy equipment development company in China that integrates technology, industry, and trade into a whole industrial chain, and is one of the few large equipment industrial

groups with extreme manufacturing capabilities in the world's major technical equipment field. Its products and services cover nearly 100 countries and regions around the world.

The establishment of SINOMACH-HE is an important strategic move for SINOMACH to further advance the supply-side structural reform and build a stronger and better heavy equipment sector. It is a major achievement in implementing the joint reorganization plan of SINOMACH and CNEG, as well as the debt reorganization plan of Erzhong Equipment. Erzhong Equipment, CHMC and CNHMRI, which are affiliated with SINOMACH-HE, are all engaged in the heavy equipment sector, whose core competitiveness lies in equipment manufacturing, project contracting and trade, and product R&D and process design, respectively. The three companies have joined forces to further improve the industrial chain

and achieve complementary advantages. SINOMACH-HE forms a whole industrial chain of R&D, production, sales, and EPC.

In the future, as a flagship platform for R&D and manufacturing of high-end heavy equipment on behalf of the country's strength, SINOMACH-HE will lead the development with innovation, focus on factors with products and markets, transform the mode of operation, and promote sustainable and high-quality growth, with a view to creating China's No. 1 and the world's first-class heavy equipment flagship.

# What SINOMACH-HE Has Done Since Establishment?

The year of 2018 marks the beginning of formal operation of SINOMACH-HE. Based on the principle of market-oriented and independent operation, SINOMACH-HE has accelerated the realization of complementarities among resources such as assets, business, personnel, and technology,

and played a role in resource sharing, in order to form synergies, enhance competitive strength, and achieve win-win development. The advantages and synergies after reorganization are gradually emerging.

## 1

### Strengthening the headquarters building of SINOMACH-HE.

Based on the functional positioning of headquarters, SINOMACH-HE has

strengthened the management of headquarters, clearly defined and optimized

responsibilities, and improved the operational efficiency of the headquarters organization.

## 2

### Playing a strategically leading role.

SINOMACH-HE has formally initiated the preparation of the overall strategic plan, and strived to play an important role in supporting the “Made

in China 2025” initiative, building China into a manufacturer of quality, and underpinning the transformation into smart manufacturing. It has

provided direction and guidance for overseas market expansion. All these efforts are for the better and faster development of SINOMACH-HE.

## 3

### Strengthening business synergy and promoting business development.

**Promoting the transformation and upgrading of manufacturing products.** In terms of core manufacturing business, SINOMACH-HE has focused on technological upgrading of conventional products. In addition, it promoted the R&D of emerging products, and supported the product structure adjustment and sustained quality development.

**Enhancing technological innovation capabilities by leveraging the SINOMACH-HE platform.** SINOMACH-HEAVYMACH has focused on the six conventional industries of metallurgical equipment, metal forming equipment, environmental protection and energy-saving equipment, oil and gas

transportation equipment, large castings and forgings, and nuclear power petrochemical vessels, as well as the strategic emerging industries such as magnesium alloy smelting and forming equipment, large stretch forming equipment, and flywheel energy storage equipment. It has been strategically oriented toward transformation and upgrading, and strategically driven by reform and innovation, thereby enhancing the company’s industry influence and international competitiveness.

**Expanding overseas markets and centering on the Belt and Road Initiative Countries.** SINOMACH-HE has actively taken advantage of its market resources as an industry trading enterprise,

exerted its role in promoting the “trade” sector to drive the “industry” sector, and propelled the equipment manufacturing capacity to “go global.” SINOMACH-HE has leveraged its superior overseas resources from 17 overseas offices in Myanmar, Vietnam, Cambodia, Tajikistan, Indonesia, Turkey, Thailand, Sri Lanka, Ethiopia, South Sudan, Kenya, Guinea, Laos, Bangladesh, Tanzania, Philippines and Zimbabwe. Besides, it has set up three overseas branches of South Africa, Nigeria and Pakistan. In this way it can further expand overseas markets and actively explore the construction of overseas industrial parks, driving manufacturing capacities of SINOMACH-HE and Chinese manufacturers to “go global”.

# SINOMACH-HE's Subsidiaries and Their Business Distribution

## Erzhong (Deyang) Heavy Equipment Co., Ltd.(Erzhong Equipment)



### Main business covers



the manufacturing of large sets of equipment, large castings and forgings



nuclear power and heavy pressure vessels



large transmission equipment

Erzhong (Deyang) Heavy Equipment Co., Ltd. (Erzhong Equipment) is a national major technical equipment manufacturing base. In the past 60 years, Erzhong Equipment has provided more than two million tons of major technical equipment for the domestic and foreign markets.

Erzhong Equipment has the ability to pro-

vide 900-ton molten steel, 700-ton steel ingots, 500-ton castings, and 400-ton forgings. It is one of the few enterprises with extreme manufacturing capabilities in the world's major technical equipment field. Erzhong Equipment's main business covers the manufacturing of large sets of equipment, large castings and forgings, nuclear power and

heavy pressure vessels, and large transmission equipment. Erzhong Equipment can provide systematic equipment manufacturing and services for important industries such as metallurgy, mining, energy, transportation, automobile, petrochemical engineering, and aerospace.

## China National Heavy Machinery Corporation(CHMC)



Founded in 1980, China National Heavy Machinery Corporation (CHMC) is an integrated EPC service company engaged in EPC, funded operation, trade and service. Its business areas cover metallurgy, mining, transportation, building materials, electricity, water service, environmental protection, chemical engineering, bio-energy, and agricultural product storage and processing.

Over the past 30+ years since establish-

ment, CHMC has undertaken a large number of domestic large projects that represent the country's major technical equipment level. CHMC has also undertaken overseas EPC and BOT investment projects, such as General Motors' automobile stamping production lines in Thailand and Britain; the sugarcane sugar factory, the Thanlwin (Moulmein) Bridge, the open pit coal mine, and the coal-fired power plant in Myanmar; the Shinkong Cement Factory and hydropower station in Vietnam; and the Tatay Hydro Power Plant, the Phnom Penh looped network transmission and transformation project, and the rural power grid expansion project in Cambodia. CHMC has provided professional services for construction projects in more than 40 countries and regions around the world. The completed projects

have been widely recognized and praised by the owners across different countries and have won various awards from domestic and international authoritative organizations.

### Business Lineup



EPC



BOT

- General Motors' automobile stamping production lines in Thailand and Britain
- the sugarcane sugar factory, the Thanlwin (Moulmein) Bridge, the open pit coal mine, and the coal-fired power plant in Myanmar
- the Shinkong Cement Factory and hydropower station in Vietnam; and the Tatay Hydro Power Plant, the Phnom Penh looped network transmission and transformation project, and the rural power grid expansion project in Cambodia.



