Economic development agreement with Rizhao City already paying dividends

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An agreement for closer economic relations between the Northern Territory and the Chinese port city of Rizhao is already opening up more commercial opportunities.

The agreement was signed by Chief Minister Adam Giles and Liu Xingtai, the Mayor of Rizhao City as part of Australia Week in China.

Rizhao City is a major logistics centre on the coast north of Shanghai and is the home to the largest privately owned port in China operated by the Landbridge Group. Landbridge is also the operator of Darwin Port.

Already generated by the closer economic relations between the Territory and Rizhao are more shipping services between Darwin and China and the development of an Australia China Industry Park in Rizhao.

In addition, Rizhao has also sought official approval to import live cattle shipped from Darwin.

Mr Giles said the Territory Government was keen to choose a partner for the Darwin Port lease that could potentially open up new opportunities as well as operate the Darwin facility.

"From the outset of the relationship with the Landbridge Group, we have been keen to capitalize on the potential the relationship has to open up new opportunities in China," he said.

"We now have a formal relationship with a city of major transport and logistical capacity that can act very much as Australia's gateway to China in the same way Darwin has the capacity to be China's gateway to Australia.

"More than 360 million tonnes of freight will move across Rizhao's wharves this year and, with the investment now secured through the port lease to improve the capacity and capability of the Darwin facility, we really are in a unique position.

"With agreements like this one with Rizhao, and with Landbridge operating the Darwin Port and our existing high-speed railway, the pieces really are falling into place for the Territory to properly fulfil its potential as a gateway to Asia," he said.

The economic agreement follows the Chief Minister's visit to Rizhao in December last year with a delegation representing Territory businesses and a subsequent visit by chief executives from key Territory Government departments.
It's expected a Territory delegation will visit Rizhao in November to discuss investment opportunities around live cattle and tourism.

Mr Giles said it was important to build relationships first before talking business.

"The Territory has been very successful for the last 30 years in building relations in the region," he said.

"That's because we always think it's important to have a relationship built on friendship rather than commercial arrangements. We now have a friendship with Rizhao City that allows us to develop the trade and investment opportunities that will create jobs and opportunities for both parties."

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