14 | Wednesday, June 16, 2021

## **BUSINESS**



A visitor checks out medical equipment using a virtual reality headset at a center in Boao Lecheng International Medical Tourism Pilot Zone in Qionghai, Hainan province, in April. YUAN CHEN / FOR CHINA DAILY

## Boao Lecheng zone boosts medical tourism in Hainan

Area strengthens nation's opening-up, dual-circulation development pattern

**By LIU ZHIHUA** and **MA ZHIPING** in Boao, Hainan

Boao Lecheng International Medical Tourism Pilot Zone in Qionghai, Hainan province, will strengthen China's higher-level opening-up and dual-circulation development pattern, according to one of its senior officials.

Established with the approval of the State Council in 2013 and granted certain preferential policies, the pilot zone is located in Boao town of Hainan Free Trade Port. It aims at providing high-quality medical tourism-related services to visitors from home and abroad.

Among its planned offerings are cutting-edge medical products and solutions, including specially licensed medical treatments, cancer prevention and care, health management services, rehabilitation, aesthetic medicine and anti-aging treatment.

"As China's first and only international medical tourism pilot zone, the Lecheng pilot zone has enjoyed many exclusive favorable policies," said Liu Zhefeng, deputy director of the pilot zone administration.

"With support from the central and local authorities, we have made a lot of breakthroughs in institutional innovations, which help improve management and development of the pilot zone, thus contributing to its further opening-up and pilot trials."

The zone, also known as Boao Hope City, has come to be regarded as a major success for the Hainan FTP. It is one of the 11 key industrial parks designed to grow tourism, modern services and advanced technologies in Hainan FTP, Liu said.

In addition to preferential policies such as zero tariffs, low tax rates and simplified tax procedures—which are benefits of locating in the Hainan FTP — Boao Lecheng pilot zone is also allowed to introduce new and innovative medicines, medical devices and technologies that have not yet been approved in the Chinese mainland but approved overseas. In special cases, patients are even allowed to bring medicines out of the area

So far, dozens of world-leading pharmaceutical companies have established wide-ranging cooperation with the pilot zone, and about 140 types of medical devices and 100 medicines yet to be approved in the Chinese mainland for cancer and rare disease treatment have been introduced in the region.

Liu Yan, vice-president of Chinese biotech enterprise BeiGene Ltd, said that special policy measures for the pilot zone have created very supportive conditions for globally innovative medicines and medical devices to speed up their launch in the China market.

In January 2020, the company inked an agreement with United Kingdom-based EUSA Pharma for development and commercialization of the latter's orphan biologic products siltuximab and dinutuximab beta in China.

The drugs have been approved in other regions for treatment of idiopathic multicentric Castleman's disease and certain types of neuroblastoma, respectively.

In November, dinutuximab beta was used to treat a young neuroblastoma patient from Hainan province.

To date, treatment with dinutuximab beta has been provided to around 20 juvenile neuroblastoma

"Thanks to the policy innovations in Lecheng, cutting-edge treatments become available for patients with green-track approvals, which also encourage biotech and pharmaceutical companies to innovate and foray into the China market," Liu of BeiGene said.

In April, the central authorities announced setting up of an e-prescription center in Lecheng, the first of its kind in China.

The center will provide third-party information services for prescription drug sales agencies, and get connected with internet-based hospitals, prescription systems of Hainan medical facilities, various prescription medicine sales platforms, health insurance information platforms, payment and settlement institutions and commercial insurance institutions.

All prescription drugs, except for drugs specifically regulated under the national drug administration law, can be sold through the e-prescription center on the internet without any other authorizations required, according to a guideline jointly released by the National Development and Reform Commission and the Ministry of Commerce.

"Lecheng is becoming increasingly attractive to medical tourists not only from China but also from Southeast Asia and Belt and Road Initiative-related countries and regions," Liu said, referring to the impact of the new policy.