## China National Heavy Machinery Research Institute Co., Ltd.(CNHMRI)



Established in 1956, China National Heavy Machinery Research Institute Co., Ltd. (CNHMRI) is a national application technology research organization. It is mainly engaged in metal smelting, continuous casting, stripping, tube rolling, and finishing and deep processing, as well as R&D, design and EPC of heavy extrusion and forging equipment and environmental protection equip-

ment. CNHMRI has the first 16 national, industrial, and provincial R&D innovation and industrialization platforms built based on an enterprise, such as the national key laboratory of “metal extrusion and forging equipment technology.” CNHMRI has also set up a postdoctoral research workstation.

Over the past 62 years, CNHMRI has created more than 220 “No. 1s” in China, and more than 350 scientific research achievements, and many national, provincial, and ministerial-level scientific and technological awards, including 2 first prizes, 13 second prizes, and 9 third prizes for national scientific and technological advancement. CNHMRI has more than 800 patents granted, including over 300 patents for inven-



**220**  
No. 1s

CNHMRI has created more than 220 “No. 1s” in China

tion. More than 2,300 sets of domestically produced heavy equipment have been used throughout the country, creating output value worth hundreds of billions of yuan for the country each year.

## SINOMACH-HE Chengdu Heavy Machinery Co., Ltd. (CDHMC)

SINOMACH-HE Chengdu Heavy Machinery Co., Ltd. (CDHMC) is mainly engaged in international trade, general engineering and overseas engineering. Its business scope covers import and export of goods and technology, EPC, general contracting of complete sets of equipment, domestic trade, project investment in general equipment and special equipment, oil equipment, and new energy equipment, and labor dispatch.

More than two decades’ legacy in international trade has created a team of high-caliber and competent technical and managerial



talents for CDHMC. Relying closely on the design, manufacturing and channel resources of the SINOMACH-HE platform, CDHMC has garnered unique advantages and strengths in the fields of international and domestic trade, as well as domestic and overseas EPC.

### Main business covers



international trade



general engineering



overseas engineering

# World's Heaviest Hydrogenation Reactor Shipped, a Development Product of SINOMACH-HE



Photograph: Li Xiang, Reporter of Xinhua News Agency

▲ On April 28, the 2.6 million-ton/year fluidized bed residue oil forge welding hydrogenation reactor was being hoisted in Zhenjiang, Jiangsu.

On April 28, at a jetty in Zhenjiang, Jiangsu, three cranes jointly lifted a giant cylindrical vessel and transported it to a cargo ship that had long been waiting on the river. This 2.6 million-ton/year fluidized bed residue oil forge welding hydrogenation reactor is currently the heaviest hydrogenation reactor in the world. Its successful manufacturing and shipment mark the official “sailing” of SINOMACH-HE, China’s high-end heavy equipment manufacturing flagship.

A hydrogenation reactor is often used to enable hydroconversion of residue oil -- the heavy oil which is the most difficult to use in the petroleum industry-- to light oil to produce gasoline, diesel and so on. The “super” hydrogenation reactor shipped this time has a total weight of 2,400 tons, a total length

of more than 70 meters, and an outside diameter of 5.4 meters, and its weight and complexity of manufacturing process have broken the world’s manufacturing record for hydrogenation reactors. In the manufacturing process of this giant hydrogenation reactor, any slightest mistake is not allowed in every process and every part from the calculation of the maximum carrying capacity of each steel wire to the forging of each cylinder.

As the hydrogenation reactor is oversized and overweight, its transportation, hoisting, and shipping have also created a new record of integral joint hoisting in China. SINOMACH-HE Zhenjiang has two cranes with a lifting capacity of 850 tons each, making the total weight of one hoisting up to 1,700 tons. This is the largest lifting capacity

**2,400 tons**

a total weight of 2,400 tons

**70 meters**

a total length of more than 70 meters

**5.4 meters**

an outside diameter of 5.4 meters

on the Yangtze River, known as “the Yangtze River’s No. 1 crane.” The 2,500-ton weight of the hydrogenation reactor has far exceeded the extreme capacity of “the Yangtze River’s No. 1 crane.”

This 2.6 million-ton/year hydrogenation reactor is also the core equipment in China’s oil quality improvement and upgrading project. After the project is completed and put into production, the rate of residual oil conversion can be maximized to 85% (40% to 50% only for the original equipment). This project can also reduce delayed coking loads and increase light oil production capacity, in order to make China’s petroleum refining technology rank among the best of the world.

## Production Epitome: High-Temperature Welding

Nearly 200 processes are required to produce the 2.6 million-ton/year hydrogenation reactor, from manufacturing forgings and finishing in Deyang, to assembly, welding, heat treatment, sealing, and hydrostatic testing in Zhenjiang.

The most critical process is welding. “SINOMACH-HE Zhenjiang has more than 200 employees, of whom more than 70 people are engaged in welding work,” said Yuan Zhihua, Section Chief of Rivet Welding of SINOMACH-HE Zhenjiang. Only when high temperature, high pressure, high sealing, and corrosion resistance are achieved in the welding process can the safe and efficient operation of the hydrogenation reactor be ensured.

When half of the external welding process is completed, workers need to enter the interior



of the reactor. Temperature is extremely high inside the reactor due to the external baking at more than 200 degrees Celsius. “During operation, we will install wood panels and insulation blankets in the reactor to separate from the hot steel,” said Yuan Zhihua. To reduce the internal air temperature, the reactor vents are equipped with special fans. “Even so, the workers are wholly soaked when staying a little longer inside the reactor.” Thus, three to four workers shift once every half hour.

Since the entire reactor needs to rotate at a speed of 40 to 45 cm/sec during the welding process, workers need to adjust their positions at any time while working inside. This is also a difficulty that needs to be overcome.

**200**  
processes

Nearly 200 processes are required to produce the 2.6 million-ton/year hydrogenation reactor

It is reported, the hydrogenation reactor will be transported to an oil refinery in Zhejiang and is expected to be officially put into use in March next year.

(The above content is summarized according to Xinhua News Agency and Sichuan Daily)

# Ren Hongbin Attends the Boao Forum for Asia Annual Conference 2018 and Speaks at the Breakout Session



He noted that amid the present fierce competition and uneven levels of practice in the logistics industry, the key to soliciting customers is to provide quality services. Global customers are demanding for more and more personalized and specialized logistics services. Service, specialization and integration capabilities become the highlights in the competition.

Ren Hongbin also expressed his vision for the future development of the global logistics industry. It is reported that more than 150 representatives from global shipping, logistics, port, trade, shipbuilding, railway transportation, machinery manufacturing, finance, and consulting organizations attended this breakout session.

In Ren Hongbin's speech, he raised three major issues that are of concern to clients of logistics companies:



Service



Specialization



Integration



Ren Hongbin  
Chairman of SINOMACH

“Service is the core of logistics companies; specialization is the technical support of logistics companies; and integration is the direction of logistics companies.”

From April 8 to 11, the Boao Forum for Asia Annual Conference 2018 kicked off in Hainan, China. This is China's first major home-based diplomatic activity this year. President Xi Jinping attended the opening ceremony of the annual conference and delivered an important keynote speech. This annual conference brought together more than 2,000 guests from all over the world. Ren Hongbin, Chairman of China National Machinery Industry Corporation (SINOMACH), was invited to the Boao Forum for Asia and

participated in a number of business events.

On April 9, the breakout session of “The Future of Logistics” was held at the Boao Forum for Asia Annual Conference 2018. This was the first time that a breakout session on logistics was held since the launch of the Boao Forum for Asia. Ren Hongbin and other guests discussed the evolution and transformation of the logistics industry in the context of consumption and industrial upgrading and technological changes.

Before the breakout session, Ren Hongbin had a meeting with Liu Xingtai, Deputy Governor of Hainan Province. Prior to this, leaders of SINOMACH had several meetings with leaders at various levels in Hainan Province. The two parties reached intentions of cooperation on many businesses and signed a strategic cooperation agreement in July 2017. This meeting was intended to deepen the cooperation between the two parties and promote the contents of the agreement. The two parties exchanged views on the business development of SINOMACH's 13 affiliates in Hainan, the development of featured towns, and the support SINOMACH needs from the government.

# SINOMACH Exchanges



**Ren Hongbin, Chairman of SINOMACH**

**Meets with Belarusian Ambassador to China H.E. Rudy Kiryl**

 May 11

The two parties exchanged views on the building of and the issues about the China-Belarus Industrial Park and further imperatives.



**Zeng Xiangdong, Vice President of SINOMACH**  
**Goes to the United States for investigation**



 May 8-16

He investigated the operations of the U.S.-based warehouse of SINOMACH's subsidiary China Machinery Engineering Corporation, as well as the U.S.-based U-QUALITY Automotive Products Corporation (UAP) of SINOMACH Automobile Co., Ltd., and inspected the new business model of "overseas operation platform (overseas online and offline) + overseas warehouse + exhibition + logistics." He inspected and supervised the operation of the U.S. branch of SINOMACH's subsidiary China Foma (Group) Co., Ltd., and had in-depth exchanges with China Foma's U.S. partners, discussing the possibility of future cooperation in multiple fields. He participated in the National Hardware Show and negotiated with a number of internationally renowned companies, paving the way for future cooperation.



**Liu Jingzhen, Vice President of SINOMACH**

**Meets with the Delegation from Pakistan Strategic Plans Division (SPD) and the Pakistan Atomic Energy Commission**

 April 13

The two sides exchanged views on the source of funding, construction progress, and related issues of the high-level regular meeting regarding the K-2/K-3 nuclear power water intake and drainage project in Karachi, Pakistan.



# How Has the High-Profile China-Belarus Industrial Park Developed?



The China-Belarus Industrial Park is a landmark project of the Belt and Road Initiative, and the most important economic trade cooperation project between China and Belarus, featuring China's largest economic and trade cooperation area in terms of overseas development. It enjoys the best preferential policies among the world's industrial parks.

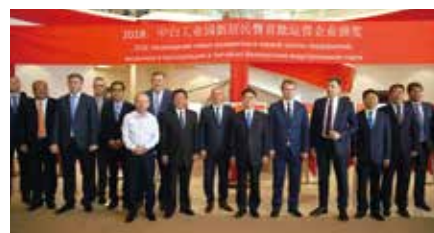
Since its inception, the China-Belarus Industrial Park has been closely concerned and promoted by the top leaders of the two countries. In particular, on May 12, 2015, Chinese President Xi Jinping and Belarusian President Alexander Lukashenko visited the China-Belarus Industrial Park. The heads of the two countries inscribed their names on the blueprint for the development of the industrial park.

In fact, as early as 2012, China CAMC Engineering Co., Ltd. (CAMCE) and the Belarusian shareholders jointly initiated the establishment of China-Belarus Industrial Park Development Co., Ltd. (abbreviated as the "China-Belarus Joint Venture") which is the developer of the China-Belarus Industrial Park. China National Machinery Industry Corporation (SINOMACH) and China Merchants Group successively joined

the China-Belarus Joint Venture, and the two central-owned enterprises jointly led the development and operation of the park. At present, the Chinese side holds 68% of the shares (SINOMACH is the largest shareholder with 32% of the shares; and its subsidiary CAMCE holds 13.71% of the shares), and the Belarusian side holds 32% of the shares.

In the past few years, how has the China-Belarus Industrial Park developed? On May 11, the China-Belarus Industrial Park organized a series of events to celebrate the "China-Belarus Industrial Park Day" and answered this question.

The "China-Belarus Industrial Park Day" was established to commemorate the visit of the heads of China and Belarus to the China-Belarus Industrial Park on May 12, 2015. This year's event included five parts:



1. Awarding ceremony for new residents and the first operating companies



2. Unveiling and entry ceremony of the China-Belarus Joint Design Institute, which is the first design institute jointly established by joint-stock restructuring in China and Belarus



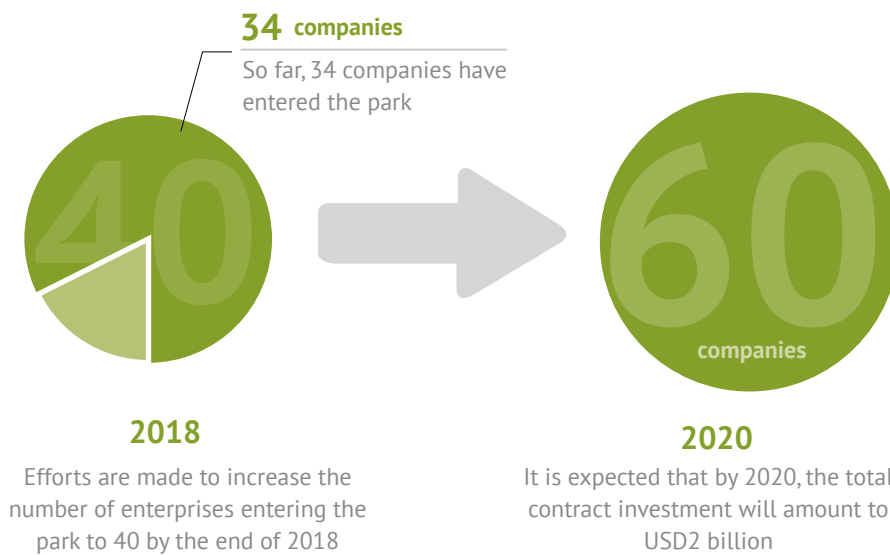
3. Unveiling of the "China-Belarus Friendship Orchard," symbolizing the mutual benefit and win-win result of the people of China and Belarus as well as the profound friendship between them



4. Cycling tour in the China-Belarus Industrial Park, aiming to publicize and promote green travel, and remind the company and employees to pay attention to ecological environment protection at all times



5. Photo exhibition of "Chinese Enterprises in Belarus," fully demonstrating the development of 37 Chinese companies registered with the Chamber of Commerce of Chinese Enterprises in Belarus



At the awarding ceremony for new residents a total of 11 new residents (new enterprises) in 2018 were unveiled. So far, 34 companies have entered the park and the total amount of agreed investment has reached US\$1 billion. These enterprises come from the United States, Germany, Lithuania, Austria, Israel, and other countries in addition to China and Belarus. Efforts are made to increase the number of enterprises entering the park to 40 by the end of this year.