Another major innovation in the zone is a trailblazing drug insurance program launched last year, which covers foreign medicines yet to be approved domestically, with an annual premium of 29 yuan (\$4.53) for Hainan islanders, and 39 yuan for residents in other Chinese regions.

The insurance covers up to 1 million yuan in drug costs for all those eligible, and will extend to medical devices soon, Liu said.

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## Hydrogen vehicles to play key green role

**By WANG YING** in Shanghai wang\_ying@chinadaily.com.cn

As China aims to achieve carbon neutrality by 2060, more opportunities will emerge in the hydrogen fuel-cell vehicle sector, experts oid

"Industry players should seize opportunities offered by the nation's commitment to achieving carbon neutrality. They should consistently enhance the performance and technology of core components and parts, key materials and fuel cell systems, and lower system costs," said Zhang Jinhua, executive vice-president and secretary-general of the China Society of Automotive Engineers, during the sixth International Hydrogen Fuel Cell Vehicle Congress in Shanghai.

In its report on energy saving and new energy vehicles, the China Society of Automotive Engineers projected there will be about 1 million fuel cell vehicles in operation across China by 2035, along with some 5,000 hydrogen filling stations.

To achieve this goal, the development and enhancement of key technologies including fuel cell materials, engine systems and hydrogen filling stations will be vital, said experts during the three-day event that closes on Thursday.

"There has been a global consensus to realize decarbonization. Currently, major nations are resolute in developing cleaner hydrogen-based energy worldwide with respective strategies and road maps," said Yu Zhuoping, professor of the School of Automotive Studies of Tongji University.

Although a relative latecomer in hydrogen power, China is rapidly narrowing its gap with global peers, and it has even gained an advantage in industrial supply chain layout.

The drive to go green and achieve carbon neutrality along with the upcoming Beijing Winter Games in 2022 are prompting development of hydrogen fuels and FCVs across China.

"As you look to 2030, we expect to see about 5 million fuel cell vehicles globally on the road, with a heavy emphasis on fuel cell buses and commercial trucks, and China will play a significant role in that adoption," said Randy MacEwen, president and CEO of Ballard Power Systems.

MacEwen said fuel cells have the strongest value proposition in medium and heavy-duty motive markets, like buses, trucks, trains and boats. This is because the value proposition is strongest for heavy vehicles with long range requirements and fast refueling needs. These are the markets, and batteries struggle to have capable solutions.

During the sixth International

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Hydrogen Fuel Cell Vehicle Congress, Canada-based Ballard Power Systems reached a strategic cooperation agreement on June 9 with Sinyuan Industry Group on the long-term collaboration of fuel cell material research, development and supply.

Under the agreement, Sinyuan becomes the exclusive graphite materials supplier for Ballard's bipolar plates, and the two parties will work together to promote the popularity and application of fuel cells.

"Being an important material supplier and partner of Ballard Power Systems shows the appreciation for Sinyuan's graphite bipolar plate material quality. And Sinyuan will lower production costs for fuel cells from upstream segments of the supply chain to promote clean energy popularization in China," said Yuan Yilin, president of Sinyuan.

Higher production costs compared to lithium-ion batteries are a hindrance, but Sinyuan's strengths in graphite material production, research and development will help greatly lower costs, Yuan said.

The hydrogen fuel cell industry is taking shape in China, with more than 2 billion yuan (\$312.4 million) invested in research and development so far. Currently, there are 114 hydrogen filling stations across the nation, and more FCVs are being launched, Tan Tianwei, an academician at the Chinese Academy of Engineering and also president of the Beijing University of Chemical Technology, was quoted as saying by ThePaper.cn.

Hydrogen energy, in which chemical reactions emit zero carbon, is a high priority among advanced nations around the world. The industry is expected to create 30 million jobs by 2050, cut total global carbon dioxide emissions by 6 billion metric tons, and allow up to 18 percent of the world's energy consumption to be hydrogen based, Tan said.