During the infrastructure construction of the Phase I start-up area of the park (3.5 square kilometers), CAMCE worked hard to overcome difficulties in the design, supply, and construction standard differences with Belarus, and carried out good complementary cooperation with local Belarusian enterprises in the project construction process, combined the characteristics and advantages of the Chinese and Belarusian construction companies. CAMCE managed to effectively avoid the differences between the standards of the two countries, ensure that the project quality complies with Belarusian regulations, and guarantee that the infrastructure construction was completed in advance at

the “Chinese speed.” In just one and a half years, the 3.5 square kilometers’ infrastructure in the Phase I start-up area was completed, including 13 km main roads in the park, 45 km pipe networks for water supply, drainage, gas and communications, one 110 kV transformer substation, six 10 kV distributions, 90 km power supply lines, one water supply plant, one rainwater treatment plant, one water intake station, and one secondary lift pump station.

The construction of projects in the park is also rapidly advancing. The 12,500 square meter comprehensive office buildings and the 8,000 square meter standard factories invested by the China-Belarus Joint Venture have been completed and all rented out. The Phase I 100,000 square meter storage facility and exhibition center and business center of the China-Belarus Commercial Logistics Park has been completed and put into operation. The Chengdu Xinzhu super-capacitor project, the US IPG laser equipment production center, the Weichai-MAZ project, and the Zoomlion project are being rapidly built. Huawei, YTO Group Corporation, the 38th Research Institute of China Electronics

Technology Group Corporation and other companies have rented office buildings and standard factories.

The China-Belarus Industrial Park has a unique geographical advantage that connects the two major markets of the EU and the Eurasian Economic Union. Thanks to its market potential, preferential policies, and thriving development vitality, the park is attracting the enthusiastic participation of companies from China, Belarus and other countries. According to the park development plan, in the next three years (2018-2020), it is expected to realize the overall development, construction and operation of the 8.5 square kilometer Phase I area of the China-Belarus Industrial Park. It is expected that by 2020, a total of 60 enterprises will enter the park, the total contract investment will amount to USD2 billion, 20 projects will be started, and 30 projects will be put into operation. The China-Belarus Industrial Park will play a better role as an overseas park platform and become a signature project of the Belt and Road Initiative, in order to maximize its economic impact.



# The 40th Anniversary of CMEC Growing up with the Reform and Opening-up

On June 1, 2018, China Machinery Engineering Corporation (CMEC) affiliated with China National Machinery Industry Corporation (SINOMACH) ushered in its 40th anniversary.

Over the past 40 years, generations of CMECers have made an array of splendid achievements in the history of China's machinery industry and China's foreign economic and trade development. In particular, since joining SINOMACH in 1997, CMEC has actively explored the integration of innovation chain, industrial chain, and capital chain to achieve leapfrog development.



## Growing up with the Reform and Opening-up

In the past 40 years, every forward move, every step of growth, and every new stage of development of CMEC has been closely linked to China's reform and opening-up.

The year of 1978 marked China's first year of reform and opening-up. China National

Machinery & Equipment Import & Export Corporation, the predecessor of CMEC, was established in the same year. Since then, CMEC has persisted in exploring the unique road of integration of industry and trade, integration of import and export, and integration of technology and trade. It introduced a

lot of advanced technology and equipment to China at the initial stage of the reform and opening-up, and created numerous "China's No. 1s," making outstanding contributions to the advancement of China's machinery industry technology and the going global of Chinese machinery and equipment.



▲ On July 4, 2017, the first broad-gauge locomotive (No. 9427) supplied by CMEC was initially put into commercial operation



▲ Puttalam Coal Power Project, Sri Lanka

With the continuous deepening of the reform and opening-up, CMEC turned its attention to the international engineering contracting market. Beginning in 1980, CMEC took the lead in dispatching agencies abroad and established the international market development strategy in "eight sectors," embarking on a new journey of overseas operation. Today, CMEC has undertaken engineering contracting projects in nearly 50 countries and



regions. According to incomplete statistics, since 1978, CMEC's complete engineering business has achieved a contractual amount of approximately USD 80 billion, among which the amount of effective contracts is nearly USD 45 billion.

In 1997, CMEC joined SINOMACH, heralding a new stage in the reform of the modern enterprise system. In January 2011, CMEC was reorganized into a joint-stock enterprise through restructuring and officially became China Machinery Engineering Corporation. In December 2012, CMEC was



successfully listed on Hong Kong H-shares, achieving a new breakthrough in the capital market. Since 2013, under the guidance and support of SINOMACH, CMEC has successively merged and reorganized China Jikan Research Institute of Engineering Investigation and Design, China National Electric

Engineering Co., Ltd., and China National Complete Engineering Corporation, and managed Harbin Power System Engineering and Research Institute. CMEC has actively built a platform for domestic and foreign strategic cooperation. Its new model of capital operation has become clearer.

## In the Vanguard of the Belt and Road Initiative

In 2013 when China formally proposed the Belt and Road Initiative, market analysts discovered surprisingly that the “going global” roadmap previously released by CMEC overlapped with the target markets in the Belt and Road Initiative. As one of the earliest enterprises “going global,” CMEC has been developing markets with the Silk Road spirit and establishing a brand legacy with outstanding projects over the years.

At present, the business of CMEC has covered seven major areas mentioned by the Belt and Road Initiative, and had contracted projects or projects under construction along the Belt and Road. In 2012 and 2015, the EREN2×600MW supercritical coal-fired power plant project in Turkey and the Berezov combined cycle power plant project in Belarus, which were constructed by CMEC and are located along the Belt and Road, won the Luban Prize, the highest award for construction projects in China.

In addition to the development of tradi-



▲ The Tenaga wind farm in Pakistan constructed by CMEC

tional projects, CMEC has attached great importance to innovation and social benefits at all levels of business development. The Puttalam Coal-Fired Power Plant project has completely changed the state of power supply in Sri Lanka. It is included in the pattern of Sri Lanka's new banknote, and has been cordially called “Lakvijaya” by local people. The Hulhumale new town housing project is the largest people-benefit project in the Maldives, and it is also a useful attempt by CMEC to extend its reach to international people-benefit projects. The Thar Block II coal mine and power plant project in Pakistan is a priority project for the China-Paki-



▲ Berezovskaya 400MW Combined Cycle Power Plant, Belarus

stan Economic Corridor and was constructed by CMEC with the “investment-driven EPC” model. During the design and construction of the power plants in Berezov and Lukoml, Belarus, CMEC innovatively achieved the convergence and integration of different standards in the two countries... CMEC has established a dazzling number of classic projects along the Belt and Road.

The 40-year legacy has brought about firm confidence and pride in the future. In the new era, CMECers will embrace and challenge the future with enterprising minds.



## Tatay Hydropower Station in Koh Kong Province, Kingdom of Cambodia

Cambodian Tatay Hydropower Station was built with the investment of China National Heavy Machinery Corporation (CHMC) in a BOT (Build-Operate-Transfer) mode. The hydropower station is located in Koh Kong Province, Kingdom of Cambodia, with a total installed capacity of 246MW and total investment of 540 million US dollars. The project officially kicked off on March 29, 2010, saw the grid-connected power generation of the first unit on August 13, 2014,

and has been put into commercial operation since June 22, 2015. It is a first-class hydropower station with the largest single-construction installed capacity in Cambodia, representing the largest Chinese-invested project in Cambodia.

Cambodian Tatay Hydropower Station has over-fulfilled the task of power generation for three consecutive years, its production reached 900 million kWhs in 2017, sup-

plying power for the state grid of Cambodia continuously, and greatly promoting local economic and social development. Tatay Station's production reached 900 million kWhs in 2017. In 2017, the project won the "SINOMACH Quality Award" and "Certificate of Recognition" issued by Electricite du Cambodge (EDC), which fully recognized its quality and power generation capability.



▲ Full View of Cambodian Tatay Hydropower Station



▲ Output Line



▲ Employees at Work



▲ Main Closure Dam



▲ Sluice Gates Closed for Impoundment



▲ Generating Units in Main Power House



# Honor Roll of SINOMACH



▲ SUMEC's Two Products Win the iF Design Award 2018



▲ China Machinery Engineering Corporation Wins the International SOS Remote Healthcare Award as the Only Award-Winning Chinese Company



▲ CATC Affiliated with SINOMACH Automobile Wins the Jaguar Land Rover Global Supplier Excellence Awards 2018



▲ BONLUCK BUS of China Hi-Tech Group Corporation Wins the International Environmental Protection Specialized Leader Award 2018 and the Best Quality Award 2018



▲ China Machinery Engineering Corporation Wins the Title of "Top Ten Overseas Power Complete Project Contract-signing Enterprises 2017"



▲ Cambodian Tatay Hydropower Limited, invested and held by CHMC Wins "Certificate of Annual Honor Awards" Presented by EDC

## New Contracts

### CHMC Signed Contract on Building Nick II Cement Grinding Station for HeidelbergCement Bangladesh Limited



Recently, China National Heavy Machinery Corporation (CHMC) and HeidelbergCe-

ment Bangladesh Limited signed a contract on the engineering and procurement for building Nick II cement grinding station in the latter's Kanchpur plant in Dhaka, Bangladesh, with a capacity of 70 tons per hour.

HeidelbergCement is one of the world's leading cement manufacturers and suppliers headquartered in Germany with plants all over the globe. CHMC has established

strong relation with HeidelbergCement Bangladesh Limited previously through the construction of Nick and Prince cement grinding stations.

With the signing of this contract, the relation between both parties is further strengthened and CHMC will maintain its domination in supplying cement producing equipment in Bangladesh.

### CAMCE Signed the First Contract among the First China-Philippines Cooperating Infrastructure Projects from 2016

Recently, China CAMC Engineering Co., Ltd. (CAMCE) and the National Irrigation Administration of Philippines signed the commercial contract on the Chico River pump irrigation project.

With a total value of USD 73.0433 million and located in the northeastern part of Luzon Island, this project covers the pumping house, converting station and

supporting facilities in the right bank of Chico River with a construction period of 36 months.

It is a key project in the economic and trade cooperation between China and Philippines and the first China-funded project with a commercial contract among the first infrastructure projects under the cooperation between both governments from 2016.

USD  
**73.04 million**

a total value of USD 73.0433 million

### China Foma Signed another Contract for Supplying Continuous Press Line to India

China Foma (Group) Co., Ltd. (China Foma) recently signed a contract with Unique Collection Company in India to supply a complete production line for 4 feet medium (high) density fiberboards and related services and the first advance payment has been made.

This is another project of China Foma to "customize" such production lines for Indian clients, which will further enhance the brand awareness of Foma continuous presses on the Indian market. China Foma will provide the clients with a complete line from stock preparation equipment, defibrators, drying

machines, fiberfelters to sanders and cutting machines as well as relevant services for production and operation. With the supply of such lines, China Foma has filled a gap on the Indian market and laid a solid foundation for the company to penetrate deeper into the Indian market of continuous presses.

## CMEC Signed the Contract on the Largest Green Energy Project within Ukraine

On April 6, the China Machinery Engineering Corporation (CMEC), a subsidiary of SINOMACH, and DTEK Energy, the largest private power producer in Ukraine, signed the contract for constructing a 246MW solar power plant in Nikopol City.

It is reported that this plant will be built near Nikopol City in the central Ukrainian region of Dnipropetrovsk, with a coverage of 400 hectares and a total price of Euro 170 million. It will be the first solar power plant



built by CMEC in Europe and the largest individual solar power plant on this continent as well as the largest green energy project

Euro **170 million**

a total price of Euro 170 million

within Ukraine so far. It will bring both economic benefits and social benefits, creating thousands of job opportunities. Construction of the plant is expected to be completed at the end of this year and the plant will be officially connected to the grid and put into use in the next March.

### Wins in Biddings

## SINOCONST Won the Bid for EPC of a Foreign-aid Project for the First Time

China Machinery Industry Construction Group Inc. (SINOCONST) under SINOMACH received the Notice of Award for a project in Africa with Chinese aid, i.e. a corn flour mill EPC project in Zambia. This was the first time ever for SINOCONST to win the bid in a project with Chinese aid.

The project is located in the south of Zambia and composed of two corn flour mills with daily output of 240 tons, one in Monze City

and the other in Mpika, and one demonstration mill with daily output of 40 tons within the agricultural demonstration center in the capital city of Lusaka, covering a total area of 29,972 square meters. Meanwhile, various production equipment and auxiliary equipment will be provided. It is estimated that this project will supply about 150, 000 tons of corn flour and by-products annually once it reaches the designed capacity. The construction will start at the end of Decem-

ber 2018 with a scheduled duration of 20 months. EPC (engineering + procurement + construction) services will be provided.

**40 tons**

one demonstration mill with daily output of 40 tons

**29,972 square meters**

covering a total area of 29,972 square meters

## SIPPR Won the Bid on the Hope Agricultural School Project with Chinese Aid in Barbados



SIPPR Engineering Group Co., Ltd. (SIPPR) recently made another achievement in projects with Chinese aid. In a bid for the Barbados Hope Agricultural School project which was participated in by seven companies, it was awarded the engineering and management part.

This project is located in Barbados, an is-

land country in the Caribbean. It is the first school for agricultural training in the country and will effectively improve the status quo in which education on farming skills is scarce locally and significantly promote the development of agriculture in the recipient country. Therefore, it is an important project that will improve people's wellbeing in Barbados.

## Start of Construction

### CMEC Started Construction of Roof-mounted PV Power System in a School of Curacao

The commencement ceremony for the construction of a roof-mounted PV power system performed by China Machinery Engineering Corporation (CMEC), a subsidiary of SINOMACH, was recently held in SAAN School in Curacao.

The commencement of this government-funded project has drawn extensive attention from the entire community of Curacao and was fully covered by follow-up reports of the state television and mainstream

media. The chairman of the local water and power supply company said in the interview that the company would jointly develop new-energy projects with CMEC, a long-term partner, with this project as a beginning.

CMEC will utilize its rich experience in managing international projects to ensure smooth course of this project and provide the owner with a project that offers premium quality and great benefits. It is intended

to strengthen economic cooperation and exchange with Curacao and the Dutch Caribbean starting from a regional center, especially in-depth cooperation on areas such as energy, education and infrastructures for the wellbeing of the people. After the ribbon-cutting, both parties held a detailed talk on projects such as the second phase of this PV power system and the state power generation project and reached important consensus.

### CAMCE Started the Construction of a Canal on the Left Bank of Yan Oya, Sri Lanka

The commencement ceremony for the construction of a canal on the left bank of Yan Oya and the closure segment of the main dam for Yan Oya irrigation project performed by China CAMC Engineering Co., Ltd. (CAMCE) was held recently.

This canal is the downstream of the Yan Oya agricultural irrigation channel. Once completed, it will turn the overall plan on Yan Oya agricultural irrigation project into reality as early as possible, bringing benefits to the local people.

## Completed Projects

### Smooth Delivery of Housing Project in Venezuela with CUC as the EPC Contractor

On May 10, the handover ceremony of a grand housing project-- 2,520 flats in Porlamar, Nueva Esparta of Venezuela-- with China United Engineering Corporation Limited (CUC), a subsidiary of SINOMACH, as the EPC contractor, was held. Nicolas Maduro, President of Venezuela, attended and presided over this ceremony.

President Maduro spoke highly of the cooperation between China and Venezuela in his speech. He said that "this is the most import-

ant grand housing project ever in Venezuela' history which also boasts the largest number of flats delivered in one time," and "May 10 will be a milestone date recorded in our history." Delegates from CUC provided the president with a brief introduction of the project, saying that the completion of 1,584 flats during this phase was an achievement made through joint efforts of workers from both China and Venezuela. The delivery was made 3 months ahead of schedule.



This is the second handover made by CUC in Porlamar with a total of 1,584 flats being delivered in one time. Plus the 360 flats delivered on April 30, 2017, more than 8,000 local people are now having their residences.

## Smooth Handover by IPPR of the Renovated China-aided International Convention Center in Papua New Guinea

The China-aided International Convention Center renovation project in Papua New Guinea with engineering and managing services provided by China IPPR International Engineering Co., Ltd. (IPPR), a subsidiary of SINOMACH, was recently completed and accepted by the owner and the handover ceremony was held. Peter O'Neill, Prime Minister of Papua New Guinea, attended the ceremony and delivered a keynote speech.

The construction of this international convention center started in 2009 as a China-aided regional convention center project with the engineering service provided by IPPR. The center was completed in 2015 and handed over to the owner in Papua New Guinea. It covers a ground area totaling 3.35 hectares and a gross floor

area of 9,250 m<sup>2</sup> with two stories above the ground and a total building height of about 18m. The center is mostly composed of meeting rooms with various sizes, press conference halls, banquet hall which are also used as multipurpose halls, exhibition halls, VIP lounges, office rooms, equipment rooms, auxiliary rooms, etc.

Multiple regional conferences of the South Pacific have been held in this center since it was put into use. And the center is scheduled to be used as the venue for the APEC conference which will be held in 2018. To provide greater support to Papua New Guinea for this conference, during the course of this renovation project, some of the rooms and public areas in the center will be fully furnished so as to meet the related requirements.



▲ The renovated International Convention Center is scheduled to be used as the venue for APEC conference which will be held in 2018 after being put into use

## Start-up and Grid Connection of the Largest Coal-fired Power Plant in Columbia with CUC as the EPC Contractor Succeeded in One Stroke

The GECELCA3.2 power plant in Columbia is designed to accommodate a coal-fired generator set with a capacity of 300MW, with China United Engineering Corporation Limited (CUC), a subsidiary of SINOMACH, as the EPC contractor. Once completed and put into production, this plant will boast the largest coal-fired generator set in the country and serve as an important source of electricity in Columbia.

On April 18, the start-up of the 300MW turbine generators succeeded in the first attempt

and the generators smoothly reached the rated speed of 3,600 r/m. The whole process consumed a total of 161 minutes with all parameters meeting China's national standard on quality products.

On April 23, the generator set was connected to the grid successfully in one stroke. On May 2, the load of the set was lifted to 300MW with net electric generation exceeding 273MW stated in the contract, realizing an operation at full load for the first time.

The successful grid connection in one stroke and the lifting to a full load of 300MW mean that the plant is ready for production, laying a solid foundation for the subsequent detailed debugging with load, 72-hour performance test and the delivery of the set.

# 300 MW

the load of the set was lifted to 300MW



## First Generator Set of NJ Hydropower Station Built by CMEC Connected to the Grid under the Witness of Shahid Khaqan Abbasi, Prime Minister of Pakistan

On April 13, Shahid Khaqan Abbasi, Prime Minister of Pakistan, attended the grid connection ceremony for the first generator set of the NJ hydropower station constructed by China Machinery Engineering Corporation (CMEC), a subsidiary of SINOMACH. This project has set two records, namely “a double-suspension sluice hydraulic hoist with the largest lifting capacity in the world” and “the world’s largest valve cap.” Prime Minister Abbasi highly praised the joint venture between CMEC and China Gezhouba Group Corporation (CGGC) for the great effort it has made in the past 10 years.

This project was contracted in 2008. In 2012, a rock burst occurred due to the owner’s use of a tunnel boring machine. In 2013, a loan agreement was signed under the witness of Chinese Premier Li Keqiang. In July 2015, the installation and debugging of the bridge crane in the main plant was completed. In March 2016, the radial spillway gate was built, which boasted the world’s biggest challenge in the construction and three world records. In August 2016, the first generator rotor was erected. In October 2017, the impounding of water started. In March 2017, water filling test was done in the diversion



tunnel. On April 9, 2017, the grid connection of the first generator set was performed successfully and production started. On April 12, 2017, the trial operation of the second generator set was performed successfully.

## Final Letter of Acceptance Signed for Zofragua Hospital Project Built by CAMCE

China CAMC Engineering Co., Ltd. (CAMCE) recently signed the Final Letter of Acceptance with the National Engineering Management Committee of Ecuador for the Zofragua Hospital project, marking the

end-of-warranty period of this project and its official handover to the owner.

Once completed and operational, this hospital will significantly improve local health

and medical services. It will make great contribution to the country’s entire medical system and promote CAMCE’s positive image and reputation for its sustained growth in Ecuador.

## Commencement of First Wind Farm in Russia Built by SUMEC Connected to the Grid

The 35MW wind farm (14×2.5MW) in Ulyanovsk, Russia which was built jointly by SUMEC Complete Equipment & Engineering Co., Ltd. under SUMEC Group Corporation (SUMEC) and Dongfang Electric Corporation (DEC) has been successfully connected to the grid and production has commenced.

Located on the east bank of the Volga River in the southeastern suburb of Ulyanovsk

City, this project is the first wind farm in Russia. In July 2016, a joint venture between SUMEC and DEC bested competitors both from China and other countries to win the bid for this project. Since the start of construction, the joint project team has made effective arrangements and coordinated efficiently. After 18 months of continual hard work, all 14 wind turbines have been put into normal operation and connected to the power grid.

# 35 MW

The 35MW wind farm (14×2.5MW) in Ulyanovsk

## Chinese Academy of Agricultural Mechanization Sciences Organizes the “2018 Training Class for Agricultural Mechanization Officials in Developing Countries”



From May 10 to 28, the Training Class for Agricultural Mechanization Officials in Developing Countries was formally implemented. Twenty five agricultural officials from Uzbekistan, Nigeria, Thailand, Mongolia, Sudan and Nepal communicated and studied in China. The Training Class aims to build

a platform for international exchanges between China and other developing countries in improving the level of agricultural mechanization, allow agricultural officials and scholars in developing countries and regions to fully understand the development experience, technology and products of China's

agricultural mechanization, and lay a solid foundation for friendly cooperation between China and other developing countries. It is worth mentioning that this Training Class was sponsored by the Ministry of Commerce and organized by the Chinese Academy of Agricultural Mechanization Sciences (CAAMS) affiliated with SINOMACH.

Since the 1980s, CAAMS has begun to implement the tasks for the national foreign aid technical training program. To date, it has trained over 1,000 students from more than 70 developing countries. In response to the Belt and Road Initiative, CAAMS is committed to building a business platform for domestic and international agricultural EPC projects, providing technical solutions and EPC services for friends from all over the world, and promoting international business cooperation between China and other developing countries in the fields of agricultural engineering, as well as processing technology, products and engineering for agricultural products.

## Road Rollers Produced by SINOMACH Heavy Industry Exported to Southeast Asia in Large Quantity

Recently, 10 GYS08 single-steel-wheel vibratory rollers developed and manufactured by China SINOMACH Heavy Industry Corporation (SINOMACH Heavy Industry), a subsidiary of SINOMACH, were dispatched

to Southeast Asia in one shipment. These 10 rollers are the first lot delivered based on the order signed by the user. The next lot is under production in an intense yet orderly manner.

# 10 rollers

These 10 rollers are the first lot delivered based on the order signed by the user.

## China-Pakistan Friendship Middle School Built by CMEC Handed over Smoothly



On April 12, a ceremony for handing over the Friendship Middle School constructed by China Machinery Engineering Corporation (CMEC), a subsidiary of SINOMACH, was held in Dhanni Village, Pakistan. During the ceremony, the company also donated school supplies such as schoolbags and science books to the students.

The China-Pakistan Friendship Middle School is about 35 km away from the residential area of the NJ hydropower station which was also built by CMEC. It is located in Dhanni Village to the northeast of Muzaffarabad, capital city of Kashmir Province, covering an area of about 10,000m<sup>2</sup>. Before the new school was built, there was a great shortage of classrooms with a total of 140 students crowded in just 6 classrooms.

Sometimes even two or three classes had to crowd in only one classroom and some students could only take classes in the corridor. Now there are altogether 18 rooms (including 12 classrooms, several teachers' offices and a meeting room) which can hold 12 classes with 400 students. The size of the school is now much larger than before, making it much more convenient for school-age children in many nearby villages.

Once delivered and put into use, this project will effectively relieve the long-term shortage of education resources, help improve the living standards of local residents, and become a prototype for Chinese companies to enhance long-term friendship between China and Pakistan.

## Auto China 2018 Once Again Attracts Worldwide Attention



The 15th Beijing International Automotive Exhibition (Auto China 2018) had its grand opening on April 25. With China National Machinery Industry Corporation Ltd. (SINOMACH) as one of the sponsors and China National Machinery Industry International Co., Ltd. (SINOMACHINT) under SINOMACH as one of the organizers, this event lasted until May 4 with intensive exhibi-



tions themed as Steering to a New Era.

All halls and outdoor exhibiting areas of China International Exhibition Center New Venue as well as all halls on the first floor of China International Exhibition Center Old Venue were used for this event, with a total exhibition area of 220, 000m<sup>2</sup>. The New Venue was largely used to present vehicles

both from home and abroad such as passenger vehicles, commercial vehicles and luxury modified cars. The event attracted more than 1,200 exhibitors from 14 countries and regions, and displayed a total of 1,022 cars, including 105 premiers (among which 16 were world premiers from international companies and 30 were Asian premiers from international companies), 64 concept cars and 174 new energy vehicles.

As a world leading automotive exhibition and with the most cutting-edge concepts and technologies and innovative products, Auto China 2018 has given the visitors a great opportunity to feel, experience and perceive the brand new life with the vehicles in the future.

## We are a team

# CMEC succeeded in taking 1,258 brothers home



*Jin Rui was the site manager of the 2×630MW oil-fired power plant constructed by CMEC in Salahuddin, Iraq. Four summers ago he experienced the longest 20 days of his life there.*

On June 10, 2014, the extremist group ISIS suddenly attacked Mosul, the second largest city in the country, then barreled towards the capital city of Bagdad without warning. At

02:45 am, on the north bank of the Tigris and 80 km west of Tikrit, capital city of Salahuddin Governorate, Russian-made heavy rockets ascended into the sky with a deafening

roar amidst total chaos. The sudden tension of war drew worldwide attention. This project under the charge of Jin Rui lay directly in ISIS' path.

▼ On the site of the power plant in Salahuddin, Iraq



With a total value of nearly USD 1.2 billion, this project was signed and started in 2012. It was Iraq's largest unit-capacity power plant begun that year and then the largest project in economic and trade cooperation between both countries. Under threat from ISIS, 1,258 Chinese workers had to stay at the project site as both governments put great emphasis on the situation.

## “All 1,258 brothers must be taken home!”

On the Iraqi side, vehicles arranged by the project owner to transfer these workers were stopped due to the battle and forced to withdraw to Bagdad. Internet was cut and only a few satellite phones could be used. There was barely enough food to sustain everyone for 10 days and the generators would only last a week. One ill portent befell the next.



▲ Jin Rui getting into the armored vehicle

Neither the Iraqi owner nor the Iraqi government could find a way out. No one knew what would happen next or what was to be done.

At this crucial moment, Jin Rui, the project manager accompanying officials representing the owner on a visit to China, acted bravely. He packed his luggage and said good-bye to his wife and child, clutching something from his dear old mother, and exclaimed without hesitation, “I must return!”

Upon returning to Iraq, he proposed a suggestion to the owner which, in the eyes of the latter, was quite unimaginable. He asked the owner to try to send him, three subcon-

tractor managers and two security consultants to the project site.

While all others were trying to escape this living hell, Jin Rui chose to go the opposite direction despite threat of death. Amidst the roaring sound of gunfire, with helicopters crossing a sea of fire and armored vehicles tramping on piles of debris, Jin Rui, together with five others, finally arrived at the site safely on the midnight of June 18. Meanwhile, Bai Chuandong, general manager of the 1st business division of CMEC, arrived at Bagdad and set up an off-site command center. With their presence, workers who had been suffering from anxiety and fear saw hope again.

For them, the project site was their battlefield. It was the working place for his colleagues at CMEC, his close subcontractor friends, and more importantly, more than 1,200 workers whom he saw as brothers and deeply concerned over. In this emergency, they couldn't bear to abandon their brothers or their teams. They would convey heartfelt concern from families and friends back in China and bring CMEC's spirit of steadfast resilience in this hour of peril to the project site.



There was barely enough food to sustain everyone for 10 days



20 days, 186 kilometers, and 1,258 people

## “Not a soul abandoned!”

Within China, CMEC was making intensive reporting to and coordination with organizations in charge and related government bodies such as the embassy, Ministry of Foreign Affairs, Ministry of Commerce and SINOMACH.

With impending war, multiple attempts to transfer the employees had failed. People on the site were experiencing deep emotional trauma and tensions were high. Jin Rui who

“arrived unexpectedly” offered relief to everyone. To soothe their anxieties, the CMEC managing team on the site performed daily updates on transfer preparations, held lectures on emergency response against risks, hosted basketball matches, played movies outdoors, and held various discussions – everything it could to reduce anxiety on the site. While awaiting aid, the CMEC members never abandoned their duties.



▲ Jin Rui getting aboard the helicopter



▼ Welcoming the last group of evacuated employees, with his sullen face eventually turning into a smiley one after days of anxiety

▲ Silently praying that his colleagues would be transferred smoothly (meaning transferring persons from one city to another)



On June 24, with situation changing and government troops securing their positions, it was imperative to transfer the people as soon as possible.

Li Jingkai, then vice chairman of CMEC, talked to China PLA 2nd Headquarters of the General Staff before traveling to Iraq, immediately receiving a reply stating that Headquarters would provide full support for the transfer. Later, after mediation among multiple parties, the Iraqi Foreign Ministry and military solemnly promised that the 1,258 workers would be transferred both by air and by land as quickly as possible provided there were adequate traffic capacity and security.

On June 25, 45 people in two groups were transferred by military helicopters safely to Baghdad. On June 26, 620 Chinese employees were transferred by land via twelve coaches under escort by Iraqi military forces and eight were transferred safely by a military helicopter to the capital. At 22:00 Beijing

time, June 27, the last group of Chinese employees arrived safely in Baghdad under the escort of the Iraqi military force. All 1,258 Chinese workers at the Salahuddin power plant were transferred to safe areas.

Twenty days, 186 kilometers, and 1,258 people. This was a special battle against time and no one was left behind!

In the first three groups to be transferred, there was only one person from the project team of CMEC who had served as the contact person. In the presence of potential death, the people of CMEC passed on a chance to leave earlier to their 1,258 workers and brothers. Looking back upon those days, Jin Rui said, “Knowing that everyone could be evacuated safely and seeing their smiles of excitement and joy, I feel really proud.”

During those seemingly endless 20 days, the people of CMEC gave no thought to their

own safety and won respect from others. Under such risky and crucial circumstances, everyone in the CMEC project team faced danger without tremor and built a “Great Wall of Steel” with wisdom, courage and a sense of responsibility. The overseas builders from SINOMACH and CMEC project team, when faced with a life-or-death situation, chose to tread a path opposite crude survival instincts with the most elegant footsteps.

For 20 years, SINOMACHERS have followed closely with China’s “going global” strategy and earnestly devoted themselves to the Belt and Road Initiative, securing a firm foothold in terms of overseas projects. There are many SINOMACHERS in the Group that have made extraordinary contributions in their ordinary work and helped the Group create the world reputation it enjoys today. It is builders like Jin Rui that hold high the flag of SINOMACH all around the world, imbued with a sense of responsibility and courage.



## 筑梦中设 造福世界

China Machinery Engineering Corporation (CMEC), renamed from the former China Mechanical Equipment, Import and Export Corporation by overall restructuring, was successfully listed in the Hong Kong stock market in 2012. The company was founded in 1978 as China's first major industry and trading company. Now it is affiliated to China National Machinery Industry Corporation.

CMEC is a large international comprehensive enterprise as well as an internationally known engineering contractor, with project contracting as core business and trade, investment, R&D, and international service as main business. The core business involves various fields such as electrical energy, transportation, electronic communications, housing construction, environmental protection, mining, and resource exploration.





# Bolivia Uyuni 350KTPA Potash Plant

Bolivia National Strategic Resource Project,  
located at Uyuni Salar, 3,660 meters,  
contracted by CAMCE

